

**H.R. 2810—FY18 NATIONAL DEFENSE
AUTHORIZATION BILL**

**SUBCOMMITTEE ON SEAPOWER AND
PROJECTION FORCES**

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

LEGISLATIVE PROVISIONS

SUBTITLE B—NAVY PROGRAMS

Section 111—Aircraft Carriers

This section would express the sense of Congress as to the necessity to obtain 12 aircraft carriers, the frequency of aircraft carrier construction, the requirement to provide shock trials on the USS John F. Kennedy (CVN 79), and the desire to continue the Ford-class carrier design for CVN 81. This section would also require the Secretary of the Navy to obtain 12 aircraft carriers by September 2023, which is expected to occur with the delivery of the USS John F. Kennedy. Finally, this section would provide economic order quantity authority for the construction of two Ford-class aircraft carriers and incremental funding authority for the nuclear refueling and complex overhaul of four Nimitz-class aircraft carriers.

Section 112—Procurement Authority for Icebreaker Vessels

This section would authorize the Secretary of the Navy to act as a general agent for the Secretary of the Department in which the Coast Guard is operating and to enter into a contract for not more than three heavy icebreakers and three medium icebreakers.

Section 114—Multiyear Procurement Authority for Virginia Class Submarine Program

This section would authorize the Secretary of the Navy to enter into one or more multiyear contracts for Virginia class submarines beginning in fiscal year 2018, in accordance with section 2306b of title 10, United States Code.

Section 115—Multiyear Procurement Authority for Arleigh Burke Class Destroyers and Associated Systems

This section would authorize the Secretary of the Navy to enter into one or more multiyear contracts for Arleigh Burke class destroyers and associated systems beginning in fiscal year 2018, in accordance with section 2306b of title 10, United States Code.

Section 116—Limitation on Availability of Funds for Arleigh Burke Class Destroyer

This section would limit the obligation of certain funds to procure new air and missile defense radars for Arleigh Burke class destroyers unless the radars are AN/SPY-6(V) radar modular assembly (RMA) based.

The committee recognizes that the Under Secretary of Defense for Acquisition, Technology, and Logistics, in his report to Congress required by the committee report (S. Rept. 114-49) accompanying the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92), noted that the Navy's current radar program of record, AN/SPY-6(V) Air and Missile Defense Radar, was "designed to be fully scalable and modular to support a variety of shipboard radar applications on a variety of platforms" and that the radar modular assembly conforms to the Department of Defense's Better Buying Power initiative by leveraging open systems, common logistics, and software baselines, and by securing government data rights to both the hardware and software to "affect affordability."

The committee applauds the Navy's successful efforts to leverage RMA-based applications of AN/SPY-6(V) technologies as part of the Enterprise Air Surveillance Radar (EASR) program that provides critical capabilities for America-class amphibious assault ships, amphibious transport docks, and aircraft carrier-class combatants. The committee believes these efforts demonstrate the feasibility of integrating RMA-based solutions to existing ship designs.

The committee believes that all future DDG-51 radar new construction procurements should remain consistent with the Navy's current destroyer modernization plan and leverage the AN/SPY-6(V) radar modular assembly architecture to minimize operation and sustainment costs, reduce training and logistical requirements, and maintain affordability through economies of scale with other programs like EASR.

SUBTITLE C—AIR FORCE PROGRAMS

Section 123—Limitation on Availability of Funds for EC-130H Compass Call Recapitalization Program

This section would restrict the Secretary of the Air Force from contracting with any entity for the purposes of the Compass Call re-host program until the Under Secretary of Defense for Acquisition, Technology, and Logistics submits a certification to the congressional defense committees that indicates the acquisition strategy has been reviewed and determined to meet applicable laws, guidelines, and best practices.

SUBTITLE D—DEFENSE-WIDE, JOINT, AND MULTISERVICE MATTERS

Section 133—Reinstatement of Requirement to Preserve Certain C-5 Aircraft

This section would amend section 132 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328) to reinstate the requirement for the Secretary of the Air Force to continue to preserve certain C-5 aircraft in a storage condition that would allow a recall of retired aircraft to future service in the Air Force Reserve, Air National Guard, or Active Force structure.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

LEGISLATIVE PROVISIONS

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Section 214—Critical Technologies for Columbia Class Submarine

This section would deem certain Columbia-class ballistic missile submarine components as critical technologies.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

LEGISLATIVE PROVISIONS

SUBTITLE D—OTHER MATTERS

Section 862—Requirement That Certain Ship Components Be Manufactured in the National Technology and Industrial Base

This section would amend section 2534 of title 10, United States Code, and would require certain auxiliary ship components to be procured from a manufacturer in the national technology and industrial base. Finally, the term "auxiliary ship" would not include an icebreaker.

TITLE X—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

SUBTITLE B—NAVAL VESSELS AND SHIPYARDS

Section 1012—National Defense Sealift Fund: Construction of National Icebreaker Vessels

This section would amend section 2218 of title 10, United States Code, and would authorize the obligation and expenditure of funds associated with the National Defense Sealift Fund for the construction, alteration, and conversion of national icebreaker vessels.

Section 1013—Use of National Sea-Based Deterrence Fund for Multiyear Procurement of Certain Critical Components

This section would expand the authority of the Secretary of the Navy to enter into a multiyear contract for certain nuclear-powered vessel components to include missile tubes, torpedo tubes, and propulsors.

Section 1014—Restrictions on the Overhaul and Repair of Vessels in Foreign Shipyards

This section would amend section 7310(b)(1) of title 10, United States Code, to prohibit the Department of the Navy from performing any overhaul, repair, or maintenance work that takes longer than 6 months in foreign shipyards.

Section 1015—Availability of Funds for Retirement or Inactivation of Ticonderoga-Class Cruisers or Dock Landing Ships

This section would prohibit the Secretary of the Navy from using funds authorized to be appropriated by this Act to retire a cruiser or dock landing ship or to place in a modernization status more than six cruisers and one dock landing ship.

Section 1016—Policy of the United States on Minimum Number of Battle Force Ships

This section would establish the policy of the United States to have available, as soon as practicable, not fewer than 355 battle force ships.

SUBTITLE D—MISCELLANEOUS AUTHORITIES AND LIMITATIONS

Section 1033—Prohibition on Charge of Certain Tariffs on Aircraft Traveling through Channel Routes

This section would prohibit U.S. Transportation Command from charging a tariff when a military service uses their aircraft on a route that is designated by U.S. Transportation Command as a channel route.

Section 1035—Prohibition on Use of Funds for Retirement of Legacy Maritime Mine Countermeasures Platforms

This section would prohibit the Secretary of the Navy from obligating or expending funds to deactivate, decommission, or place in reduced operating status any mine countermeasures ships or Sea Dragon (MH-53) helicopters. The limitation in this section may be waived if the Secretary of the Navy certifies that the replacement mine countermeasures capabilities are available in sufficient quantity and capacity to meet the combatant commander requirements that are currently fulfilled by legacy mine countermeasures platforms.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXV—MARITIME ADMINISTRATION

LEGISLATIVE PROVISIONS

Section 3501—Authorization of the Maritime Administration

This section would authorize appropriations for the national security aspects of the merchant marine for fiscal year 2018.

Section 3502—Merchant Ship Sales Act of 1946

This section would repeal the first section and sections 2, 3, 5, 12, and 14 of the Merchant Ship Sales Act of 1946. Additionally, the section transfers section 8(d) of the Act to chapter 563, Emergency Acquisition of Vessels, of title 46, United States Code. Finally, the section transfers section 11 of the Act to chapter 571, General Authority, of title 46, United States Code.

Section 3503—Maritime Security Fleet Program; Restriction on Operation for New Entrants

This section would amend section 53105 of title 46, United States Code, and prohibit a maritime security program payment to a vessel operating in the transportation of cargo between points in the United States and its territories either directly or via a foreign port.

Section 3504—Codification of Sections Relating to Acquisition, Charter, and Requisition of Vessels

This section would move certain sections related to the acquisition, charter and requisition of vessels from title 50 to title 46 and make additional conforming changes.

BILL LANGUAGE

1 **Subtitle B—Navy Programs**

2 **SEC. 111 [Log 65102]. AIRCRAFT CARRIERS.**

3 (a) SENSE OF CONGRESS ON INCREASE IN NUMBER
4 OF OPERATIONAL AIRCRAFT CARRIERS.—

5 (1) FINDINGS.—Congress finds the following:

6 (A) Aircraft carriers are an essential ele-
7 ment of the Navy’s core missions of forward
8 presence, sea control, ensuring safe sea lanes,
9 and power projection, and provide the flexibility
10 and versatility necessary for the execution of a
11 wide range of additional missions.

12 (B) Forward airpower is integral to the se-
13 curity and joint forces operations of the United
14 States. Carriers play a central role in delivering
15 forward airpower from sovereign territory of the
16 United States in both permissive and non-
17 permissive environments.

18 (C) Aircraft carriers provide the Nation
19 the ability to rapidly and decisively respond to
20 national threats, to conduct worldwide, on-sta-
21 tion diplomacy, and to deter threats to allies,
22 partners, and friends of the United States.

23 (D) Since the end of the cold war, aircraft
24 carrier deployments have increased while the
25 aircraft carrier force structure has declined.

1 (E) Due to the increased array of complex
2 threats across the globe, the Navy's aircraft
3 carriers are operating at maximum capacity, in-
4 creasing deployment lengths and decreasing
5 maintenance periods in order to meet oper-
6 ational requirements.

7 (F) To meet global peacetime and wartime
8 requirements, the Navy has indicated a require-
9 ment to maintain two aircraft carriers deployed
10 overseas and to have three additional aircraft
11 carriers capable of deploying within 90 days.
12 However, the Navy has indicated that the exist-
13 ing aircraft carrier force structure cannot sup-
14 port these military requirements.

15 (G) Despite the requirement to maintain
16 an aircraft carrier strike group in both the
17 United States Central Command and the
18 United States Pacific Command, the Navy has
19 been unable to generate sufficient capacity to
20 support combatant commanders and has devel-
21 oped significant carrier gaps in these critical
22 areas.

23 (H) The continued use of a diminished air-
24 craft carrier force structure has resulted in ex-
25 tensive maintenance availabilities which typi-

1 cally exceed program costs and increase time in
2 shipyards. These expansive maintenance avail-
3 abilities exacerbate existing carrier gaps.

4 (I) Because of maintenance overhaul ex-
5 tensions, the Navy is truncating basic aircraft
6 carrier training to expedite the deployment of
7 available aircraft carriers. Limiting aircraft car-
8 rier training decreases operational capabilities
9 and increases risks to sailors.

10 (J) Despite the objections of the Navy, the
11 Under Secretary of Defense for Acquisition,
12 Technology, and Logistics directed the Navy on
13 August 7, 2015, to perform shock trials on the
14 U.S.S. Gerald R. Ford (CVN-78). The Assist-
15 ant Deputy Chief of Naval Operations for Oper-
16 ations, Plans and Strategy indicated that this
17 action could delay the introduction of the
18 U.S.S. Gerald R. Ford (CVN-78) to the fleet
19 by up to two years, exacerbating existing car-
20 rier gaps.

21 (K) The Navy has adopted a two-phase ac-
22 quisition strategy for the U.S.S. John F. Ken-
23 nedy (CVN-79), an action that will delay the
24 introduction of this aircraft carrier by up to two
25 years, exacerbating existing carrier gaps.

1 (L) Developing an alternative design to the
2 Ford class aircraft carrier is not cost beneficial.
3 A smaller design is projected to incur signifi-
4 cant design and engineering cost while signifi-
5 cantly reducing magazine size, carrier air wing
6 size, sortie rate, and on-station effectiveness
7 among other vital factors as compared to the
8 Ford class. Furthermore, a new design will
9 delay the introduction of future aircraft car-
10 riers, exacerbating existing carrier gaps and
11 threatening the national security of the United
12 States.

13 (M) The 2016 Navy Force Structure As-
14 sessment states “A minimum of 12 aircraft car-
15 riers are required to meet the increased
16 warfighting response requirements of the De-
17 fense Planning Guidance Defeat/Deny force
18 sizing direction.” Furthermore, a new National
19 Defense Strategy is being prepared that will as-
20 sess the defeat/deny force sizing direction and
21 may increase the force structure associated with
22 aircraft carriers.

23 (2) SENSE OF CONGRESS.—It is the sense of
24 Congress that—

1 (A) the United States should expedite de-
2 livery of 12 aircraft carriers;

3 (B) an aircraft carrier should be author-
4 ized every three years;

5 (C) shock trials should be conducted on
6 the U.S.S. John F. Kennedy (CVN-79), as ini-
7 tially proposed by the Navy;

8 (D) construction for the U.S.S. John F.
9 Kennedy (CVN-79) should be accomplished in
10 a single phase; and

11 (E) the United States should continue the
12 Ford class design for the aircraft carrier des-
13 igned CVN-81.

14 (b) INCREASE IN NUMBER OF OPERATIONAL AIR-
15 CRAFT CARRIERS.—

16 (1) INCREASE.—Section 5062(b) of title 10,
17 United States Code, is amended by striking “11
18 operational aircraft carriers” and inserting “12
19 operational aircraft carriers”.

20 (2) EFFECTIVE DATE.—The amendment made
21 by paragraph (1) shall take effect on September 30,
22 2023.

23 (c) SHOCK TRIALS FOR CVN-78.—Section 128 of
24 the National Defense Authorization Act for Fiscal Year
25 2016 (Public Law 114-92; 129 Stat. 751) is amended—

1 (1) by striking subsections (a) and (b); and

2 (2) by redesignating subsections (c) and (d) as
3 subsections (a) and (b), respectively.

4 (d) PROCUREMENT AUTHORITY FOR AIRCRAFT CAR-
5 RIER PROGRAMS.—

6 (1) PROCUREMENT AUTHORITY IN SUPPORT OF
7 CONSTRUCTION OF FORD CLASS AIRCRAFT CAR-
8 RIER.—

9 (A) AUTHORITY FOR ECONOMIC ORDER
10 QUANTITY.—The Secretary of the Navy may
11 procure materiel and equipment in support of
12 the construction of the Ford class aircraft car-
13 riers designated CVN–81 and CVN–82 in eco-
14 nomic order quantities when cost savings are
15 achievable.

16 (B) LIABILITY.—Any contract entered into
17 under subparagraph (A) shall provide that any
18 obligation of the United States to make a pay-
19 ment under the contract is subject to the avail-
20 ability of appropriations for that purpose, and
21 that total liability to the Government for termi-
22 nation of any contract entered into shall be lim-
23 ited to the total amount of funding obligated at
24 time of termination.

1 (2) REFUELING AND COMPLEX OVERHAUL OF
2 NIMITZ CLASS AIRCRAFT CARRIERS.—

3 (A) IN GENERAL.—The Secretary of the
4 Navy may carry out the nuclear refueling and
5 complex overhaul of each of the following Nim-
6 itz class aircraft carriers:

7 (i) U.S.S. John C. Stennis (CVN-74).

8 (ii) U.S.S. Harry S. Truman (CVN-
9 75).

10 (iii) U.S.S. Ronald Reagan (CVN-
11 76).

12 (iv) U.S.S. George H.W. Bush (CVN-
13 77).

14 (B) USE OF INCREMENTAL FUNDING.—

15 With respect to any contract entered into under
16 subparagraph (A) for the nuclear refueling and
17 complex overhaul of a Nimitz class aircraft car-
18 rier, the Secretary may use incremental funding
19 for a period not to exceed six years after ad-
20 vance procurement funds for such nuclear re-
21 fueling and complex overhaul effort are first ob-
22 ligated.

23 (C) CONDITION FOR OUT-YEAR CONTRACT
24 PAYMENTS.—Any contract entered into under
25 subparagraph (A) shall provide that any obliga-

1 tion of the United States to make a payment
2 under the contract for a fiscal year after fiscal
3 year 2018 is subject to the availability of appro-
4 priations for that purpose for that later fiscal
5 year.

1 **SEC. 112 [Log 64862]. PROCUREMENT AUTHORITY FOR ICE-**
2 **BREAKER VESSELS.**

3 (a) **AUTHORITY.**—The Secretary of the Department
4 in which the Coast Guard is operating may enter into a
5 contract or other agreement with the Secretary of the
6 Navy under which the Navy shall act as general agent for
7 the Department in which the Coast Guard is operating
8 for the purpose of entering into a contract on behalf of
9 such Department, beginning with the fiscal year 2018 pro-
10 gram year, for the procurement of the following:

11 (1) Not more than three heavy icebreaker ves-
12 sels.

13 (2) Not more than three medium icebreaker
14 vessels.

15 (b) **CONDITION FOR OUT-YEAR CONTRACT PAY-**
16 **MENTS.**—A contract entered into under subsection (a)
17 shall provide that any obligation of the United States to
18 make a payment under the contract for a fiscal year after
19 fiscal year 2018 is subject to the availability of appropria-
20 tions for that purpose for such later fiscal year.

21 (c) **DEFINITIONS.**—In this section:

22 (1) **HEAVY ICEBREAKER VESSEL.**—The term
23 “heavy icebreaker vessel” means a vessel that is
24 able—

1 (A) to break through nonridged ice that is
2 not less than six feet thick at a speed of three
3 knots;

4 (B) to break through ridged ice that is not
5 less than 21 feet thick; and

6 (C) to operate continuously for 80 days
7 without replenishment.

8 (2) MEDIUM ICEBREAKER VESSEL.—The term
9 “medium icebreaker vessel” means a vessel that is
10 able—

11 (A) to break through nonridged ice that is
12 not less than four and one-half feet thick at a
13 speed of three knots; and

14 (B) to operate continuously for 80 days
15 without replenishment.

1 **SEC. 114 [Log 64892]. MULTIYEAR PROCUREMENT AUTHOR-**
2 **ITY FOR VIRGINIA CLASS SUBMARINE PRO-**
3 **GRAM.**

4 (a) **AUTHORITY FOR MULTIYEAR PROCUREMENT.**—
5 Subject to section 2306b of title 10, United States Code,
6 the Secretary of the Navy may enter into one or more
7 multiyear contracts, beginning with the fiscal year 2019
8 program year, for the procurement of up to 13 Virginia
9 class submarines at a rate of not more than 3 submarines
10 per year during the covered period.

11 (b) **BASELINE ESTIMATE.**—Before entering into any
12 contract for the procurement of a Virginia class submarine
13 under subsection (a), the Secretary of Navy shall deter-
14 mine a baseline estimate for the submarine in accordance
15 with section 2435 of title 10, United States Code.

16 (c) **LIMITATION.**—The Secretary of the Navy may not
17 enter into a contract for the procurement of a Virginia
18 class submarine under subsection (a) if the contract would
19 increase the cost of the submarine by more than 10 per-
20 cent above the baseline estimate for the submarine deter-
21 mined under subsection (b).

22 (d) **AUTHORITY FOR ADVANCE PROCUREMENT.**—The
23 Secretary may enter into one or more contracts, beginning
24 in fiscal year 2018, for advance procurement—

1 (1) associated with the vessels for which author-
2 ization to enter into a multiyear procurement con-
3 tract is provided under subsection (a); and

4 (2) for other equipment and subsystems associ-
5 ated with the Virginia class submarine program.

6 (e) **CONDITION FOR OUT-YEAR CONTRACT PAY-**
7 **MENTS.**—A contract entered into under subsection (a)
8 shall provide that any obligation of the United States to
9 make a payment under the contract for a fiscal year after
10 fiscal year 2018 is subject to the availability of appropria-
11 tions or funds for that purpose for such later fiscal year.

12 (f) **DEFINITIONS.**—In this section:

13 (1) **COVERED PERIOD.**—The term “covered pe-
14 riod” means the 5-year period beginning with the
15 fiscal year 2019 program year and ending with the
16 fiscal year 2023 program year.

17 (2) **VIRGINIA CLASS SUBMARINE.**—The term
18 “Virginia class submarine” means a block V config-
19 ured Virginia class submarine.

1 **SEC. 115 [Log 64893]. MULTIYEAR PROCUREMENT AUTHOR-**
2 **ITY FOR ARLEIGH BURKE CLASS DESTROY-**
3 **ERS AND ASSOCIATED SYSTEMS.**

4 (a) **AUTHORITY FOR MULTIYEAR PROCUREMENT.**—
5 Subject to section 2306b of title 10, United States Code,
6 the Secretary of the Navy may enter into one or more
7 multiyear contracts, beginning with the fiscal year 2018
8 program year, for the procurement of—

9 (1) up to 15 Arleigh Burke class Flight III
10 guided missile destroyers at a rate of not more than
11 three such destroyers per year during the covered
12 period; and

13 (2) the Aegis weapon systems, AN/SPY-6(v)
14 air and missile defense radar systems, MK 41
15 vertical launching systems, and commercial
16 broadband satellite systems associated with such ves-
17 sels.

18 (b) **BASELINE ESTIMATE.**—Before entering into any
19 contract for the procurement of an Arleigh Burke class
20 destroyer under subsection (a), the Secretary of Navy
21 shall determine a baseline estimate for the destroyer in
22 accordance with section 2435 of title 10, United States
23 Code

24 (c) **LIMITATION.**—The Secretary of the Navy may not
25 enter into a contract for the procurement of a Arleigh
26 Burke class destroyer or any major subprogram under

1 subsection (a) if the contract would increase the cost of
2 the destroyer by more than 10 percent above the baseline
3 estimate for the destroyer determined under subsection
4 (b).

5 (d) **AUTHORITY FOR ADVANCE PROCUREMENT.**—The
6 Secretary may enter into one or more contracts, beginning
7 in fiscal year 2018, for advance procurement associated
8 with the vessels and systems for which authorization to
9 enter into a multiyear procurement contract is provided
10 under subsection (a).

11 (e) **CONDITION FOR OUT-YEAR CONTRACT PAY-**
12 **MENTS.**—A contract entered into under subsection (a)
13 shall provide that any obligation of the United States to
14 make a payment under the contract for a fiscal year after
15 fiscal year 2018 is subject to the availability of appropria-
16 tions or funds for that purpose for such later fiscal year.

17 (f) **COVERED PERIOD DEFINED.**—The term “covered
18 period” means the 5-year period beginning with the fiscal
19 year 2018 program year and ending with the fiscal year
20 2022 program year.

1 **SEC. 116 [Log 65101]. LIMITATION ON AVAILABILITY OF**
2 **FUNDS FOR ARLEIGH BURKE CLASS DE-**
3 **STROYER.**

4 (a) **LIMITATION.**—None of the funds authorized to
5 be appropriated by this Act or otherwise made available
6 for fiscal year 2017 for procurement, that are unobligated
7 as of the date of the enactment of this Act, may be obli-
8 gated or expended to procure an Arleigh Burke class de-
9 stroyer (DDG–51) unless not fewer than two covered de-
10 stroyers include an AN/SPY–6(V) air and missile defense
11 radar system.

12 (b) **COVERED DESTROYER DEFINED.**—In this sec-
13 tion, the term “covered destroyer” means an Arleigh
14 Burke class destroyer (DDG–51) for which funds were au-
15 thorized to be appropriated by the National Defense Au-
16 thorization Act for Fiscal Year 2016 (Public Law 114–
17 92) or the National Defense Authorization Act for Fiscal
18 Year 2017 (Public Law 114–328).

1 **SEC. 123 [Log 65745]. LIMITATION ON AVAILABILITY OF**
2 **FUNDS FOR EC-130H COMPASS CALL RECAPI-**
3 **TALIZATION PROGRAM.**

4 (a) **LIMITATION.**—None of the funds authorized to
5 be appropriated by this Act or otherwise made available
6 for any fiscal year for the EC-130H Compass Call recapiti-
7 talization program of the Air Force may be obligated or
8 expended until a period of 30 days has elapsed following
9 the date on which the Under Secretary of Defense for Ac-
10 quisition, Technology, and Logistics submits to the con-
11 gressional defense committees the certification described
12 in subsection (b).

13 (b) **CERTIFICATION.**—The certification described in
14 this subsection is a written statement certifying that—

15 (1) an independent review of the acquisition
16 process for the EC-130H Compass Call recapitaliza-
17 tion program of the Air Force has been conducted;
18 and

19 (2) as a result of such review, it has been deter-
20 mined that the acquisition process for such program
21 complies with all applicable laws, guidelines, and
22 best practices.

1 **SEC. 133 [Log 64882]. REINSTATEMENT OF REQUIREMENT**
2 **TO PRESERVE CERTAIN C-5 AIRCRAFT.**

3 Section 141 of the National Defense Authorization
4 Act for Fiscal Year 2013 (Public Law 112–239; 126 Stat.
5 1659), as amended by section 132 of the National Defense
6 Authorization Act for Fiscal Year 2017 (Public Law 114–
7 328), is amended by inserting after subsection (c) the fol-
8 lowing:

9 “(d) PRESERVATION OF CERTAIN RETIRED C-5 AIR-
10 CRAFT.—The Secretary of the Air Force shall preserve
11 each C-5 aircraft that is retired by the Secretary during
12 a period in which the total inventory of strategic airlift
13 aircraft of the Secretary is less than 301, such that the
14 retired aircraft—

15 “(1) is stored in flyable condition;

16 “(2) can be returned to service; and

17 “(3) is not used to supply parts to other air-
18 craft unless specifically authorized by the Secretary
19 of Defense upon a request by the Secretary of the
20 Air Force.”.

1 **SEC. 214 [Log 65044]. CRITICAL TECHNOLOGIES FOR CO-**
2 **LUMBIA CLASS SUBMARINE.**

3 (a) IN GENERAL.—For purposes of sections 2366b
4 and 2448b(a)(2) of title 10, United States Code, the com-
5 ponents identified in subsection (b) are deemed to be crit-
6 ical technologies for the Columbia class ballistic missile
7 submarine construction program.

8 (b) CRITICAL TECHNOLOGIES.—The components
9 identified in this subsection are—

- 10 (1) the coordinated stern for the Columbia class
11 ballistic missile submarine;
- 12 (2) the electric drive system for the submarine;
- 13 and
- 14 (3) the nuclear reactor for the submarine.

1 **SEC. 862 [Log 64858]. REQUIREMENT THAT CERTAIN SHIP**
2 **COMPONENTS BE MANUFACTURED IN THE**
3 **NATIONAL TECHNOLOGY AND INDUSTRIAL**
4 **BASE.**

5 (a) **ADDITIONAL PROCUREMENT LIMITATION.**—Sec-
6 tion 2534(a) of title 10, United States Code, is amended
7 by adding at the end the following new paragraph:

8 “(6) **COMPONENTS FOR AUXILIARY SHIPS.**—
9 Subject to subsection (k), the following components:

10 “(A) Auxiliary equipment, including
11 pumps, for all shipboard services.

12 “(B) Propulsion system components, in-
13 cluding engines, reduction gears, and propellers.

14 “(C) Shipboard cranes.

15 “(D) Spreaders for shipboard cranes.”.

16 (b) **IMPLEMENTATION.**—Such section is further
17 amended by adding at the end the following new sub-
18 section:

19 “(k) **IMPLEMENTATION OF AUXILIARY SHIP COMPO-**
20 **NENT LIMITATION.**—Subsection (a)(6) applies only with
21 respect to contracts awarded by the Secretary of a military
22 department for new construction of an auxiliary ship after
23 the date of the enactment of the National Defense Author-
24 ization Act for Fiscal Year 2018 using funds available for
25 National Defense Sealift Fund programs or Shipbuilding
26 and Conversion, Navy. For purposes of subsection (a)(6)

1 and this subsection, the term ‘auxiliary ship’ does not in-
2 clude an icebreaker.”.

1 **SEC. 1012 [Log 65920]. NATIONAL DEFENSE SEALIFT FUND:**
2 **CONSTRUCTION OF NATIONAL ICEBREAKER**
3 **VESSELS.**

4 Section 2218 of title 10, United States Code, as
5 amended by section 2211, is further amended—

6 (1) in subsection (c)(1), by adding at the end
7 the following new subparagraph:

8 “(E) Construction (including design of vessels),
9 purchase, alteration, and conversion of national ice-
10 breaker vessels.”; and

11 (2) in subsection (d)(1),

12 (A) in subparagraph (B), by striking
13 “and” and the end;

14 (B) in subparagraph (C), by striking the
15 period and inserting “; and”; and

16 (C) by adding at the end the following new
17 subparagraph:

18 “(D) construction (including design of vessels),
19 purchase, alteration, and conversion of national ice-
20 breaker vessels.”.

1 **SEC. 1013 [Log 64860]. USE OF NATIONAL SEA-BASED DETER-**
2 **RENCE FUND FOR MULTIYEAR PROCURE-**
3 **MENT OF CERTAIN CRITICAL COMPONENTS.**

4 (a) IN GENERAL.—Subsection (i) of section 2218a of
5 title 10, United States Code, is amended—

6 (1) by striking “the common missile compart-
7 ment” each place it appears and inserting “critical
8 components”; and

9 (2) in paragraph (1), by striking “critical parts,
10 components, systems, and subsystems” and inserting
11 “critical components”.

12 (b) DEFINITION OF CRITICAL COMPONENT.—Sub-
13 section (k) of such section is amended by adding at the
14 end the following new paragraph:

15 “(3) The term ‘critical component’ means
16 any—

17 “(A) any item that is high volume or high
18 value; or

19 “(B) any common missile compartment
20 component, shipyard manufactured component,
21 valve, torpedo tube, or Government furnished
22 equipment, including propulsors and strategic
23 weapons system launchers.”.

24 (c) CLERICAL AMENDMENT.—The subsection head-
25 ing for subsection (i) of such section is amended by strik-
26 ing “OF THE COMMON MISSILE COMPARTMENT”.

1 **SEC. 1014 [Log 64853]. RESTRICTIONS ON THE OVERHAUL**
2 **AND REPAIR OF VESSELS IN FOREIGN SHIP-**
3 **YARDS.**

4 (a) IN GENERAL.—Section 7310(b)(1) of title 10,
5 United States Code, is amended—

6 (1) by striking “In the case” and inserting “(A)
7 Except as provided in subparagraph (B), in the
8 case”;

9 (2) by striking “during the 15-month” and all
10 that follows through “United States”;

11 (3) by inserting before the period at the end the
12 following: “, other than in the case of voyage re-
13 pairs”; and

14 (4) by adding at the end the following new sub-
15 paragraph:

16 “(B) The Secretary of the Navy may waive the appli-
17 cation of subparagraph (A) to a contract award if the Sec-
18 retary determines that the waiver is essential to the na-
19 tional security interests of the United States.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall take effect on the later of the following
22 dates:

23 (1) The date of the enactment of the National
24 Defense Authorization Act for Fiscal Year 2019.

25 (2) October 1, 2018.

1 **SEC. 1015 [Log 64851]. AVAILABILITY OF FUNDS FOR RE-**
2 **TIREMENT OR INACTIVATION OF TICON-**
3 **DEROGA-CLASS CRUISERS OR DOCK LAND-**
4 **ING SHIPS.**

5 None of the funds authorized to be appropriated by
6 this Act or otherwise made available for the Department
7 of Defense for fiscal year 2018 may be obligated or ex-
8 pended—

9 (1) to retire, prepare to retire, or inactivate a
10 cruiser or dock landing ship; or

11 (2) to place more than six cruisers and one
12 dock landing ship in the modernization program
13 under section 1026(a)(2) of the Carl Levin and
14 Howard P. “Buck” McKeon National Defense Au-
15 thorization Act for Fiscal Year 2015 (Public Law
16 113–291; 128 Stat. 3490).

1 **SEC. 1016 [Log 65688]. POLICY OF THE UNITED STATES ON**
2 **MINIMUM NUMBER OF BATTLE FORCE SHIPS.**

3 It shall be the policy of the United States to have
4 available, as soon as practicable, not fewer than 355 battle
5 force ships, with funding subject to the annual authoriza-
6 tion of appropriation and the annual appropriation of
7 funds.

1 **SEC. 1033 [Log 64866]. PROHIBITION ON CHARGE OF CER-**
2 **TAIN TARIFFS ON AIRCRAFT TRAVELING**
3 **THROUGH CHANNEL ROUTES.**

4 (a) IN GENERAL.—Chapter 157 of title 10, United
5 States Code, is amended by adding at the end the fol-
6 lowing new section:

7 **“§ 2652. Prohibition on charge of certain tariffs on**
8 **aircraft traveling through channel routes**

9 “The United States Transportation Command may
10 not charge a tariff by reason of the use by a military serv-
11 ice of an aircraft of that military service on a route des-
12 ignated by the United States Transportation Command as
13 a channel route.”.

14 (b) CLERICAL AMENDMENT.—The table of sections
15 at the beginning of such chapter is amended by adding
16 at the end the following new item:

“2652. Prohibition on charge of certain tariffs on aircraft traveling through
channel routes”.

1 **SEC. 1035 [Log 64850]. PROHIBITION ON USE OF FUNDS FOR**
2 **RETIREMENT OF LEGACY MARITIME MINE**
3 **COUNTERMEASURES PLATFORMS.**

4 (a) PROHIBITION.—Except as provided in subsection
5 (b), the Secretary of the Navy may not obligate or expend
6 funds to—

7 (1)) retire, prepare to retire, transfer, or place
8 in storage any AVENGER-class mine counter-
9 measures ship or associated equipment;

10 (2) retire, prepare to retire, transfer, or place
11 in storage any SEA DRAGON (MH-53) helicopter
12 or associated equipment;

13 (3) make any reductions to manning levels with
14 respect to any AVENGER-class mine counter-
15 measures ship; or

16 (4) make any reductions to manning levels with
17 respect to any SEA DRAGON (MH-53) helicopter
18 squadron or detachment.

19 (b) WAIVER.—The Secretary of the Navy may waive
20 the prohibition under subsection (a) if the Secretary cer-
21 tifies to the congressional defense committees that the
22 Secretary has—

23 (1) identified a replacement capability and the
24 necessary quantity of such systems to meet all com-
25 batant commander mine countermeasures oper-
26 ational requirements that are currently being met by

1 any AVENGER-class ship or SEA DRAGON heli-
2 copter to be retired, transferred, or placed in stor-
3 age;

4 (2) achieved initial operational capability of all
5 systems described in paragraph (1); and

6 (3) deployed a sufficient quantity of systems de-
7 scribed in paragraph (1) that have achieved initial
8 operational capability to continue to meet or exceed
9 all combatant commander mine countermeasures
10 operational requirements currently being met by the
11 AVENGER-class ships and SEA DRAGON heli-
12 copters to be retired, transferred, or placed in stor-
13 age.

1 **SEC. 3501 [Log 64855]. AUTHORIZATION OF THE MARITIME**
2 **ADMINISTRATION.**

3 There are authorized to be appropriated to the De-
4 partment of Transportation for fiscal year 2018, to be
5 available without fiscal year limitation if so provided in
6 appropriations Acts, for programs associated with main-
7 taining the United States merchant marine, the following
8 amounts:

9 (1) For expenses necessary for operations of the
10 United States Merchant Marine Academy,
11 \$84,400,000, of which—

12 (A) \$66,400,000 shall be for Academy op-
13 erations; and

14 (B) \$18,000,000 shall remain available
15 until expended for capital asset management at
16 the Academy.

17 (2) For expenses necessary to support the State
18 maritime academies, \$27,400,000, of which—

19 (A) \$2,400,000 shall remain available until
20 September 30, 2019, for the Student Incentive
21 Program;

22 (B) \$3,000,000 shall remain available until
23 expended for direct payments to such acad-
24 emies; and

1 (C) \$22,000,000 shall remain available
2 until expended for maintenance and repair of
3 State maritime academy training vessels.

4 (3) For expenses necessary to support the Na-
5 tional Security Multi-Mission Vessel Program,
6 \$36,000,000, which shall remain available until ex-
7 pended.

8 (4) For expenses necessary to support Maritime
9 Administration operations and programs,
10 \$60,020,000.

11 (5) For expenses necessary to maintain and
12 preserve a United States flag merchant marine to
13 serve the national security needs of the United
14 States under chapter 531 of title 46, United States
15 Code, \$300,000,000.

16 (6) For expenses necessary to provide assist-
17 ance for small shipyards and maritime communities
18 under section 54101 of title 46, United States Code,
19 \$30,000,000, which shall remain available until ex-
20 pended for capital and related improvements.

1 **SEC. 3502 [Log 64856]. MERCHANT SHIP SALES ACT OF 1946.**

2 (a) AMENDMENTS.—The Merchant Ship Sales Act of
3 1946 (50 U.S.C. 4401 et seq.) is amended by—

4 (1) repealing the first section and sections 2, 3,
5 5, 12, and 14;

6 (2) in section 8, redesignating subsection (d) as
7 section 56308 of title 46, United States Code, trans-
8 ferring it to appear after section 56307 of such title;
9 and

10 (3) redesignating section 11 as section 57100 of
11 title 46, United States Code, and transferring it to
12 appear before section 57101 of such title.

13 (b) CONFORMING AND CLERICAL AMENDMENTS.—

14 (1) Section 2218 of title 10, United States
15 Code, is amended by striking “section 11 of the
16 Merchant Ship Sales Act of 1946 (50 U.S.C. App.
17 1744)” each place it appears and inserting “section
18 57100 of title 46”.

19 (2) Section 3134 of title 40, United States
20 Code, is amended—

21 (A) by striking “31,” and inserting “31
22 or”; and

23 (B) by striking “or the Merchant Ship
24 Sales Act of 1946 (50 App. U.S.C. 1735 et
25 seq.),”.

1 (3) Section 3703a(b)(6) of title 46, United
2 States Code, is amended by striking “section 11 of
3 the Merchant Ship Sales Act of 1946 (50 App.
4 U.S.C. 1744)” and inserting “section 57100”.

5 (4) Section 52101(c)(1)(A)(i) of title 46,
6 United States Code, is amended by striking “section
7 11 of the Merchant Ship Sales Act of 1946 (50 App.
8 U.S.C. 1744)” and inserting “section 57100”.

9 (5) Section 56308 of title 46, United States
10 Code, as redesignated and transferred by subsection
11 (a)(2) of this section, is amended—

12 (A) by striking so much as precedes “ves-
13 sel constructed” and inserting the following:

14 **“§ 56308. Transfer of substitute vessels**

15 “In the case of any”;

16 (B) by inserting “of Transportation” after
17 “Secretary”; and

18 (C) by striking “adjustments with respect
19 to the retained vessels as provided for in section
20 9, and”.

21 (6) Section 57100 of title 46, United States
22 Code, as redesignated and transferred by subsection
23 (a)(3) of this section, is amended—

1 (A) by striking so much as precedes the
2 text of subsection (a) and inserting the fol-
3 lowing:

4 **“§ 57100. National Defense Reserve Fleet**

5 “(a) FLEET COMPONENTS.—”;

6 (B) in subsection (b), by inserting before
7 the first sentence the following: “PERMITTED
8 USES.—”; and

9 (C) in subsection (e)—

10 (i) by inserting before the first sen-
11 tence the following: “EXEMPTION FROM
12 TANK VESSEL CONSTRUCTION STAND-
13 ARDS.—”; and

14 (ii) by striking “of title 46, United
15 States Code”.

16 (7) Section 57101 of title 46, United States
17 Code, is amended by striking “maintained under
18 section 11 of the Merchant Ship Sales Act of 1946
19 (50 App. 1744)”.

20 (8) The analysis for chapter 563 of title 46,
21 United States Code, is amended by inserting after
22 the item relating to section 56307 the following:

“56308. Transfer of substitute vessels.”.

23 (9) The analysis for chapter 571 of title 46,
24 United States Code, is amended by inserting before
25 the item relating to section 57101 the following:

“57100. National Defense Reserve Fleet.”.

1 **SEC. 3503 [Log 65258]. MARITIME SECURITY FLEET PRO-**
2 **GRAM; RESTRICTION ON OPERATION FOR**
3 **NEW ENTRANTS.**

4 (a) RESTRICTION.—Section 53105(a) of title 46,
5 United States Code, is amended—

6 (1) in paragraph (1)(A), by inserting “, except
7 as provided in paragraph (2),” after “in the foreign
8 commerce or”;

9 (2) in paragraph (1)(B), by striking “and”
10 after the semicolon at the end;

11 (3) by redesignating paragraph (2) as para-
12 graph (3); and

13 (4) by inserting after paragraph (1) the fol-
14 lowing:

15 “(2) in the case of a vessel first covered by an
16 operating agreement after the date of the enactment
17 of the National Defense Authorization Act for Fiscal
18 Year 2018, the vessel shall not be operated in the
19 transportation of cargo between points in the United
20 States and its territories either directly or via a for-
21 eign port; and”.

22 (b) CONFORMING AMENDMENTS.—Section 53106 of
23 title 46, United States Code, is amended—

24 (1) in subsection (b), by striking “section
25 53105(a)(1)” and inserting “paragraph (1) and (2)

1 of section 53105(a), as otherwise applicable with re-
2 spect to such vessel,”; and

3 (2) in subsection (d)(3), by striking “section
4 53105(a)(1)” and inserting “paragraph (1) and (2)
5 of section 53105(a), as otherwise applicable with re-
6 spect to such vessel”.

7 **SEC. 3504 [Log 65921]. CODIFICATION OF SECTIONS RELAT-**
8 **ING TO ACQUISITION, CHARTER, AND REQ-**
9 **UISITION OF VESSELS.**

10 (a) EMERGENCY FOREIGN VESSEL ACQUISITION;
11 PURCHASE OR REQUISITION OF VESSELS LYING IDLE IN
12 UNITED STATES WATERS.—The first section of the Act
13 of August 9, 1954 (ch. 659; 50 U.S.C. 196)—

14 (1) is redesignated as section 56309 of title 46,
15 United States Code, and transferred to appear at
16 the end of chapter 563 of such title, as otherwise
17 amended by this title; and

18 (2) is amended—

19 (A) by striking “That during” and insert-
20 ing the following:

21 **“§ 56309. Emergency foreign vessel acquisition; pur-**
22 **chase or requisition of vessels lying idle**
23 **in United States waters**

24 “During”;

1 (B) by striking “section 902 of the Mer-
2 chant Marine Act, 1936, as amended” each
3 place it appears and inserting “this chapter”;
4 and

5 (C) by striking “the second paragraph of
6 subsection (d) of such section 902, as amend-
7 ed” and inserting “section 56305”.

8 (b) VOLUNTARY PURCHASE OR CHARTER AGREE-
9 MENTS.—Section 2 of such Act (50 U.S.C. 197)—

10 (1) is redesignated as section 56310 of title 46,
11 United States Code, and transferred to appear after
12 section 56309 of such title (as amended by sub-
13 section (a)); and

14 (2) is amended—

15 (A) by striking so much as proceeds “Dur-
16 ing” and inserting the following:

17 **“§ 56310. Voluntary purchase or charter agreements”;**

18 **and**

19 (B) by striking “section 902 of the Mer-
20 chant Marine Act, 1936,” and inserting “this
21 chapter”.

22 (c) REQUISITIONED VESSELS.—Section 3 of such Act
23 (50 U.S.C. 198)—

24 (1) is redesignated as section 56311 of title 46,
25 United States Code, and transferred to appear after

1 section 56310 of such title (as amended by sub-
2 sections (a) and (b));

3 (2) is amended by striking so much as precedes
4 subsection (a) and inserting the following:

5 **“§ 56311. Requisitioned vessels”; and**

6 (3) is amended—

7 (A) except as provided in subparagraphs
8 (B) and (C), by striking “this Act” each place
9 it appears and inserting “section 56309 or
10 56310, as applicable”;

11 (B) in subsection (c)—

12 (i) in the first sentence, by striking
13 “this Act” and inserting “section 56309 or
14 56310, as applicable,”; and

15 (ii) by striking “The second para-
16 graph of section 9 of the Shipping Act,
17 1916, as amended,” and inserting “Section
18 57109”; and

19 (C) in subsection (d)—

20 (i) in the first sentence by striking
21 “provisions of section 3709 of the Revised
22 Statutes” and inserting “section 6101 of
23 title 41”;

24 (ii) in the second sentence—

1 (I) by striking “this Act” and in-
2 serting “section 56309 or 56310, as
3 applicable,”; and

4 (II) by striking “said section
5 3709” and inserting “section 6101 of
6 title 41”;

7 (iii) by striking “title VII of the Mer-
8 chant Marine Act, 1936” and inserting
9 “chapter 575”; and

10 (iv) by striking subsection (f).

11 (d) DOCUMENTED DEFINED.—Chapter 563 of title
12 46, United States Code, as amended by this section, is
13 further amended by adding at the end the following:

14 **“§ 56312. Documented defined**

15 “In sections 56309 through 56311, the term ‘docu-
16 mented’ means, with respect to a vessel, that a certificate
17 of documentation has been issued for the vessel under
18 chapter 121.”.

19 (e) CLERICAL AMENDMENT.—The analysis for chap-
20 ter 563 of title 46, United States Code, as otherwise
21 amended by this title, is further amended by adding at
22 the end the following:

“56309. Emergency foreign vessel acquisition; purchase or requisition of vessels
lying idle in United States waters

“56310. Voluntary purchase or charter agreements

“56311. Requisitioned vessels

“56312. Documented defined”.

1 (f) REFERENCES.—Any reference in a law, regula-
2 tion, document, paper, or other record of the United
3 States to a section that is redesignated and transferred
4 by this section is deemed to refer to such section as so
5 redesignated and transferred.

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

AIRCRAFT PROCUREMENT, NAVY

Items of Special Interest

Implications of a 355-ship Navy on Naval and Marine Corps Aviation force structure requirements

The committee notes that the Navy's most recent Force Structure Assessment indicates a need to increase Navy force structure to 355 ships, which includes a 12th aircraft carrier. The committee also notes that this greater fleet size may in turn impact Navy and Marine Corps Aviation force structure requirements.

Consequently, the committee directs the Secretary of the Navy to provide a briefing to the House Committee on Armed Services not later than September 30, 2018, or 12 months after the issuance of a new National Defense Strategy, whichever date is earlier. The briefing should provide estimates as to the number of Navy and Marine Corps aircraft by series and type needed to achieve the objectives of the National Defense Strategy and to complement the capability resident in a 355-ship Navy with 12 aircraft carriers. The briefing shall also include the following elements: (1) a detailed explanation of the strategy and associated force sizing and shaping constructs, associated scenarios and assumptions used to conduct the analysis; and (2) quantification of risk using Chairman of the Joint Chiefs of Staff risk management classifications.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

Items of Special Interest

Advanced Low Cost Munition Ordnance

The committee continues to support development of the Advanced Low Cost Munition Ordnance (ALaMO), a guided 57 mm projectile, with fire-and-forget capability that requires no Littoral Combat Ship fire control system changes, to counter the growing threats posed by small boat swarms, unmanned aerial systems, and other emerging threats. Therefore, the committee directs the Secretary of the Navy to provide a briefing to the House Committee on Armed Services by August 30, 2017, on achieving low rate of initial production in 2019. The briefing should also include, but not be limited to, an evaluation of the current funding profile of this program across the Future Years Defense Program, as well as potential courses of action to accelerate or streamline the current program strategy.

SHIPBUILDING AND CONVERSION, NAVY

Items of Special Interest

America-class amphibious assault ships

The committee is concerned that the Navy program of record for America-class amphibious assault ships (LHA-9) would result in a break in production of 7 years following delivery of LHA-8, thereby accruing significant additional costs at both the shipyard and the supply chain. The committee believes the optimal schedule would be to begin construction of LHA-9 in 2020. Therefore, the committee directs the Secretary of the Navy to provide a briefing to the House Committee on Armed Services by March 1, 2018, that provides an assessment of the cost savings and other benefits of accelerating LHA-9 to 2020 compared to 2024, assuming LHA-9 is identical to LHA-8.

Columbia-class submarine program

The committee continues to exercise specific oversight on the progress and challenges facing the Navy's Columbia-class acquisition program and the replacement to the Ohio-class ballistic missile submarines, which are scheduled to begin retirement in 2027. The committee notes the Department of Defense and the Navy consider the Columbia-class acquisition among the highest priorities in order to meet sea-based strategic deterrence requirements in the future threat environment through the 2080s. The magnitude of the program's estimated cost, expected to exceed \$267.0 billion over its life cycle, as well as the aggressive schedule on which the Navy and its shipbuilders plan to complete the submarine's technology development and design, and start constructing the new class, among other issues, will be subjects of continued interest and concern to the committee.

Therefore, the committee directs the Comptroller General of the United States to assess the Navy's Columbia-class acquisition and submit a report to the congressional defense committees by March 1, 2018, that includes an analysis of the following:

- (1) technology development including activities in support of the submarine's nuclear propulsion system;
- (2) progress of shipbuilder design products;
- (3) program cost estimates;
- (4) approved acquisition strategy and use of expanded authorities including cross-program material procurement, early structural fabrication, and advance construction;
- (5) industrial base capacity to meet the Navy's plans and requirements; and
- (6) construction readiness and feasibility of achieving on-time submarine delivery to meet Navy operational requirements.

AIRCRAFT PROCUREMENT, AIR FORCE

Items of Special Interest

B-52 modernization

The committee notes that the nation's ability to meet its long-range strike requirements may be placed at increased risk by the aging B-52 fleet, which averages more than 60 years old.

The committee also notes that the B-21 is not expected to achieve initial operational capability until the mid 2020s and that the Air Force is considering plans to retire certain bomber fleets over the next few decades while keeping the B-52 through 2040 and possibly longer. Consequently, there is a pressing need to upgrade the B-52 bomber fleet with new engines, ground mapping radar, and self-protection electronic warfare capabilities to meet future long-range strike requirements.

Therefore, the committee directs the Secretary of the Air Force to provide a briefing to the House Committee on Armed Services by February 6, 2018, on its modernization plan for the B-52 aircraft fleet. The briefing should include:

(1) re-engine options, including utilizing authorities pursuant to section 2371b of title 10, United States Code, third-party financing, and traditional procurement;

(2) plans to upgrade the ground mapping radar;

(3) electronic self-defense options; and

(4) an integration timeline that best takes advantage of scheduled depot throughput.

C-130H Aircraft Modernization Program Increments 1 and 2

The committee supports the C-130H Avionics Modernization Program (AMP) Increments 1 and 2 and encourages the Air Force to upgrade all 172 C-130H aircraft in the most expeditious and cost-effective way to meet military requirements. However, the committee is concerned that an over-reliance on military specification solutions could potentially delay completion of AMP Increments 1 and 2, despite the availability of commercial off-the-shelf (COTS) and non-developmental item (NDI) technologies, such as glass cockpit and autopilot systems available and in use on C-130 derivative aircraft today.

The committee encourages the Air Force to maximize efforts to procure COTS and NDI solutions to the maximum extent possible, while meeting the requirements for AMP Increments 1 and 2. The committee also encourages all efforts to meet the intent of section 2377 of title 10, United States Code, and the tenets of the Department of Defense Better Buying Power (BBP) 3.0 policy.

Therefore, the committee directs the Secretary of the Air Force to provide a briefing to the House Committee on Armed Services by January 15, 2018, that outlines Air Force efforts to leverage COTS and NDI solutions for the C-130H AMP Increment 1 and 2 programs. The briefing shall include the following elements:

(1) a detailed explanation of how the Air Force considered section 2377 of title 10, United States Code, and Department of Defense BBP 3.0 during the definition of the technical requirements and acquisition strategies for AMP Increments 1 and 2;

(2) examples of incentives made to offerors for accelerated and cost-capped implementation for C-130 AMP Increment 1 and 2;

(3) where military specification standards were selected for C-130 AMP Increment 1 and 2, a comparison of such standards and COTS standards; and

(4) where military specification standards were selected for C-130 AMP Increment 1 and 2, a comparison of operation and support costs for such standards and COTS standards.

Implications of increased Army, Navy, and Marine Corps force structure on Air Force airlift, air refueling tanker, and Navy sealift force structure requirements

The committee notes that the administration intends to increase Army, Navy, and Marine Corps force structure and that the last mobility capability and requirements study was completed in 2013. With this greater force structure, the committee is concerned about the anticipated impact on Air Force airlift and air refueling tanker and Navy sealift force structure.

Therefore, the committee directs the Secretary of Defense to carryout a mobility capability and requirements study and provide a briefing to the House Committee on Armed Services not later than September 30, 2018, or 12 months after the issue of a new National Defense Strategy, whichever date is earlier. The study should estimate the number of airlift aircraft, tanker aircraft, and sealift ships needed to meet the combatant commander requirements. The briefing shall include the following elements:

(1) a detailed explanation of the strategy and associated force sizing and shaping constructs, associated scenarios, and assumptions used to conduct the analysis;

(2) estimate of risk based on Chairman of the Joint Chiefs of Staff risk management classifications; and

(3) implications of operations in contested areas with regard to the Civil Reserve Air Fleet.

Reporting on air traffic control avionics upgrades for Air Force aircraft

The committee notes that the Air Force is upgrading the avionics of its entire fleet to make the tracking of military aircraft by air traffic control facilities more secure and to comply with Federal Aviation Administration Air Traffic Management Surveillance mandates which go into effect on January 1, 2020.

The committee is aware that the Air Force is combining the acquisition of Identification, Friend or Foe Mode 5 and Automatic Dependent Surveillance Broadcast-Out capable avionics and the supporting software in an effort to reduce overall costs. The committee is concerned that the Air Force will not fully meet the

January 1, 2020, mandate, which could seriously impact operational capability of the force.

Therefore, the committee directs the Secretary of the Air Force to provide a briefing to the House Committee on Armed Services not later than February 15, 2018, that addresses the following elements:

- (1) operational and training impacts of non-compliant aircraft;
- (2) mitigation efforts to minimize training and operational disruptions;
- (3) plans to bring aircraft into compliance by aircraft series and type;
- (4) challenges to bringing all aircraft into compliance; and
- (5) steps taken to ensure cost effectiveness of avionics upgrades.