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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

LEGISLATIVE PROVISIONS

SUBTITLE C—NAVY PROGRAMS

Section 1xx—Procurement Authority for Aircraft Carrier Programs

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 five Nimitz class aircraft carriers.

Section 1xx—Modification to Multiyear Procurement Authority for Arleigh Burke Class Destroyers and Associated Systems

This section would amend section 123(a) of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239) and provide authority to the Secretary of the Navy to enter into a multiyear contract for a Flight III destroyer, in addition to the existing multiyear authority for a Flight IIA destroyer.

The committee supports the changes proposed by the Secretary of the Navy to integrate the Air and Missile Defense Radar in the Arleigh Burke class destroyer and the inclusion of the Flight III guided missile destroyer into the current multiyear authority. However, the committee is concerned about the Secretary of the Navy's strategy to implement an Engineering Change Proposal to fundamentally change integral elements of the Arleigh Burke class destroyer multiyear procurement without congressional authorization. When the initial multiyear procurement was authorized by section 123 of Public Law 112-239, the authorization was limited to an "Arleigh Burke class Flight IIA guided missile destroyer." The committee includes this provision because it believes that implementation of a Flight III destroyer without an explicit congressional authorization would violate section 123 of Public Law 112-239, by constituting a cardinal change in the scope of the initial authorization.

Section 1xx—Independent Assessment of United States Combat Logistic Force Requirements

This section would require the Secretary of Defense to enter into an agreement with a federally funded research and development center to conduct an assessment of the anticipated future demands of the combat logistics force ships of
the Navy and the challenges these ships may face when conducting and supporting future naval operations in contested maritime environments. This section would also require the Secretary of Defense to submit the assessment to the congressional defense committees by April 1, 2016.

**SUBTITLE D—AIR FORCE PROGRAMS**

Section 1xx—Limitation on Availability of Funds for Executive Communications Upgrades for C-20 and C-37 Aircraft

This section would limit the obligation and expenditure of funds authorized to be appropriated or otherwise made available for fiscal year 2016 to upgrade the executive communications of C-20 and C-37 aircraft unless the Secretary of the Air Force certifies in writing to the congressional defense committees that such upgrades do not cause such aircraft to exceed any weight limitations or reduce the operational capability of such aircraft. This section would also allow the Secretary of the Air Force to waive the limitation if the Secretary determines that such a waiver is necessary for the national security of the United States and notifies the congressional defense committees of such waiver.

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

**LEGISLATIVE PROVISIONS**

**SUBTITLE C—INDUSTRIAL BASE MATTERS**

Section 8xx—Requirement that Certain Ship Components be Manufactured in the National Technology and Industrial Base

This section would amend section 2534(a) 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.

**TITLE X—GENERAL PROVISIONS**

**LEGISLATIVE PROVISIONS**

**SUBTITLE C—NAVAL VESSELS AND SHipyARDS**

Section 10xx—Availability of Funds for Retirement or Inactivation of Ticonderoga Class Cruisers or Dock Landing Ships
This section would limit the obligation and expenditure of funds authorized to be appropriated or otherwise made available for fiscal year 2016 for the retirement, inactivation, or storage of Ticonderoga-class cruisers and Whidbey Island-class amphibious ships. This section would also require the modernization of two Ticonderoga-class cruisers to begin in fiscal year 2016 only after sufficient materials are available to begin the modernization period. Finally, the modernization period would be limited to 2 years with the ability of the Secretary of the Navy to extend the period for another 6 months.

Section 10xx—Enhancement of Authority of Secretary of Navy to Use National Sea-Based Deterrence Fund

This section would amend section 1022 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291) by expanding the transfer authority provided to the National Sea-Based Deterrence Fund from the Department of the Navy to the Department of Defense; providing authority to enter into economic order quantity contracts for ballistic missile submarines and other nuclear powered vessels; and providing incremental funding and facilities funding authority. This section further requires the Secretary of the Navy to submit a report on the Fund to the congressional defense committees by March 1, 2016, and annually through the year 2025.

Section 10xx—Mine Countermeasures Master Plan

This section would require the Secretary of the Navy to submit a mine countermeasures master plan to the congressional defense committees along with the annual budget request of each fiscal year from 2018 through 2023. The master plan shall include an assessment of the current and future capabilities, capacities, requirements, and readiness levels associated with mine countermeasure assets required to meet operational plans and contingency requirements. This section would also require the Secretary of the Navy to submit a one-time report to the congressional defense committees within 1 year of enactment of this Act as to current and future mine countermeasure force structure based on current mine countermeasure capabilities, including an assessment as to whether certain decommissioned ships should be retained in reserve operating status.

Section 10xx—Limitation on the Use of Funds for Removal of Ballistic Missile Defense Capabilities from Ticonderoga Class Cruisers

This section would prohibit the removal of ballistic missile capabilities from any of the Ticonderoga class cruisers until the Secretary of the Navy certifies to the congressional defense committees that the Navy has obtained the ballistic missile capabilities required by the most recent Navy Force Structure Assessment or determined to upgrade such cruisers with an equal or improved ballistic missile defense capability.
SUBTITLE __—REPEAL OR REVISION OF REPORTING REQUIREMENTS

Section 10xx—Repeal or Revision of Reporting Requirements Related to Naval Vessels and Merchant Marine

This section would repeal or revise certain reporting requirements that are overly burdensome, duplicative, or outdated, to include:

(a) Amending section 7292 of title 10, United States Code, to strike subsection (d) that required a 30 day congressional notice before the Secretary of the Navy names a naval vessel;

(b) Amending section 7306 of title 10, United States Code, to strike subsection (d) that required a 30 day congressional notice before Secretary of the Navy can transfer any vessel from the Naval Vessel Register to any State or not-for-profit entity;

(c) Amending section 126 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239) to delete a requirement for a quarterly report on Mission Modules of the Littoral Combat Ship;

(d) Deleting section 124 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181) that required an assessment prior to the start of construction on the first ship of a shipbuilding program;

(e) Amending section 122 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364) to delete a quarterly reporting requirement associated with the Ford class carrier;

(f) Amending section 50111 of title 46, United States Code, to request the Secretary of Transportation to submit a report to the Committee on Armed Services and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate the Maritime Administration authorization request for that fiscal year; and

(g) Deleting a monthly reporting mandate that is provided by the Secretary of the Navy to the congressional defense committees on open architecture, and a monthly report on the USS Ford-class carrier.

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

TITLE XXXV—MARITIME ADMINISTRATION

LEGISLATIVE PROVISIONS

This section would authorize appropriations for the national security aspects of the merchant marine for fiscal year 2016.

Section 35xx—Update of References to the Secretary of Transportation Regarding Unemployment Insurance and Vessel Operators

This section would update sections 3305 and 3306(n) of title 26, United States Code, to reflect the Maritime Administration’s transfer from the Department of Commerce to the Department of Transportation that occurred in 1981.

Section 35xx—Sense of Congress Regarding Maritime Security Fleet Program

This section would express the sense of Congress that dedicated and enhanced support is necessary to stabilize and preserve the Maritime Security Fleet program.

The committee notes that declines in the U.S.-flag international fleet have diminished the pool of U.S. civilian mariners critical to crewing not only commercial U.S.-flag vessels but also national defense surge sealift. The drop in the number of U.S.-flag vessels in the international trades is in part a result of reductions in government-impelled cargoes, both Department of Defense cargoes and food aid cargoes. The committee is concerned that future reductions in U.S.-flag commercial vessels, especially militarily useful vessels in the Maritime Security Program, could put at risk the Nation’s ability to fully activate, deploy, and sustain Armed Forces around the globe.
BILL LANGUAGE
SECTION 1. [Log 60184] PROCUREMENT AUTHORITY FOR AIRCRAFT CARRIER PROGRAMS.

(a) Procurement Authority in Support of Construction of Ford Class Aircraft Carriers.—

(1) Authority for Economic Order Quantity.—The Secretary of the Navy may procure materiel and equipment in support of the construction of the Ford class aircraft carriers designated CVN–80 and CVN–81 in economic order quantities when cost savings are achievable.

(2) Liability.—A contract entered into under paragraph (1) shall provide that any obligation of the United States to make a payment under the contract is subject to the availability of appropriations for that purpose, and that total liability to the Government for termination of any contract entered into shall be limited to the total amount of funding obligated at time of termination.

(b) Refueling and Complex Overhaul of Nimitz Class Aircraft Carriers.—

(1) In General.—The Secretary of the Navy may carry out the nuclear refueling and complex overhaul of each of the following Nimitz class aircraft carriers:
(A) U.S.S. George Washington (CVN–73).
(B) U.S.S. John C. Stennis (CVN–74).
(C) U.S.S. Harry S. Truman (CVN–75).
(D) U.S.S. Ronald Reagan (CVN–76).

(2) USE OF INCREMENTAL FUNDING.—With respect to a contract entered into under paragraph (1) for the nuclear refueling and complex overhaul of a Nimitz class aircraft carrier, the Secretary may use incremental funding for a period not to exceed six fiscal years beginning on the date on which the Secretary first obligates funds for the advance procurement of such nuclear refueling and complex overhaul.

(3) CONDITION FOR OUT-YEAR CONTRACT PAYMENTS.—A contract entered into under paragraph (1) shall provide that any obligation of the United States to make a payment under the contract for a fiscal year after fiscal year 2016 is subject to the availability of appropriations for that purpose for that later fiscal year.
SEC. 1. [Log 60731] MODIFICATION TO MULTIYEAR PROCUREMENT AUTHORITY FOR ARLEIGH BURKE CLASS DESTROYERS AND ASSOCIATED SYSTEMS.

Section 123(a) of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239; 126 Stat. 1655) is amended by inserting “or Flight III” after “Flight IIA”.

SEC. 1. [Log 60766] INDEPENDENT ASSESSMENT OF UNITED STATES COMBAT LOGISTIC FORCE REQUIREMENTS.

(a) ASSESSMENT REQUIRED.—

(1) IN GENERAL.—The Secretary of Defense shall seek to enter into an agreement with a federally funded research and development center with appropriate expertise and analytical capability to conduct an assessment of the anticipated future demands of the combat logistics force ships of the Navy and the challenges such ships may face when conducting and supporting future naval operations in contested maritime environments.

(2) ELEMENTS.—The assessment under paragraph (1) shall include the following:

(A) An assessment of the programmed ability of the United States Combat Logistic Force to support the Navy and the naval forces of allies of the United States that are operating in a dispersed manner and not concentrated in carrier or expeditionary strike groups, in accordance with the concept of distributed lethality of the Navy.
(B) An assessment of the programmed ability of the United States Combat Logistic Force to support the Navy and the naval forces of allies of the United States that are engaged in major combat operations against an adversary possessing maritime anti-access and area-denial capabilities, including anti-ship ballistic and cruise missiles, land-based maritime strike aircraft, submarines, and sea mines.

(C) An assessment of the programmed ability of the United States Combat Logistic Force to support distributed and expeditionary air operations from an expanded set of alternative and austere air bases in accordance with concepts under development by the Air Force and the Marine Corps.

(D) An assessment of gaps and deficiencies in the capability and capacity of the United States Combat Logistic Force to conduct and support operations of the United States and allies under the conditions described in subparagraphs (A), (B), and (C).

(E) Recommendations for adjustments to the programmed ability of the United States Combat Logistic Force to address capability
and capacity gaps and deficiencies described in subparagraph (D).

(F) Any other matters the federally funded research and development center considers appropriate.

(b) REPORT REQUIRED.—

(1) IN GENERAL.—Not later than April 1, 2016, the Secretary of Defense shall submit to the congressional defense committees a report that includes the assessment under subsection (a) and any other matters the Secretary considers appropriate.

(2) FORM.—The report required under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(c) SUPPORT.—The Secretary of Defense shall provide the federally funded research and development center that conducts the assessment under subsection (a) with timely access to appropriate information, data, resources, and analyses necessary for the center to conduct such assessment thoroughly and independently.
SEC. 1___. [Log 60927] LIMITATION ON AVAILABILITY OF FUND FOR EXECUTIVE COMMUNICATIONS UPGRADES FOR C–20 AND C–37 AIRCRAFT.

(a) LIMITATION.—Except as provided by subsection (b), none of the funds authorized to be appropriated by this Act or otherwise made available for fiscal year 2016 for the Air Force may be obligated or expended to upgrade the executive communications of C–20 and C–37 aircraft until the date on which the Secretary of the Air Force certifies in writing to the congressional defense committees that such upgrades do not—

(1) cause such aircraft to exceed any weight limitation; or

(2) reduce the operational capability of such aircraft.

(b) WAIVER.—The Secretary may waive the limitation in subsection (a) if the Secretary—

(1) determines that such waiver is necessary for the national security interests of the United States; and

(2) notifies the congressional defense committees of such waiver.
SEC. 8 [Log 60196]. REQUIREMENT THAT CERTAIN SHIP
COMPONENTS BE MANUFACTURED IN THE
NATIONAL TECHNOLOGY AND INDUSTRIAL
BASE.

(a) ADDITIONAL PROCUREMENT LIMITATION.—Section 2534(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

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

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

“(B) Propulsion system components, including engines, reduction gears, and propellers.

“(C) Shipboard cranes.

“(D) Spreaders for shipboard cranes.”.

(b) IMPLEMENTATION.—Such section is further amended by adding at the end the following new subsection:

“(k) IMPLEMENTATION OF AUXILIARY SHIP COMPONENT LIMITATION.—Subsection (a)(6) applies only with respect to contracts awarded by the Secretary of a military department for new construction of an auxiliary ship after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2016 using funds available for
National Defense Sealift Fund programs or Shipbuilding and Conversion, Navy.”.

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SEC. 10. [Log 59558]. AVAILABILITY OF FUNDS FOR RETIREMENT OR INACTIVATION OF TICONDEROGA CLASS CRUISERS OR DOCK LANDING SHIPS.

(a) LIMITATION ON THE AVAILABILITY OF FUNDS.—Except as otherwise provided in this section, none of the funds authorized to be appropriated by this Act or otherwise made available for the Department of Defense for fiscal year 2016 may be obligated or expended to retire, prepare to retire, inactivate, or place in storage a cruiser or dock landing ship.

(b) CRUISER MODERNIZATION.—

(1) IN GENERAL.—As provided by section 1026 of the National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), the Secretary of the Navy shall begin the modernization of two cruisers during fiscal year 2016 only after the receipt of the materiel required to begin such modernization. Such modernization shall include—

(A) hull, mechanical, and electrical upgrades; and

(B) combat systems modernizations.

(2) DURATION.—
(A) IN GENERAL.—Except as provided in subparagraph (B), the time period for such modernization shall not exceed two years.

(B) EXTENSION.—If the Secretary of the Navy determines that the scope of the modernization cannot be reasonably completed in two years, the Secretary may extend the time period under subparagraph (A) for an additional six months. If the Secretary issues such an extension, the Secretary shall submit to the congressional defense committees notice of the extension and the reasons the Secretary made such determination.

(3) DELAY.—The Secretary of the Navy may delay the modernization required under paragraph (1) if the materiel required to begin the modernization has not been received.
SEC. 10. [Log 60245]. ENHANCEMENT OF AUTHORITY OF SECRETARY OF NAVY TO USE NATIONAL SEA-BASED DETERRENCE FUND.

(a) IN GENERAL.—Section 2218a of title 10, United States Code, is amended—

(1) in subsection (c)(1), by striking “national sea-based deterrence vessels” and inserting “a class of twelve national sea-based deterrence vessels, and cross-program coordinated procurement efforts with other nuclear powered vessels”;

(2) in subsection (d), by inserting before the period at the end the following: “and cross program coordinated procurement efforts with other nuclear powered vessels”;

(3) by redesignating subsections (f) and (g) as subsections (j) and (m), respectively;

(4) by inserting after subsection (e) the following new subsections:

“(f) AUTHORITY TO ENTER INTO ECONOMIC ORDER QUANTITY CONTRACTS.—(1) The Secretary of the Navy may use funds deposited in the Fund to enter into contracts known as ‘economic order quantity contracts’ with private shipyards and other commercial or government entities to achieve economic efficiencies based on production
economies for major components or subsystems. The au-

thority under this subsection extends to the procurement

of parts, components, and systems (including weapon sys-

tems) common with and required for other nuclear pow-

ered vessels under joint economic order quantity contracts.

“(2) A contract entered into under paragraph (1)

shall provide that any obligation of the United States to

make a payment under the contract is subject to the avail-

ability of appropriations for that purpose, and that total

liability to the Government for termination of any contract

entered into shall be limited to the total amount of funding

obligated at time of termination.

“(g) Authority to Begin Manufacturing and

Fabrication Efforts Prior to Ship Authorization.—(1) The Secretary of the Navy may use funds de-

posited into the Fund to enter into contracts for advance

construction of national sea-based deterrence vessels to

support achieving cost savings through workload manage-

ment, manufacturing efficiencies, or workforce stability, or

to phase fabrication activities within shipyard and manage

sub-tier manufacturer capacity.

“(2) A contract entered into under paragraph (1)

shall provide that any obligation of the United States to

make a payment under the contract is subject to the avail-

ability of appropriations for that purpose, and that total
liability to the Government for termination of any contract
entered into shall be limited to the total amount of funding
obligated at time of termination.

“(h) Authority to Use Incremental Funding
to Enter Into Contracts for Certain Items.—(1)
The Secretary of the Navy may use funds deposited into
the Fund to enter into incrementally funded contracts for
advance procurement of high value, long lead time items
for nuclear powered vessels to better support construction
schedules and achieve cost savings through schedule re-
ductions and properly phased installment payments.

“(2) A contract entered into under paragraph (1)
shall provide that any obligation of the United States to
make a payment under the contract is subject to the avail-
ability of appropriations for that purpose, and that total
liability to the Government for termination of any contract
entered into shall be limited to the total amount of funding
obligated at time of termination.

“(i) Facilities Funding.—The Secretary of the
Navy may use funds deposited into the Fund to provide
incentives for investments in critical infrastructure at nu-
clear capable shipyards and critical sub-tier vendors. Addi-
tionally, the Secretary of the Navy may use such funds
for certain cancellation costs in the event of significant
changes to the Long Range Shipbuilding Strategy for nuclear powered vessels.”;

(5) by inserting after subsection (j), as redesignated under paragraph (3), the following new subsection:

“(k) REPORT TO CONGRESS.—(1) The Secretary of the Navy shall submit to the congressional defense committees, by March 1, 2016, and annually through the year 2025, a report on the Fund. Each such report shall identify separately the amount allocated by ship for programs, projects, and activities for construction (including design of vessels), purchase, alteration, and conversion. At a minimum, each such report shall include—

“(A) information about the activities carried out using funds deposited into the Fund during the fiscal year covered by the report, including the status of class design and construction efforts, including programmatic schedules, procurement schedules, and funding requirements.

“(B) a plan detailing forecasted obligations and expenditures for construction (including design of vessels), purchase, alteration, and conversion of vessels by ship for the fiscal year following the fiscal year during which the report is submitted; and
“(C) the identification of the stable need and
design for items, together with a description of any
savings associated with the authorities provided in
subsections (e) and (f), as documented in cost esti-
mates.

“(2) The Secretary of the Navy shall provide to the
congressional defense committees notice in writing at least
30 days before executing any significant deviation to the
annual plan required under paragraph (1)(B).”;

(6) in subsection (m), as so redesignated, by
adding at the end the following new paragraph:

“(3) The term ‘advance construction’ means
shipyard manufacturing and fabrication activities
(including sub-tier manufacturing of major compo-
nents or subsystems).”.

(b) AVAILABILITY OF CERTAIN UNOBLIGATED
FUNDS FOR TRANSFER.—Section 1022(b)(1) of the Na-
tional Defense Authorization Act for Fiscal Year 2015
(Public Law 113–291) is amended by striking “for the
Navy for the Ohio Replacement Program” and inserting
“to the Department of Defense”.

SEC. 10. [Log 60770]. MINE COUNTERMEASURES MASTER PLAN.

(a) Plan Required.—

(1) In general.—At the same time the budget is submitted to Congress for each of fiscal years 2018 through 2023, the Secretary of the Navy shall submit to the congressional defense committees a mine countermeasures (hereinafter in this section referred to as “MCM”) master plan. Each such plan shall include each of the following:

(A) An evaluation of the capabilities, capacities, requirements, and readiness levels of the defensive capabilities of the Navy for MCM, including an assessment of the dedicated MCM force as well as the capabilities of ships, aircraft, and submarines that are not yet dedicated to MCM but could be modified to carry mine warfare capabilities.

(B) An evaluation of the ability of units to properly command and control air and surface MCM forces from fleet level down through to element level and to provide necessary operational and tactical control and awareness of
such forces to facilitate mission accomplishment
and defense.

(C) An assessment of technologies having
promising potential for use for improving mine
warfare and of programs for transitioning such
technologies from the testing and evaluation
phases to procurement.

(D) A fiscal plan to support the master
plan through the Future Years Defense Plan.

(E) A plan for inspection of each asset
with mine warfare responsibilities, require-
ments, and capabilities, which shall include pro-
posed methods to ensure the material readiness
of each asset and the training level of the force,
a general summary, and readiness trends.

(2) FORM OF SUBMISSION.—Each plan sub-
mitted under paragraph (1)(E) shall be in unclassi-
ified form, but may include a classified annex ad-
dressing the capability and capacity to meet op-
erational plans and contingency requirements.

(b) REPORT TO CONGRESS.—Not later than one year
after the date of the enactment of this Act, the Secretary
of the Navy shall submit to the congressional defense com-
mittees a report containing the recommendations of the
Secretary regarding the force structure and ensuring the
1 operational effectiveness of the surface mine warfare force
2 through 2025 based on current capabilities and capacity,
3 replacement schedules, and service life extensions or re-
4 tirement schedules. Such report shall include an assess-
5 ment of the MCM vessels, including the decommissioned
6 MCM-1 and MCM-2 ships and the potential of such ships
7 for reserve operating status.
SEC. 10. LIMITATION ON THE USE OF FUNDS FOR REMOVAL OF BALLISTIC MISSILE DEFENSE CAPABILITIES FROM TICONDEROGA CLASS CRUISERS.

None of the funds authorized to be appropriated by this Act or otherwise made available for the Department of Defense may be used to remove ballistic missile defense capabilities from any of the 5 Ticonderoga class cruisers equipped with such capabilities until the Secretary of the Navy certifies to the congressional defense committees that the Navy has—

(1) obtained the ballistic missile capabilities required by the most recent Navy Force Structure Assessment; or

(2) determined to upgrade such cruisers with an equal or improved ballistic missile defense capability.
SEC. 10. [Log 60664] REPEAL OR REVISION OF REPORTING REQUIREMENTS RELATED TO NAVALVESSELS AND MERCHANT MARINE.

(a) Report on Naming of Naval Vessels.—Section 7292 of title 10, United States Code, is amended by striking subsection (d).

(b) Report on Transfer of Vessels Stricken From Naval Vessel Register.—Section 7306 of title 10, United States Code, is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(e) Reports on Mission Modules of Littoral Combat Ship.—Section 126 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239; 126 Stat. 1657) is amended—

(1) by striking “(a) Designation Required.—”; and

(2) by striking subsection (b).


(f) ANNUAL REPORT OF MARITIME ADMINISTRATION.—

(1) ELIMINATION OF REPORT AND REVISION REMAINING REQUIREMENT.—Section 50111 of title 46, United States Code, is amended to read as follows:

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§ 50111. Submission of annual MARAD authorization request

“(a) SUBMISSION OF LEGISLATIVE PROPOSAL.—Not later than 30 days after the date on which the President submits to Congress a budget for a fiscal year pursuant to section 1105 of title 31, the Secretary of Transportation shall submit to the Committee on Armed Services and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate the Maritime Administration authorization request for that fiscal year.
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“(b) Maritime Administration Request Defined.—In this section, the term ‘Maritime Administration authorization request’ means a proposal for legislation that, for a fiscal year—

“(1) recommends authorizations of appropriations for the Maritime Administration for that fiscal year, including with respect to matters described in subsection 109(j) of title 49 or authorized in subtitle V of this title; and

“(2) addresses any other matter with respect to the Maritime Administration that the Secretary determines is appropriate.”.

(2) Clerical Amendment.—The table of sections at the beginning of chapter 501 of title 46, United States Code, is amended by striking the item relating to section 50111 and inserting the following new item:

“50111. Submission of annual MARAD authorization request.”.

(g) Discretionary Reports No Longer Needed.—The Secretary of the Navy is not required to submit to the congressional defense committees—

(1) a report, or updates to such a report, on open architecture as described in Senate Report 110–077; or
(2) a monthly report on Ford class aircraft carriers not otherwise required by law.
TITLE XXXV—MARITIME ADMINISTRATION


Funds are hereby authorized to be appropriated for fiscal year 2016, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for Maritime Administration programs associated with maintaining national security aspects of the merchant marine, as follows:

(1) For expenses necessary for operations of the United States Merchant Marine Academy, $96,028,000, of which—

(A) $71,306,000 shall remain available until expended for Academy operations;

(B) $24,722,000 shall remain available until expended for capital asset management at the Academy.

(2) For expenses necessary to support the State maritime academies, $34,550,000, of which—
(A) $2,400,000 shall remain available until expended for student incentive payments;

(B) $3,000,000 shall remain available until expended for direct payments to such academies;

(C) $1,800,000 shall remain available until expended for training ship fuel assistance payments;

(D) $22,000,000 shall remain available until expended for maintenance and repair of State maritime academy training vessels;

(E) $5,000,000 shall remain available until expended for the National Security Multi-Mission Vessel Design; and

(F) $350,000 shall remain available until expended for improving the monitoring of graduates’ service obligation.

(3) For expenses necessary to support Maritime Administration operations and programs, $54,059,000.

(4) For expenses necessary to dispose of vessels in the National Defense Reserve Fleet, $8,000,000, to remain available until expended.

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

(6) For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)) of loan guarantees under the program authorized by chapter 537 of title 46, United States Code, $3,135,000, of which $3,135,000 shall remain available until expended for administrative expenses of the program.
SEC. 3. [Log60330]. UPDATE OF REFERENCES TO THE
SECRETARY OF TRANSPORTATION REGARDING UNEMPLOYMENT INSURANCE AND VESSEL OPERATORS.

Sections 3305 and 3306(n) of the Internal Revenue Code of 1986 are each amended by striking “Secretary of Commerce” each place that it appears and inserting “Secretary of Transportation”.


SEC. 3. [Log 60788]. SENSE OF CONGRESS REGARDING MARITIME SECURITY FLEET PROGRAM. 

It is the sense of Congress that dedicated and enhanced support is necessary to stabilize and preserve the Maritime Security Fleet program, a program that provides the Department of Defense with on-demand access to world class, economical commercial sealift capacity, assures a United States-flag presence in international commerce, supports a pool of qualified United States merchant mariners needed to crew United States-flag vessels during times of war or national emergency, and serves as a critical component of our national security infrastructure.
DIRECTIVE REPORT LANGUAGE
The committee notes that the Navy plans to use the Arleigh Burke-class destroyers (DDG 51) hull form as the platform for the Air and Missile Defense Radar (AMDR), which will provide integrated air and ballistic missile defense capability for the fleet. The committee further notes that the Director of Operational Test and Evaluation has disagreed with the Navy’s plans for AMDR testing and believes that in order to achieve full end-to-end test results, testing
must be performed aboard the self-defense test ship. Considering the central role that AMDR and DDG 51 Flight III will play in sea-based ballistic missile defense and the magnitude of the Navy’s planned investment, the committee directs the Comptroller General of the United States to submit a report to the congressional defense committees by March 1, 2016, as to the potential use of AMDR on the self-defense test ship. This report should include, but is not limited to, an analysis of the following:

(1) Maturity of AMDR and the Navy’s plans for developing, testing, and integrating AMDR, to include a cost benefit of performing AMDR testing aboard the self-defense test ship versus a manned ship;
(2) Risks associated with the Navy’s planned acquisition strategy for the DDG 51 class and AMDR; and
(3) Any additional items the Comptroller General deems relevant to the report.

_Naval electric weapons systems fielding plan_

The committee is aware that the Navy has been pursuing development and operational demonstration of a number of electric weapons systems, including both directed energy systems and electromagnetic railguns. This class of electric weapons has the potential to provide revolutionary new capabilities for Navy platforms, including increased range, increased safety, and deeper magazines than conventional weapons. The committee believes that such systems will be important in the future to counter cost-imposing strategies in an anti-access environment where swarms of low-cost weapons could be used to overwhelm higher-cost, limited numbers of defensive weapons. However, as the Navy continues to pursue increasing power and decreasing size for such weapons, the committee believes that the Navy should also be considering how to field and integrate such systems into future naval platforms in order to facilitate successful transition from the laboratory to the fleet.

Therefore, the committee directs the Secretary of the Navy to develop a plan for fielding electric weapon systems within the Department of the Navy for both the current and future fleet, and to provide a briefing on the results of this plan to the House Committee on Armed Services by March 1, 2016. As part of this plan, the Secretary of the Navy shall detail proposals for the allocation of the requisite power and space for the fielding of electric weapons systems, such as the Laser Weapons System, electromagnetic railgun, or other similar systems currently in development for the current and future fleet.

_Ohio-class ballistic missile submarine replacement_

The Navy’s Ohio-class replacement program is intended to replace the current fleet of existing Ohio-class ballistic missile submarines. The Navy plans to procure 12 submarines to replace the 14 existing Ohio-class submarines, at an estimated total program cost of over $95.00 billion in fiscal year 2015 dollars. The
Navy plans to begin procuring the lead ship in the class starting in fiscal year 2021, with detail design planned for 2017. The Navy has recognized that given the investment requirements associated with the Ohio-class replacement program, it will face serious resource challenges starting in fiscal year 2020. The Navy is currently in the early design phase of this program and is investigating various cost reduction efforts, such as an early reduction of requirements and ongoing efforts to identify mature technologies that can be leveraged from other submarine and ship programs. The Government Accountability Office has reported in the past on the importance of attaining key knowledge early in shipbuilding programs in order to reduce the risk of future cost growth and schedule delays.

Therefore, the committee directs the Comptroller General of the United States to provide a report to the congressional defense committees by March 1, 2016, on the Ohio-class replacement program, which should include the following specific elements:

1. The feasibility of the Navy’s planned technical approaches to meeting identified performance requirements;
2. The maturity of the technologies identified for the Ohio-class replacement, including the development of a new nuclear reactor;
3. The status of prototyping efforts to reduce technical risk in advance of lead ship construction;
4. The readiness and capacity of the industrial base to design and build the submarines and the availability of any unique materials necessary for submarine construction; and
5. Any risk in the Navy’s planned acquisition strategy for the class.

**USS John F. Kennedy two-phase acquisition strategy**

The committee notes that the Secretary of the Navy has prepared a two-phase acquisition strategy to support the delivery of the USS John F. Kennedy (CVN 79) that would be concurrent with the inactivation of the USS Nimitz (CVN 68). This strategy would complete the hull, mechanical and electrical construction work (phase I) and then after a planned incremental availability, would install relevant shipboard combat systems and electronics during another availability (phase II). The Navy has indicated that this two-phase acquisition strategy will reduce construction costs, increase flexibility in the schedule, provide an opportunity to install a lower-cost radar solution, and preempt required obsolescence management in the first planned incremental availability. The committee is concerned, however, that this two-phase strategy may unnecessarily extend the USS John F. Kennedy fleet induction timeline by 18 months and increase costs as a result of extended overhead and inflationary losses.

Therefore, the committee directs the Secretary of the Navy to submit a report to the congressional defense committees by March 1, 2016, about the two-phase acquisition strategy. The report shall include an assessment of conducting the proposed phase II work concurrent with the phase I USS John F. Kennedy
effort, and assess the cost and inflationary implications associated with the proposed and concurrent work options.

**OTHER PROCUREMENT, NAVY**

**Items of Special Interest**

*Air and Missile Defense Radar*

The committee understands that the Navy Air and Missile Defense Radar (AMDR) is designed to be fully scalable and modular to support a variety of shipboard radar applications on a variety of platforms. The committee further understands that the flexibility in the design of AMDR could also provide the foundation for land based applications.

Therefore, the committee directs the Under Secretary of Defense for Acquisition, Technology, and Logistics to provide a briefing to the House Committee on Armed Services by February 1, 2016, on the Department of the Navy’s plan to utilize the AMDR investment across existing and future platforms in the fleet. The briefing shall also include options that the Secretary is considering to exploit AMDR scalability in other service radar acquisitions to realize greater affordability through economies of scale.

**AIRCRAFT PROCUREMENT, AIR FORCE**

**Items of Special Interest**

*KC-46A quarterly report*

The committee supports the current acquisition strategy associated with the KC-46A aircraft. Therefore, the committee directs the Under Secretary of Defense for Acquisition, Technology, and Logistics to discontinue the quarterly reporting associated with the KC-46A aircraft required in the committee report (H. Rept. 112-78) accompanying the National Defense Authorization Act for Fiscal Year 2012.

**TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY**

**Items of Special Interest**

*Anti-surface warfare missile capability for Littoral Combat Ship*

The committee is aware of the complex close combat environments that Navy surface combatants encounter when operating in the littorals. Characteristic
of this environment is the irregular threat posed by clusters of swarming small boats intermingled with non-combatant vessels. As a result, the anti-surface warfare mission for vessels, such as the Littoral Combat Ship (LCS) and Patrol Coastal (PC) ships, must possess positive-control missile capabilities that enable agile rules of engagement for applying decisive defensive countermeasures while minimizing the risks of collateral damage. Furthermore, it is critical that this balance of capabilities be fielded to the fleet as rapidly as possible.

The committee is also aware of the Navy’s efforts to field an anti-surface warfare missile capability for the LCS that meets these criteria; however, the committee is concerned that the current development path will require significant engineering/test and integration work that impacts the initial operating capability. Therefore, the committee directs the Secretary of the Navy to provide a briefing to the House Committee on Armed Services not later than March 1, 2016, detailing the cost and schedule of current development efforts on anti-surface warfare missile capability for the LCS and PC ships. The briefing should evaluate comparative systems’ speed of integration to the fleet, range, weight, In-Flight Target Update capability, and ability to leverage existing fielded systems.

Unmanned carrier aviation

The committee notes that the Secretary of Defense has initiated an intelligence, surveillance, and reconnaissance (ISR) portfolio review to assess the merits of the entirety of Department of Defense assets that may be available to support combat operations. This review is being augmented by a U.S. Navy tactical aviation analysis to determine the characteristics and quantities of carrier based ISR unmanned aviation systems (UAS) necessary to optimize the overall carrier air wing. The committee also notes that section 217 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291) included:

(1) A limitation on funding associated with the Unmanned Carrier-Launched Airborne Surveillance and Strike (UCLASS) air vehicle until the Secretary of Defense certifies that a review of requirements associated with the UCLASS air vehicle s is complete and submits the results of such a review to the congressional defense committees; and

(2) A requirement for the Secretary of the Navy to prepare a report to assess the overall carrier air wing composition to include UCLASS, the support offered by non-organic naval aviation forces such as MQ-4C Triton, and the intended capabilities offered by FA-XX, which is the replacement aircraft for the F/A-18 E/F aircraft.

The committee believes that sea-based, long-range strike capabilities have incontrovertible merit and have been an integral element of U.S. carrier air wings in the past. Looking ahead, this capability may be the most important capability that the aircraft carrier can provide in contested environments and anti-access/area-denial scenarios. The committee believes that pursuit of a long-range
penetrating strike capability should therefore be a critical focus of naval investments. The committee also believes that the capabilities offered by unmanned aviation may be the only capability that can support this mission requirement.

The committee notes that the majority of naval aviation missions do not require the same high-end characteristics required for long-range penetrating strike missions. The committee recognizes that an unmanned aircraft with not all of the attributes of a high-end UAS may be a more economical and sustainable means of conducting persistent ISR, aerial refueling, and strike missions in low-to-medium threat environments. The committee also recognizes that the Navy has a validated capability gap in regard to ISR and encourages the Department of Defense to meet this requirement in an economical and efficient manner.

Considering all of the options available to the Navy to augment the future carrier air wing, the committee believes that the continued development of the UCLASS program as a long-range penetrating strike capability best meets the future carrier air wing requirements and will address a much needed capability deficiency in the current carrier strike design.

Finally, the committee notes that the budget request included continued development of the UCLASS program, but does not include funds for the air vehicle. The committee encourages the Secretary of Defense to expeditiously complete the ISR portfolio analysis review and provide the proposed UCLASS Capabilities Development Document (CDD) to the congressional defense committees. If the CDD is not provided by August 31, 2015, the committee directs the Secretary of the Defense to provide a briefing to the House Committee on Armed Services by September 1, 2015, as to the terms of reference and an assessment that the Navy has the resources available and a strategy to deliver those required UCLASS capabilities. At a minimum, this brief should also include:

1. An updated cost estimate;
2. A schedule for holding a milestone B review and establishing an acquisition program baseline before initiating system development;
3. Plans for new preliminary design reviews or delta preliminary design reviews and technology maturation if more demanding requirements are validated; and
4. What consideration is being given to adopting an evolutionary acquisition approach.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

Items of Special Interest

Long-range strike bomber

The Department of Defense has indicated that it intends to pursue the acquisition of future long-range strike capabilities for operating in anti-access/area denial environments. According to the budget request for fiscal year 2016, the
Secretary of Defense expects to significantly increase annual investments in long-range strike development over the next 5 years, with investments from fiscal year 2016-20 projected to total nearly $14.00 billion. The acquisition of a new bomber is one of the key elements in the Department’s planned long-range strike investments.

Given the size of the planned investments and the strategic importance of successfully acquiring a new bomber, the committee directs the Comptroller General of the United States to conduct a review of the U.S. Air Force bomber acquisition program and to provide a briefing to the House Committee on Armed Services by March 1, 2016, on the findings of the review. Specifically, the Comptroller General shall include an examination of the bomber program’s technology maturity in comparison with other Air Force acquisition programs at similar milestone events. This brief should also include an examination of the Air Force’s: (1) overall acquisition strategy; (2) technology, design, and production readiness; (3) development, testing, and fielding progress; (4) cost and schedule implications; and (5) technical performance.

The committee expects the Secretary of the Air Force shall ensure timely access to the necessary program information including, but not limited to, cost and budget information, detailed schedules, contractor data, program management reports, decision briefings, risk and technology readiness assessments, and technical performance measures.