

**H.R. 4435—FY15 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 C—NAVY PROGRAMS

Section 121—Multiyear Procurement Authority for Tomahawk Block IV Missiles

This section would authorize the Secretary of the Navy to enter into a multiyear contract for up to 5 years beginning in fiscal year 2015, pending submission to Congress of the certification requirements of section 2306b, title 10, United States Code, not later than 45 days prior to entering into the multiyear procurement contract.

Section 124—Limitation on Availability of Funds for Moored Training Ship Program

This section would limit the obligation of 50 percent of the fiscal year 2015 shipbuilding and conversion, Navy funding for the Moored Training Ship program until certain certifications and reviews regarding requirements and cost growth are provided to the congressional defense committees.

SUBTITLE D—AIR FORCE PROGRAMS

Section 131—Prohibition on Cancellation or Modification of Avionics Modernization Program for C-130 Aircraft

This section would preclude the Secretary of the Air Force from modifying or canceling the C-130 Avionics Modernization Program in fiscal year 2015 and would also preclude the Secretary from beginning an alternative C-130H modernization program (except for developing and installing an Automatic

Dependent Surveillance Broadcast system modification for the C-130H). The committee is concerned that any alternative modernization program the Air Force would pursue would offer less capability than the program of record.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

LEGISLATIVE PROVISIONS

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Section 211—Preliminary Design Review of Presidential Aircraft Recapitalization Program

This section would require the Secretary of the Air Force to complete a preliminary design review of the Presidential Aircraft Recapitalization program prior to receiving a milestone B approval from the Milestone Decision Authority.

Section 213—Limitation on Availability of Funds for Unmanned Carrier-Launched Airborne Surveillance and Strike System

This section would prohibit the Secretary of the Navy from awarding a contract for the Unmanned Carrier-Launched Airborne Surveillance and Strike (UCLASS) system air vehicle segment until the Secretary of Defense completes a UCLASS requirements review and provides the results of that review to the congressional defense committees.

TITLE III—OPERATION AND MAINTENANCE

LEGISLATIVE PROVISIONS

SUBTITLE E—LIMITATIONS AND EXTENSIONS OF AUTHORITY

Section 341—Limitation on Authority to Enter into a Contract for the Sustainment, Maintenance, Repair, or Overhaul of the F117 Engine

This section would prohibit the Secretary of the Air Force from entering into a subsequent contract for the sustainment, maintenance, repair, and overhaul of the F117 engine until the Under Secretary of Defense for Acquisition, Technology and Logistics certifies to the congressional defense committees that the Secretary of the Air Force has structured the contract in such a way that provides the Secretary required insight into all aspects of F117 component and subcomponent historical usage, cost, service-life, and supply chain management data sufficient to determine that the Secretary is paying a fair and reasonable price for F117 sustainment as

compared to the PW2000 commercial-derivative sustainment price in the private sector.

TITLE X—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

SUBTITLE C—NAVAL VESSELS AND SHIPYARDS

Section 1021—Definition of Combatant and Support Vessel for Purposes of the Annual Plan and Certification Relating to Budgeting for Construction of Naval Vessels

This section would define the term "combatant and support vessel" that is used to support Department of the Navy's 30-year shipbuilding plan.

Section 1022—National Sea-Based Deterrence Fund

This section would create a National Sea-Based Deterrence Fund to manage the obligation and expenditures for the advanced procurement or construction of nuclear-powered strategic ballistic missile submarines.

Section 1023—Elimination of Requirement that a Qualified Aviator or Naval Flight Officer be in Command of an Inactivated Nuclear-Powered Aircraft Carrier Before Decommissioning

This section would authorize an exception to section 5942(a) of title 10, United States Code, and allow a nuclear-powered aircraft carrier to be commanded by a non-aviation officer during an inactivation period that leads to the permanent decommissioning and disposal of such an aircraft carrier.

Section 1024—Limitation on Expenditure of Funds until Commencement of Planning of Refueling and Complex Overhaul of the U.S.S. George Washington

This section would limit the expenditure of funds authorized to be appropriated by this Act for the Office of the Secretary of Defense for fiscal year 2015 until the Secretary of Defense obligates funds to commence the planning and long lead time material procurement associated with the refueling and complex overhaul of the USS George Washington (CVN-73).

Section 1025—Sense of Congress Recognizing the Anniversary of the Sinking of the U.S.S. Thresher

This section would express the sense of Congress in recognition of the anniversary of the sinking of the USS Thresher.

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

TITLE XXXV—MARITIME ADMINISTRATION

LEGISLATIVE PROVISIONS

**Section 3501—Authorization of Appropriations for National Security Aspects of the
Merchant Marine for Fiscal Year 2015**

This section would authorize appropriations for the national security aspects of the merchant marine for fiscal year 2015.

**Section 3503—Sense of Congress on the Role of Domestic Maritime Industry in
National Security**

This section would express the sense of Congress regarding the role of domestic maritime industry in national security.

BILL LANGUAGE

1 **Subtitle C—Navy Programs**

2 **SEC. 121. [Log 53797] MULTIYEAR PROCUREMENT AUTHOR-**
3 **ITY FOR TOMAHAWK BLOCK IV MISSILES.**

4 (a) AUTHORITY FOR MULTIYEAR PROCUREMENT.—

5 (1) IN GENERAL.—Subject to section 2306b of
6 title 10, United States Code, the Secretary of the
7 Navy may enter into one or more multiyear con-
8 tracts for a period of not more than five years, be-
9 ginning with the fiscal year 2015 program year, for
10 the procurement of Tomahawk block IV missiles.

11 (2) SUBMISSION OF WRITTEN CERTIFICATION
12 BY SECRETARY OF DEFENSE.—For purposes of car-
13 rying out subsection (i)(1) of such section 2306b
14 with respect to a contract entered into under para-
15 graph (1), the Secretary shall substitute “the date
16 that is 45 days before the date on which the Sec-
17 retary enters into a contract under section **[1_____**
18 of the National Defense Authorization Act for Fiscal
19 Year 2015**]**” for “March 1 of the year in which the
20 Secretary requests legislative authority to enter into
21 such contract”.

22 (b) CONDITION FOR OUT-YEAR CONTRACT PAY-
23 MENTS.—A contract entered into under subsection (a)
24 shall provide that any obligation of the United States to
25 make a payment under the contract for a fiscal year after

1 fiscal year 2015 is subject to the availability of appropria-
2 tions for that purpose for such later fiscal year.

1 **SEC. 124.[Log 53972] LIMITATION ON AVAILABILITY OF**
2 **FUNDS FOR MOORED TRAINING SHIP PRO-**
3 **GRAM.**

4 Of the funds authorized to be appropriated by this
5 Act or otherwise made available for fiscal year 2015 for
6 shipbuilding and construction, Navy, for design, conver-
7 sion, modification, or construction relating to the moored
8 training ship program of the Navy, not more than 50 per-
9 cent may be obligated or expended until a period of 30
10 days has elapsed following the date on which the Secretary
11 of Defense certifies to the congressional defense commit-
12 tees that—

13 (1) the Chairman of the Joint Requirements
14 Oversight Council has reviewed and approved the
15 need for two additional moored training ships;

16 (2) the Director of Cost Assessment and Pro-
17 gram Evaluation has reviewed and certified the cost
18 estimates of the moored training ship program; and

19 (3) the Under Secretary of Defense for Acquisi-
20 tion, Technology, and Logistics has reviewed and ap-
21 proved the budget, schedule, and construction plans
22 for such two additional moored training ships.

1 **Subtitle D—Air Force Programs**

2 **SEC. 131. [Log 53569] PROHIBITION ON CANCELLATION OR**
3 **MODIFICATION OF AVIONICS MODERNIZA-**
4 **TION PROGRAM FOR C-130 AIRCRAFT.**

5 None of the funds authorized to be appropriated by
6 this Act or otherwise made available for fiscal year 2015
7 for the Air Force may be used to—

8 (1) take any action to cancel or modify the avi-
9 onics modernization program of record for C-130
10 aircraft; or

11 (2) initiate an alternative communication, navi-
12 gation, surveillance, and air traffic management pro-
13 gram for C-130 aircraft that is designed or intended
14 to replace the avionics modernization program de-
15 scribed in paragraph (1).

1 **Subtitle B—Program Require-**
2 **ments, Restrictions, and Limita-**
3 **tions**

4 **SEC. 211. [Log 53634] PRELIMINARY DESIGN REVIEW OF**
5 **PRESIDENTIAL AIRCRAFT RECAPITALIZA-**
6 **TION PROGRAM.**

7 The milestone decision authority (as defined in sec-
8 tion 2366b(g) of title 10, United States Code) may not
9 make a waiver under section 2366b(d) of title 10, United
10 States Code, with respect to the presidential aircraft re-
11 capitalization program of the Air Force.

1 **SEC. 213.[Log 54059] LIMITATION ON AVAILABILITY OF**
2 **FUNDS FOR UNMANNED CARRIER-LAUNCHED**
3 **AIRBORNE SURVEILLANCE AND STRIKE SYS-**
4 **TEM.**

5 (a) **LIMITATION.**—None of the funds authorized to
6 be appropriated by this Act or otherwise made available
7 for fiscal year 2015 for research, development, test, and
8 evaluation, Navy, for the unmanned carrier-launched air-
9 borne surveillance and strike system may be obligated or
10 expended to award a contract for air vehicle segment de-
11 velopment until a period of 15 days has elapsed following
12 the date on which the Secretary of Defense submits the
13 report under subsection (b).

14 (b) **REPORT.**—Not later than December 31, 2014,
15 the Secretary of Defense shall submit to the congressional
16 defense committees a report that—

17 (1) certifies that a review of the requirements
18 for air vehicle segments of the unmanned carrier-
19 launched surveillance and strike system is complete;
20 and

21 (2) includes the results of such review.

1 **Subtitle E—Limitations and**
2 **Extensions of Authority**

3 **SEC. 341 [Log 53572]. LIMITATION ON AUTHORITY TO ENTER**
4 **INTO A CONTRACT FOR THE SUSTAINMENT,**
5 **MAINTENANCE, REPAIR, OR OVERHAUL OF**
6 **THE F117 ENGINE.**

7 The Secretary of the Air Force may not enter into
8 a contract for the sustainment, maintenance, repair, or
9 overhaul of the F117 engine until the Under Secretary
10 of Defense for Acquisition, Technology, and Logistics cer-
11 tifies to the congressional defense committees that the
12 Secretary of the Air Force has structured the contract in
13 such a way that provides the Secretary of the Air Force
14 the required insight into all aspects of F117 system, sub-
15 system, components, and subcomponents regarding histor-
16 ical usage rates, cost, price, expected and actual service-
17 life, and supply chain management data sufficient to de-
18 termine that the Secretary of the Air Force is paying a
19 fair and reasonable price for F117 sustainment, mainte-
20 nance, repair, and overhaul as compared to the PW2000
21 commercial-derivative engine sustainment price for
22 sustainment, maintenance, repair, and overhaul in the pri-
23 vate sector.

1 **Subtitle C—Naval Vessels and**
2 **Shipyards**

3 **SEC. 1021 [Log 53806]. DEFINITION OF COMBATANT AND**
4 **SUPPORT VESSEL FOR PURPOSES OF THE AN-**
5 **NUAL PLAN AND CERTIFICATION RELATING**
6 **TO BUDGETING FOR CONSTRUCTION OF**
7 **NAVAL VESSELS.**

8 Section 231(f) of title 10, United States Code, is
9 amended by adding at the end the following new para-
10 graph:

11 “(4) The term ‘combatant and support vessel’
12 means any commissioned ship built or armed for
13 naval combat or any naval ship designed to provide
14 support to combatant ships and other naval oper-
15 ations. Such term does not include patrol coastal
16 ships, non-commissioned combatant craft specifically
17 designed for combat roles, or ships that are des-
18 ignated for potential mobilization.”.

1 **SEC. 1022 [Log 53772]. NATIONAL SEA-BASED DETERRENCE**

2 **FUND.**

3 (a) IN GENERAL.—

4 (1) ESTABLISHMENT OF FUND.—Chapter 131
5 of title 10, United States Code, is amended by in-
6 serting after section 2218 the following new section:

7 **“§ 2218a. National sea-based deterrence fund**

8 “(a) ESTABLISHMENT.—There is established in the
9 Treasury a fund to be known as the ‘National Sea-Based
10 Deterrence Fund’.

11 “(b) ADMINISTRATION OF FUND.—The Secretary of
12 Defense shall administer the Fund consistent with the
13 provisions of this section.

14 “(c) FUND PURPOSES.—(1) Funds in the Fund shall
15 be available for obligation and expenditure only for the
16 advanced procurement or construction of nuclear-powered
17 strategic ballistic missile submarines.

18 “(2) Funds in the Fund may not be used for a pur-
19 pose or program unless the purpose or program is author-
20 ized by law.

21 “(d) DEPOSITS.—There shall be deposited in the
22 Fund all funds appropriated to the Department of De-
23 fense for fiscal years after fiscal year 2017 for the ad-
24 vanced procurement or construction of nuclear-powered
25 strategic ballistic missile submarines.

1 “(e) EXPIRATION OF FUNDS AFTER 10 YEARS.—No
2 part of an appropriation that is deposited in the Fund
3 pursuant to subsection (d) shall remain available for obli-
4 gation more than 10 years after the end of the fiscal year
5 for which appropriated except to the extent specifically
6 provided by law.

7 “(f) BUDGET REQUESTS.—Budget requests sub-
8 mitted to Congress for the Fund shall separately identify
9 the amount requested for programs, projects, and activi-
10 ties for the construction (including the design of vessels)
11 of nuclear-powered strategic ballistic missile submarines.

12 “(g) DEFINITIONS.—In this section:

13 “(1) The term ‘Fund’ means the National Sea-
14 Based Deterrence Fund established by subsection
15 (a).

16 “(2) The term ‘nuclear-powered strategic bal-
17 listic missile submarine’ means any nuclear-powered
18 submarine owned, operated, or controlled by the De-
19 partment of Defense with the primary mission of
20 launching nuclear-armed ballistic missiles.”.

21 “(2) CLERICAL AMENDMENT.—The table of sec-
22 tions at the beginning of such chapter is amended
23 by inserting after the item relating to section 2218
24 the following new item:

“2218a. National sea-based deterrence fund.”.

25 “(b) TRANSFER AUTHORITY.—

1 (1) IN GENERAL.—Subject to paragraph (2),
2 and to the extent provided in appropriations Acts,
3 the Secretary of Defense may transfer to the Na-
4 tional Sea-Based Deterrence Fund established by
5 section 2218a of title 10, United States Code, as
6 added by subsection (a)(1), amounts not to exceed
7 \$3,500,000,000 from unobligated funds authorized
8 to be appropriated for fiscal years 2014, 2015, or
9 2016 for the Navy for shipbuilding and conversion,
10 Navy, for the advanced procurement or construction,
11 purchase, or alteration of nuclear-powered strategic
12 ballistic missile submarines. The transfer authority
13 provided under this paragraph is in addition to any
14 other transfer authority provided to the Secretary of
15 Defense by law.

16 (2) AVAILABILITY.—Funds transferred to the
17 National Sea-Based Deterrence Fund pursuant to
18 paragraph (1) shall remain available for the same
19 period for which the transferred funds were origi-
20 nally appropriated.

1 **SEC. 1023 [Log 53685]. ELIMINATION OF REQUIREMENT**
2 **THAT A QUALIFIED AVIATOR OR NAVAL**
3 **FLIGHT OFFICER BE IN COMMAND OF AN IN-**
4 **ACTIVATED NUCLEAR-POWERED AIRCRAFT**
5 **CARRIER BEFORE DECOMMISSIONING.**

6 Section 5942(a) of title 10, United States Code, is
7 amended—

8 (1) by inserting “(1)” after “(a)”; and

9 (2) by adding at the end the following new
10 paragraph:

11 “(2) Paragraph (1) does not apply to command of
12 a nuclear-powered aircraft carrier that has been inac-
13 tivated for the purpose of permanent decommissioning and
14 disposal.”.

1 **SEC. 1024 [Log 53896]. LIMITATION ON EXPENDITURE OF**
2 **FUNDS UNTIL COMMENCEMENT OF PLAN-**
3 **NING OF REFUELING AND COMPLEX OVER-**
4 **HAUL OF THE U.S.S. *GEORGE WASHINGTON*.**

5 Not more than 50 percent of the funds authorized
6 to be appropriated or otherwise made available under sec-
7 tion 301 of this Act for the Office of the Secretary of De-
8 fense for fiscal year 2015 may be obligated or expended
9 until the Secretary of Defense obligates funds to com-
10 mence the planning and long lead time material procure-
11 ment associated with the refueling and complex overhaul
12 of the U.S.S. *George Washington* (CVN-73).

1 **SEC. 1025 [Log 53326]. SENSE OF CONGRESS RECOGNIZING**
2 **THE ANNIVERSARY OF THE SINKING OF U.S.S.**
3 ***THRESHER*.**

4 (a) FINDINGS.—Congress makes the following find-
5 ings:

6 (1) U.S.S. *Thresher* was first launched at Ports-
7 mouth Naval Shipyard on July 9, 1960.

8 (2) U.S.S. *Thresher* departed Portsmouth Naval
9 Shipyard for her final voyage on April 9, 1963, with
10 a crew of 16 officers, 96 sailors, and 17 civilians.

11 (3) The mix of that crew reflects the unity of
12 the naval submarine service, military and civilian, in
13 the protection of the United States.

14 (4) At approximately 7:47 a.m. on April 10,
15 1963, while in communication with the surface ship
16 U.S.S. *Skylark*, and approximately 220 miles off the
17 coast of New England, U.S.S. *Thresher* began her
18 final descent.

19 (5) U.S.S. *Thresher* was declared lost with all
20 hands on April 10, 1963.

21 (6) In response to the loss of U.S.S. *Thresher*,
22 the United States Navy instituted new regulations to
23 ensure the health of the submariners and the safety
24 of the submarines of the United States.

25 (7) Those regulations led to the establishment
26 of the Submarine Safety and Quality Assurance pro-

1 gram (SUBSAFE), now one of the most comprehen-
2 sive military safety programs in the world.

3 (8) SUBSAFE has kept the submariners of the
4 United States safe at sea ever since as the strongest,
5 safest submarine force in history.

6 (9) Since the establishment of SUBSAFE, no
7 SUBSAFE-certified submarine has been lost at sea,
8 which is a legacy owed to the brave individuals who
9 perished aboard U.S.S. *Thresher*.

10 (10) From the loss of U.S.S. *Thresher*, there
11 arose in the institutions of higher education in the
12 United States the ocean engineering curricula that
13 enables the preeminence of the United States in sub-
14 marine warfare.

15 (11) The crew of U.S.S. *Thresher* demonstrated
16 the “last full measure of devotion” in service to the
17 United States, and this devotion characterizes the
18 sacrifices of all submariners, past and present.

19 (b) SENSE OF CONGRESS.—Congress—

20 (1) recognizes the 51st anniversary of the sink-
21 ing of U.S.S. *Thresher*;

22 (2) remembers with profound sorrow the loss of
23 U.S.S. *Thresher* and her gallant crew of sailors and
24 civilians on April 10, 1963; and

1 (3) expresses its deepest gratitude to all subma-
2 riners on “eternal patrol”, who are forever bound to-
3 gether by dedicated and honorable service to the
4 United States of America.

1 **SEC. 3501 [Log 53132]. AUTHORIZATION OF APPROPRIA-**
2 **TIONS FOR NATIONAL SECURITY ASPECTS OF**
3 **THE MERCHANT MARINE FOR FISCAL YEAR**
4 **2015.**

5 Funds are hereby authorized to be appropriated for
6 fiscal year 2015, to be available without fiscal year limita-
7 tion if so provided in appropriations Acts, for the use of
8 the Department of Transportation for Maritime Adminis-
9 tration programs associated with maintaining national se-
10 curity aspects of the merchant marine, as follows:

11 (1) For expenses necessary for operations of the
12 United States Merchant Marine Academy,
13 \$79,790,000, of which—

14 (A) \$65,290,000 shall remain available
15 until expended for Academy operations;

16 (B) \$14,500,000 shall remain available
17 until expended for capital asset management at
18 the Academy.

19 (2) For expenses necessary to support the State
20 maritime academies, \$17,650,000, of which—

21 (A) \$2,400,000 shall remain available until
22 expended for student incentive payments;

23 (B) \$3,600,000 shall remain available until
24 expended for direct payments to such acad-
25 emies;

1 (C) \$11,300,000 shall remain available
2 until expended for maintenance and repair of
3 State maritime academy training vessels; and

4 (D) \$350,000 shall remain available until
5 expended for improving the monitoring of grad-
6 uates' service obligation.

7 (3) For expenses necessary to support Maritime
8 Administration operations and programs,
9 \$50,960,000.

10 (4) For expenses necessary to dispose of vessels
11 in the National Defense Reserve Fleet, \$4,800,000,
12 to remain available until expended.

13 (5) For expenses to maintain and preserve a
14 United States-flag merchant marine to serve the na-
15 tional security needs of the United States under
16 chapter 531 of title 46, United States Code,
17 \$186,000,000.

18 (6) For the cost (as defined in section 502(5)
19 of the Federal Credit Reform Act of 1990 (2 U.S.C.
20 661a(5)) of loan guarantees under the program au-
21 thorized by chapter 537 of title 46, United States
22 Code, \$73,100,000, of which \$3,100,000 shall re-
23 main available until expended for administrative ex-
24 penses of the program.

1 **SEC. 3503 [Log 53794]. SENSE OF CONGRESS ON THE ROLE**
2 **OF DOMESTIC MARITIME INDUSTRY IN NA-**
3 **TIONAL SECURITY.**

4 (a) FINDINGS.—Congress finds that—

5 (1) the United States domestic maritime indus-
6 try carries hundreds of million of tons of cargo an-
7 nually, supports nearly 500,000 jobs, and provides
8 nearly 100 billion in annual economic output;

9 (2) the Nation’s military sealift capacity will
10 benefit from one of the fastest growing segments of
11 the domestic trades, 14 domestic trade tankers that
12 are on order to be constructed at United States
13 shipyards as of February 1, 2014;

14 (3) the domestic trades’ vessel innovations that
15 transformed worldwide maritime commerce include
16 the development of containerships, self-unloading
17 vessels, articulated tug-barges, trailer barges, chem-
18 ical parcel tankers, railroad-on-barge carfloats, and
19 river flotilla towing systems;

20 (4) the national security benefits of the domes-
21 tic maritime industry are unquestioned as the De-
22 partment of Defense depends on United States do-
23 mestic trades’ fleet of container ships, roll-on/roll-off
24 ships, and product tankers to carry military cargoes;

25 (5) the Department of Defense benefits from a
26 robust commercial shipyard and ship repair industry

1 and current growth in that sector is particularly im-
2 portant as Federal budget cuts may reduce the num-
3 ber of new constructed military vessels; and

4 (6) the domestic fleet is essential to national se-
5 curity and was a primary source of mariners needed
6 to crew United States Government-owned sealift ves-
7 sels activated from reserve status during Operations
8 Enduring Freedom and Iraqi Freedom in the period
9 2002 through 2010.

10 (b) SENSE OF CONGRESS.—It is the sense of Con-
11 gress that United States coastwise trade laws promote a
12 strong domestic trade maritime industry, which supports
13 the national security and economic vitality of the United
14 States and the efficient operation of the United States
15 transportation system.

DIRECTIVE REPORT LANGUAGE

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

SHIPBUILDING AND CONVERSION, NAVY

Items of Special Interest

Joint High Speed Vessel

The committee is aware of the premium that the Department of Defense places on the ability of U.S. military forces to deploy quickly to a full spectrum of engagements. In addition, the Department values the ability of U.S. forces to debark and embark in a wide range of port environments, from modern to austere.

The committee notes that the Joint High Speed Vessel (JHSV), crewed by Military Sealift Command mariners, has demonstrated the ability to transport military forces, as well as humanitarian relief personnel and materiel, in a manner that is responsive, deployable, agile, versatile, and sustainable. The USNS Spearhead (JHSV-1) is currently deployed to the U.S. 6th Fleet area of responsibility.

The JHSV is designed to transport 600 short tons of military cargo 1,200 nautical miles at an average speed of 35 knots in sea state 3. JHSVs support Navy Expeditionary Combat Command and riverine forces, theater cooperating missions, Seabees, and Marine Corps and Army transportation. The original procurement objective for the JHSV was 18 ships. This procurement number was lowered to 10 JHSVs as part of the budget request for fiscal year 2013.

The committee notes that the JHSV has the ability to support multiple branches of the military services, provide high-speed intra-theater sealift, operate in littoral environments and austere port environments, and support humanitarian and disaster relief activities. The committee also notes that the ship's construction line is still operational. For these reasons, the committee directs the Secretary of the Navy to submit a report to the congressional defense committees by April 1, 2015, on the operational benefits and cost savings associated with continuing to procure JHSVs. The report should specifically address the costs and benefits of buying the eight additional JHSVs that were originally part of the program.

Littoral Combat Ship

The committee is concerned about the survivability, lethality and endurance of the Navy's Littoral Combat Ship (LCS), as noted by the Government Accountability Office and others. In February 2014, after reviewing preliminary assessments and evaluations of the LCS, the Secretary of Defense reduced the total number of LCS seaframes to 32 from the planned procurement of 52 and also directed the Navy to submit alternate proposals to procure "a capable and lethal small surface combatant generally consistent with the capabilities of a frigate." The Secretary noted the importance of not only presence but capability and power projection as the foundation of the Navy's effectiveness and directed the Navy to study options to include a completely new design, existing ship designs (including the LCS), and a modified LCS. The Chief of Naval Operations has directed a Small Surface Combatant Task Force to report on these results by July 31, 2014.

Therefore, the committee directs the Comptroller General of the United States to provide a report to the congressional defense committees by April 1, 2015, that examines the Department of the Navy's study and its implications for the procurement of future small surface combatants. This report should assess:

- (1) The study's methodologies and key assumptions;
- (2) Any alternate ship design(s) and modifications to the Littoral Combat Ship that the Navy evaluated, including expectations of cost, schedule, and requirements; and

(3) The extent to which the study was consistent with the approach of a formal analysis of alternatives, as set forth in the Department of Defense acquisition policy.

Shipbuilding warranties and guarantees

The committee notes that the Government Accountability Office recently reported that the Navy continues to accept delivery of ships with large numbers of deficiencies. Depending on the contract type under which the ships were constructed, the Government may share a significant portion of the costs associated with fixing these deficiencies. In order to better assess the magnitude of this issue, the committee directs the Comptroller General of the United States to submit a report to the congressional defense committees by October 1, 2015, on the efficacy of warranties, guarantees, and other such mechanisms that are used in U.S. shipbuilding programs. This report should have a particular focus on:

- (1) The extent to which these mechanisms are used in Government and commercial shipbuilding programs;
- (2) How the Government assigns responsibility for a defect and corrects such problems; and
- (3) The extent to which these mechanisms may reduce the Government's exposure to additional costs resulting from defective workmanship or equipment.

Surface ship test platform

The committee notes that the Manta test platform concept has been successfully used to evaluate submarine sensors at a greatly reduced cost compared to using a full-size submarine for test and evaluation. The committee believes that a similar surface ship test system could be utilized to test and evaluate existing and emerging sonar systems for surface ships. Therefore, the committee directs the Secretary of the Navy to submit a report to the congressional defense committees by March 1, 2015, to include a cost-benefit assessment of designing and fabricating a purpose-built surface ship test craft that could be utilized to test and evaluate existing and emerging sonar systems for surface ships.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

Items of Special Interest

Unmanned Carrier-Launched Surveillance and Strike Program

The budget request contained \$403.0 million in PE 64404N for Unmanned Carrier-Launched Airborne Surveillance and Strike (UCLASS) development.

The committee believes that current UCLASS Air System Segment requirements will not address the emerging anti-access/area-denial (A2/AD) challenges to U.S. power projection that originally motivated creation of the Navy Unmanned Combat Air System (N-UCAS) program during the 2006 Quadrennial Defense Review (QDR), and which were reaffirmed in both the 2010 QDR and 2012 Defense Strategic Guidance. In particular, the disproportionate emphasis in the requirements on unrefueled endurance to enable continuous intelligence, surveillance, and reconnaissance (ISR) support to the Carrier Strike Group (CSG), a capability need presumably satisfied by the planned acquisition of 68 MQ-4C Tritons, would result in an aircraft with serious deficiencies in both survivability and internal weapons payload capacity and flexibility. Further, the cost limits for the aircraft are more consistent with a much less capable aircraft and will not enable the Navy to build a relevant vehicle that leverages readily available and mature technology. As planned, UCLASS appears unsupportive of the 2012 Defense Strategic Guidance for the United States to “maintain its ability to project power in areas in which our access and freedom to operate are challenged.”

The committee believes that the Navy needs a long-range, survivable unmanned ISR-strike aircraft as an integral part of the carrier air wings as soon as possible. However, investing in a program today that does not adequately address the threat will only delay, and could preclude, investment in and fielding of the right system later. Therefore, the committee believes special attention needs to be paid to threshold UCLASS requirements.

Finally, the committee is concerned with multiple aspects of the proposed UCLASS acquisition strategy, including: insufficient time and funding for contractors to mature their designs in support of a full-scope Preliminary Design Review, due in part to late-developing and still-evolving air system performance requirements; the additional risk to the program associated with the Navy’s decision to abandon the precision landing system developed and successfully tested during the UCAS-D effort; and the potential risk associated with NAVAIR developing the UCLASS Mission Control System internally.

Therefore, the committee directs the Secretary of Defense to conduct a review of the requirements for a carrier-based unmanned aircraft system to extend the ISR and precision strike reach of the carrier air wing in A2/AD threat environments projected for 2025-2035, and to provide a report on the review to the congressional defense committees by December 30, 2014. The review should pay special attention to revised threshold requirements for unrefueled mission endurance, automated aerial refueling, refueled mission endurance, survivability, internal weapons carriage and flexibility, and autonomy/mission control system functionality. It should include mission- and campaign-level quantitative analysis of representative carrier-based unmanned air system missions in the 2025-2035 timeframe, including but not limited to ISR, precision strike, and electronic attack. It should also consider the overall composition of the future carrier air wing, including the optimal mix of manned and unmanned squadrons, for conducting representative joint ISR-strike campaigns in the 2030 timeframe. The committee

also includes a provision elsewhere in this Act that would prohibit the Secretary of the Navy from awarding a contract for the UCLASS air vehicle segment until the Secretary of Defense completes the requirements review and provides the report to the congressional defense committees.

TITLE X—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

OTHER MATTERS

Force Structure Assessment

The committee notes that the Secretary of the Navy conducted a Force Structure Assessment in 2012 that determined the proposed composition of Navy surface and subsurface vessels. This latest Force Structure Assessment determined that an overall Navy fleet of 306 ships would be necessary to support the overall defense strategy. Since the release of the 2012 Force Structure Assessment, the Secretary of Defense released the 2014 Quadrennial Defense Review which determined, in part, the requirement for 11 aircraft carriers and 92 large surface combatants. Therefore, the committee directs the Secretary of the Navy to update the most recent Force Structure Assessment and to submit it to the congressional defense committees by March 1, 2015.

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

TITLE XXXV—MARITIME ADMINISTRATION

ITEMS OF SPECIAL INTEREST

Recapitalization of the U.S. Maritime Ready Reserve Force Fleet

The committee believes it is in the interest of U.S. national security that the U.S. merchant marine, both ships and mariners, serve as a national auxiliary in times of war or national emergency. The Ready Reserve Force of the U.S. Maritime Administration, a component of the National Defense Reserve Fleet, plays an important role in U.S. national security by providing necessary readiness and efficiency in the form of a government-owned sealift fleet. The committee believes it is important that the Ready Reserve Force fleet remains capable, modern, and efficient in order to best serve the national security needs of the United States in times of war or national emergency. Accordingly, the committee directs the Commander, U.S. Transportation Command to brief the House Committee on

Armed Services by September 1, 2014, on the options considered to modernize and recapitalize the Ready Reserve Force fleet and on the Commander's recommended path forward.