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110TH CONGRESS
1ST SESSION

H. R. 2722

[Report No. 110-270]

To restructure the Coast Guard Integrated Deepwater Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2007

Mr. CUMMINGS (for himself and Mr. OBERSTAR) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

JULY 30, 2007

Additional sponsor: Mr. BISHOP of New York

JULY 30, 2007

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on June 14, 2007]

A BILL

To restructure the Coast Guard Integrated Deepwater Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Integrated Deepwater*
3 *Program Reform Act”.*

4 **SEC. 2. IMPLEMENTATION OF COAST GUARD INTEGRATED**
5 **DEEPWATER ACQUISITION PROGRAM.**

6 (a) *USE OF PRIVATE SECTOR ENTITY AS A LEAD SYS-*
7 *TEMS INTEGRATOR.—*

8 (1) *IN GENERAL.—Except as otherwise provided*
9 *in this subsection, the Secretary may not use a pri-*
10 *vate sector entity as a lead systems integrator for pro-*
11 *curements under, or in support of, the Deepwater*
12 *Program beginning on the earlier of October 1, 2011,*
13 *or the date on which the Secretary certifies in writing*
14 *to the Committee on Transportation and Infrastruc-*
15 *ture of the House of Representatives and the Com-*
16 *mittee on Commerce, Science, and Transportation of*
17 *the Senate that the Coast Guard has available and*
18 *can retain sufficient contracting personnel and exper-*
19 *tise within the Coast Guard, through an arrangement*
20 *with other Federal agencies, or through contracts or*
21 *other arrangements with private sector entities, to*
22 *perform the functions and responsibilities of the lead*
23 *system integrator in an efficient and cost-effective*
24 *manner.*

25 (2) *COMPLETION OF EXISTING DELIVERY ORDERS*
26 *AND TASK ORDERS.—The Secretary may use a pri-*

1 *vate sector entity as a lead systems integrator to com-*
2 *plete any delivery order or task order under the Deep-*
3 *water Program that was issued to the lead systems*
4 *integrator on or before the date of enactment of this*
5 *Act.*

6 (3) *ASSISTANCE OF OTHER FEDERAL AGEN-*
7 *CIES.—In any case in which the Secretary is the sys-*
8 *tems integrator under the Deepwater Program, the*
9 *Secretary may obtain any type of assistance the Sec-*
10 *retary considers appropriate, with any systems inte-*
11 *gration functions, from any Federal agency with ex-*
12 *perience in systems integration involving maritime*
13 *vessels and aircraft.*

14 (4) *ASSISTANCE OF PRIVATE SECTOR ENTI-*
15 *TIES.—In any case in which the Secretary is the sys-*
16 *tems integrator under the Deepwater Program, the*
17 *Secretary may, subject to the availability of appro-*
18 *priations, obtain by grant, contract, or cooperative*
19 *agreement any type of assistance the Secretary con-*
20 *siders appropriate, with any systems integration*
21 *functions, from any private sector entity with experi-*
22 *ence in systems integration involving maritime vessels*
23 *and aircraft.*

24 (b) *COMPETITION.—*

1 (1) *IN GENERAL.*—*Except as otherwise provided*
2 *in this subsection, the Secretary shall use full and*
3 *open competition for each class of asset acquisitions*
4 *under the Deepwater Program for which an outside*
5 *contractor is used, if the asset is procured directly by*
6 *the Coast Guard or by the Integrated Coast Guard*
7 *System acting under a contract with the Coast*
8 *Guard.*

9 (2) *EXCEPTION.*—*The Secretary may use a pro-*
10 *urement method that is less than full and open com-*
11 *petition to procure an asset under the Deepwater Pro-*
12 *gram, if—*

13 (A) *the Secretary determines that such*
14 *method is in the best interests of the Federal*
15 *Government; and*

16 (B) *by not later than 30 days before the*
17 *date of the award of a contract for the procure-*
18 *ment, the Secretary submits to the Committee on*
19 *Transportation and Infrastructure of the House*
20 *of Representatives and the Committee on Com-*
21 *merce, Science, and Transportation of the Senate*
22 *a report explaining why such procurement is in*
23 *the best interests of the Federal Government.*

24 (3) *LIMITATION ON APPLICATION.*—*Paragraph*
25 *(1) shall not apply to a contract, subcontract, or task*

1 *order that was issued before the date of enactment of*
2 *this Act, if there is no change in the quantity of assets*
3 *or the specific type of assets procured.*

4 *(c) REQUIRED CONTRACT TERMS.—The Secretary*
5 *shall include in each contract, subcontract, and task order*
6 *issued under the Deepwater Program after the date of the*
7 *enactment of this Act the following provisions, as applica-*
8 *ble:*

9 *(1) TECHNICAL REVIEWS.—A requirement that*
10 *the Secretary shall conduct a technical review of all*
11 *proposed designs, design changes, and engineering*
12 *changes, and a requirement that the contractor must*
13 *specifically address all engineering concerns identified*
14 *in the technical reviews, before any funds may be ob-*
15 *ligated.*

16 *(2) RESPONSIBILITY FOR TECHNICAL REQUIRE-*
17 *MENTS.—A requirement that the Secretary shall*
18 *maintain the authority to establish, approve, and*
19 *maintain technical requirements.*

20 *(3) COST ESTIMATE OF MAJOR CHANGES.—A re-*
21 *quirement that an independent cost estimate must be*
22 *prepared and approved by the Secretary before the*
23 *execution of any change order costing more than 5*
24 *percent of the unit cost approved in the Deepwater*
25 *Program baseline in effect as of May 2007.*

1 (4) *PERFORMANCE MEASUREMENT.*—A require-
2 ment that any measurement of contractor and subcon-
3 tractor performance must be based on the status of all
4 work performed, including the extent to which the
5 work performed met all cost, schedule, and mission
6 performance requirements outlined in the Deepwater
7 Program contract.

8 (5) *EARLY OPERATIONAL ASSESSMENT.*—For the
9 acquisition of any cutter class for which an Early
10 Operational Assessment has not been developed—

11 (A) a requirement that the Secretary of the
12 Department in which the Coast Guard is oper-
13 ating shall cause an Early Operational Assess-
14 ment to be conducted by the Department of the
15 Navy after the development of the preliminary
16 design of the cutter and before the conduct of the
17 critical design review of the cutter; and

18 (B) a requirement that the Coast Guard
19 shall develop a plan to address the findings pre-
20 sented in the Early Operational Assessment.

21 (6) *TRANSIENT ELECTROMAGNETIC PULSE EMA-*
22 *NATION.*—For the acquisition or upgrade of air, sur-
23 face, or shore assets for which compliance with tran-
24 sient electromagnetic pulse emanation (*TEMPEST*) is
25 a requirement, a provision specifying that the stand-

1 *ard for determining such compliance shall be the air,*
2 *surface, or shore asset standard then used by the De-*
3 *partment of the Navy.*

4 (7) *OFFSHORE PATROL CUTTER UNDERWAY RE-*
5 *QUIREMENT.—For any contract issued to acquire an*
6 *Offshore Patrol Cutter, provisions specifying the serv-*
7 *ice life, fatigue life, days underway in general Atlan-*
8 *tic and North Pacific Sea conditions, maximum*
9 *range, and maximum speed the cutter shall be built*
10 *to achieve.*

11 (8) *INSPECTOR GENERAL ACCESS.—A require-*
12 *ment that the Department of Homeland Security’s Of-*
13 *fice of the Inspector General shall have access to all*
14 *records maintained by all contractors working on the*
15 *Deepwater Program, and shall have the right to pri-*
16 *vately interview any contractor personnel.*

17 (d) *LIFE CYCLE COST ESTIMATE.—*

18 (1) *IN GENERAL.—The Secretary shall develop*
19 *an authoritative life cycle cost estimate for the Deep-*
20 *water Program.*

21 (2) *CONTENTS.—The life cycle cost estimate shall*
22 *include asset acquisition and logistics support deci-*
23 *sions and planned operational tempo and locations as*
24 *of the date of enactment of this Act.*

25 (3) *SUBMITTAL.—The Secretary shall—*

1 (A) submit the life cycle cost estimate to the
2 Committee on Transportation and Infrastructure
3 of the House of Representatives and the Com-
4 mittee on Commerce, Science, and Transpor-
5 tation of the Senate within 4 months after the
6 date of enactment of this Act; and

7 (B) submit updates of the life cycle cost esti-
8 mate to such Committees annually.

9 (e) *CONTRACT OFFICERS.*—The Secretary shall assign
10 a separate contract officer for each class of cutter and air-
11 craft acquired or rehabilitated under the Deepwater Pro-
12 gram, including the National Security Cutter, the Offshore
13 Patrol Cutter, the Fast Response Cutter A, the Fast Re-
14 sponse Cutter B, maritime patrol aircraft, the aircraft HC-
15 130J, the helicopter HH-65, the helicopter HH-60, and the
16 vertical unmanned aerial vehicle.

17 (f) *TECHNOLOGY RISK REPORT.*—The Secretary shall
18 submit to the Committee on Transportation and Infrastruc-
19 ture of the House of Representatives and the Committee on
20 Commerce, Science, and Transportation of the Senate a re-
21 port identifying the technology risks and level of maturity
22 for major technologies used on each class of asset acquisi-
23 tions under the Deepwater Program, including the Fast Re-
24 sponse Cutter A (FRC-A), the Fast Response Cutter B
25 (FRC-B), the Offshore Patrol Cutter (OPC), and the

1 *Vertical Unmanned Aerial Vehicle (VUAV), not later than*
2 *90 days before the date of award of a contract for such an*
3 *acquisition.*

4 (g) *SUBMISSION OF ASSESSMENT RESULTS AND*
5 *PLANS TO CONGRESS.*—*The Commandant of the Coast*
6 *Guard shall submit to the Committee on Transportation*
7 *and Infrastructure of the House of Representatives and the*
8 *Committee on Commerce, Science, and Transportation of*
9 *the Senate—*

10 (1) *the results of each Early Operational Assess-*
11 *ment conducted pursuant to subsection (c)(5)(A) and*
12 *the plan approved by the Commandant pursuant to*
13 *subsection (c)(5)(B) for addressing the findings of*
14 *such assessment, within 30 days after the Com-*
15 *mandant approves the plan; and*

16 (2) *a report describing how the recommendations*
17 *of each Early Operational Assessment conducted pur-*
18 *suant to subsection (c)(5)(A) on the first in class of*
19 *a new cutter class have been addressed in the design*
20 *on which construction is to begin, within 30 days be-*
21 *fore initiation of construction.*

22 **SEC. 3. CHIEF ACQUISITION OFFICER.**

23 (a) *IN GENERAL.*—*Chapter 3 of title 14, United States*
24 *Code, is amended by adding at the end the following:*

1 **“§ 55. Chief Acquisition Officer**

2 “(a) *ESTABLISHMENT OF AGENCY CHIEF ACQUISITION*
3 *OFFICER.—The Commandant shall appoint or designate a*
4 *career reserved employee as Chief Acquisition Officer for the*
5 *Coast Guard, who shall—*

6 “(1) *have acquisition management as that offi-*
7 *cial’s primary duty; and*

8 “(2) *report directly to the Commandant to ad-*
9 *vice and assist the Commandant to ensure that the*
10 *mission of the Coast Guard is achieved through the*
11 *management of the Coast Guard’s acquisition activi-*
12 *ties.*

13 “(b) *AUTHORITY AND FUNCTIONS OF THE CHIEF AC-*
14 *QUISITION OFFICER.—The functions of the Chief Acquisi-*
15 *tion Officer shall include—*

16 “(1) *monitoring the performance of acquisition*
17 *activities and acquisition programs of the Coast*
18 *Guard, evaluating the performance of those programs*
19 *on the basis of applicable performance measurements,*
20 *and advising the Commandant regarding the appro-*
21 *priate business strategy to achieve the mission of the*
22 *Coast Guard;*

23 “(2) *increasing the use of full and open competi-*
24 *tion in the acquisition of property and services by the*
25 *Coast Guard by establishing policies, procedures, and*
26 *practices that ensure that the Coast Guard receives a*

1 *sufficient number of sealed bids or competitive pro-*
2 *posals from responsible sources to fulfill the Govern-*
3 *ment’s requirements (including performance and de-*
4 *livery schedules) at the lowest cost or best value con-*
5 *sidering the nature of the property or service pro-*
6 *cured;*

7 *“(3) ensuring the use of detailed performance*
8 *specifications in instances in which performance-*
9 *based contracting is used;*

10 *“(4) making acquisition decisions consistent*
11 *with all applicable laws and establishing clear lines*
12 *of authority, accountability, and responsibility for ac-*
13 *quisition decisionmaking within the Coast Guard;*

14 *“(5) managing the direction of acquisition policy*
15 *for the Coast Guard, including implementation of the*
16 *unique acquisition policies, regulations, and stand-*
17 *ards of the Coast Guard;*

18 *“(6) developing and maintaining an acquisition*
19 *career management program in the Coast Guard to*
20 *ensure that there is an adequate professional work-*
21 *force; and*

22 *“(7) as part of the strategic planning and per-*
23 *formance evaluation process required under section*
24 *306 of title 5 and sections 1105(a)(28), 1115, 1116,*
25 *and 9703 of title 31—*

1 “(A) assessing the requirements established
2 for Coast Guard personnel regarding knowledge
3 and skill in acquisition resources management
4 and the adequacy of such requirements for facili-
5 tating the achievement of the performance goals
6 established for acquisition management;

7 “(B) in order to rectify any deficiency in
8 meeting such requirements, developing strategies
9 and specific plans for hiring, training, and pro-
10 fessional development; and

11 “(C) reporting to the Commandant on the
12 progress made in improving acquisition manage-
13 ment capability.”.

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

 “55. Chief Acquisition Officer.”.

17 (c) *SPECIAL RATE SUPPLEMENTS.*—

18 (1) *REQUIREMENT TO ESTABLISH.*—Not later
19 than 1 year after the date of enactment of this Act
20 and in accordance with part 9701.333 of title 5, Code
21 of Federal Regulations, the Commandant of the Coast
22 Guard shall establish special rate supplements that
23 provide higher pay levels for employees necessary to
24 carry out the amendment made by this section.

1 (2) *SUBJECT TO APPROPRIATIONS.*—*The require-*
2 *ment under paragraph (1) is subject to the avail-*
3 *ability of appropriations.*

4 **SEC. 4. TESTING AND CERTIFICATION.**

5 (a) *IN GENERAL.*—*The Secretary shall—*

6 (1) *cause each cutter, other than a National Se-*
7 *curity Cutter, acquired by the Coast Guard and deliv-*
8 *ered after the date of enactment of this Act to be*
9 *classed by the American Bureau of Shipping, before*
10 *acceptance of delivery;*

11 (2) *cause the design and construction of each Na-*
12 *tional Security Cutter, other than National Security*
13 *Cutter 1 and 2, to be certified by an independent*
14 *third party with expertise in vessel design and con-*
15 *struction certification to be able to meet a 185-under-*
16 *way-day requirement under general Atlantic and*
17 *North Pacific sea conditions for a period of at least*
18 *30 years;*

19 (3) *cause all electronics on all aircraft, surface,*
20 *and shore assets that require TEMPEST certification*
21 *and that are delivered after the date of enactment of*
22 *this Act to be tested and certified in accordance with*
23 *TEMPEST standards and communications security*
24 *(COMSEC) standards by an independent third party*

1 that is authorized by the Federal Government to per-
2 form such testing and certification; and

3 (4) cause all aircraft and aircraft engines ac-
4 quired by the Coast Guard and delivered after the
5 date of enactment of this Act to be certified for air-
6 worthiness by an independent third party with exper-
7 tise in aircraft and aircraft engine certification, be-
8 fore acceptance of delivery.

9 (b) *FIRST IN CLASS OF A MAJOR ASSET ACQUI-*
10 *SION.*—The Secretary shall cause the first in class of a
11 major asset acquisition of a cutter or an aircraft to be sub-
12 jected to an assessment of operational capability conducted
13 by the Secretary of the Navy.

14 (c) *FINAL ARBITER.*—The Secretary shall be the final
15 arbiter of all technical disputes regarding designs and ac-
16 quisitions of vessels and aircraft for the Coast Guard.

17 **SEC. 5. NATIONAL SECURITY CUTTERS.**

18 (a) *NATIONAL SECURITY CUTTERS 1 AND 2.*—

19 (1) *REPORT ON OPTIONS UNDER CONSIDER-*
20 *ATION.*—The Secretary shall submit to the Committee
21 on Transportation and Infrastructure of the House of
22 Representatives and the Committee on Commerce,
23 Science, and Transportation of the Senate—

24 (A) within 120 days after the date of enact-
25 ment of this Act, a report describing in detail the

1 *cost increases that have been experienced on Na-*
2 *tional Security Cutters 1 and 2 since the date of*
3 *the issuance of the task orders for construction of*
4 *those cutters and explaining the causes of these*
5 *cost increases; and*

6 *(B) within 180 days after the date of enact-*
7 *ment of this Act, a report on the options that the*
8 *Coast Guard is considering to strengthen the*
9 *hulls of National Security Cutter 1 and National*
10 *Security Cutter 2, including—*

11 *(i) the costs of each of the options*
12 *under consideration;*

13 *(ii) a schedule for when the hull*
14 *strengthening repairs are anticipated to be*
15 *performed; and*

16 *(iii) the impact that the weight likely*
17 *to be added to each the cutter by each op-*
18 *tion will have on the cutter's ability to meet*
19 *both the original performance requirements*
20 *included in the Deepwater Program con-*
21 *tract and the performance requirements cre-*
22 *ated by contract Amendment Modification*
23 *00042 dated February 7, 2007.*

24 *(2) DESIGN ASSESSMENT.—Not later than 30*
25 *days before the Coast Guard signs any contract, deliv-*

1 *ery order, or task order to strengthen the hull of either*
2 *of National Security Cutter 1 or 2 to resolve the*
3 *structural design and performance issues identified in*
4 *the Department of Homeland Security Inspector Gen-*
5 *eral's report OIG-07-23 dated January 2007, the*
6 *Secretary shall submit to the Committee on Transpor-*
7 *tation and Infrastructure of the House of Representa-*
8 *tives and the Committee on Commerce, Science, and*
9 *Transportation of the Senate all results of an assess-*
10 *ment of the proposed hull strengthening design con-*
11 *ducted by the Naval Surface Warfare Center,*
12 *Carderock Division, including a description in detail*
13 *of the extent to which the hull strengthening measures*
14 *to be implemented on those cutters will enable the cut-*
15 *ters to meet a 185-underway-day requirement under*
16 *general Atlantic and North Pacific sea conditions for*
17 *a period of at least 30 years.*

18 *(b) NATIONAL SECURITY CUTTERS 3 THROUGH 8.—*
19 *Not later than 30 days before the Coast Guard signs any*
20 *contract, delivery order, or task order authorizing construc-*
21 *tion of National Security Cutters 3 through 8, the Secretary*
22 *shall submit to the Committee on Transportation and In-*
23 *frastructure of the House of Representatives and the Com-*
24 *mittee on Commerce, Science, and Transportation of the*
25 *Senate all results of an assessment of the proposed designs*

1 *to resolve the structural design, safety, and performance*
2 *issues identified by the Department of Homeland Security*
3 *Office of Inspector General report OIG–07–23 for the hulls*
4 *of those cutters conducted by the Naval Surface Warfare*
5 *Center, Carderock Division, including a description in de-*
6 *tail of the extent to which such designs will enable the cut-*
7 *ters to meet a 185-underway-day requirement under general*
8 *Atlantic and North Pacific sea conditions.*

9 **SEC. 6. MISCELLANEOUS REPORTS.**

10 *(a) IN GENERAL.—The Secretary shall submit the fol-*
11 *lowing reports to the Committee on Transportation and In-*
12 *frastructure of the House of Representatives and the Com-*
13 *mittee on Commerce, Science, and Transportation of the*
14 *Senate:*

15 *(1) Within 4 months after the date of enactment*
16 *of this Act, a justification for why 8 National Secu-*
17 *rity Cutters are required to meet the operational*
18 *needs of the Coast Guard, including—*

19 *(A) how many days per year each National*
20 *Security Cutter will be underway at sea;*

21 *(B) where each National Security Cutter*
22 *will be home ported;*

23 *(C) the amount of funding that will be re-*
24 *quired to establish home port operations for each*
25 *National Security Cutter;*

1 (D) the extent to which 8 National Security
2 Cutters deployed without vertical unmanned aer-
3 ial vehicles (VUAV) will meet or exceed the mis-
4 sion capability (including surveillance capacity)
5 of the 12 Hamilton-class high endurance cutters
6 that the National Security Cutters will replace;

7 (E) the business case in support of con-
8 structing National Security Cutters 3 through 8,
9 including a cost-benefit analysis; and

10 (F) an analysis of how many Offshore Pa-
11 trol Cutters would be required to provide the pa-
12 trol coverage provided by a National Security
13 Cutter.

14 (2) Within 4 months after the date of enactment
15 of this Act, a report on—

16 (A) the impact that deployment of a Na-
17 tional Security Cutter and other cutter assets
18 without the vertical unmanned aerial vehicle
19 (VUAV) will have on the amount of patrol cov-
20 erage that will be able to be provided during
21 missions conducted by the National Security
22 Cutter and all other cutters planned to be
23 equipped with a VUAV;

24 (B) how the coverage gap will be made up;

1 (C) an update on the current status of the
2 development of the VUAV; and

3 (D) the timeline detailing the major mile-
4 stones to be achieved during development of the
5 VUAV and identifying the delivery date for the
6 first and last VUAV.

7 (3) Within 30 days after the elevation to flag-
8 level for resolution of any design or other dispute re-
9 garding the Deepwater Program contract or an item
10 to be procured under that contract, including a de-
11 tailed description of the issue and the rationale un-
12 derlying the decision taken by the flag officer to re-
13 solve the issue.

14 (4) Within 4 months after the date of enactment
15 of this Act, a report detailing the total number of
16 change orders that have been created by the Coast
17 Guard under the Deepwater Program before the date
18 of enactment of this Act, the total cost of these change
19 orders, and their impact on the Deepwater Program
20 schedule.

21 (5) Within 180 days after the date of enactment
22 of this Act, a report detailing the technology risks and
23 level of maturity for major technologies used on mari-
24 time patrol aircraft, the HC-130J, and the National
25 Security Cutter.

1 (6) *Not less than 60 days before signing a con-*
2 *tract to acquire any vessel or aircraft, a report com-*
3 *paring the cost of purchasing that vessel or aircraft*
4 *directly from the manufacturer or shipyard with the*
5 *cost of procuring it through the Integrated Coast*
6 *Guard System.*

7 (7) *Within 30 days after the Program Executive*
8 *Officer of the Deepwater Program becomes aware of a*
9 *likely cost overrun exceeding 5 percent of the overall*
10 *asset acquisition contract cost or schedule delay ex-*
11 *ceeding 5 percent of the estimated asset construction*
12 *period under the Deepwater Program, a report by the*
13 *Commandant containing a description of the cost*
14 *overrun or delay, an explanation of the overrun or*
15 *delay, a description of Coast Guard's response, and a*
16 *description of significant delays in the procurement*
17 *schedule likely to be caused by the overrun or delay.*

18 (8) *Within 90 days after the date of enactment*
19 *of this Act, articulation of a doctrine and description*
20 *of an anticipated implementation of a plan for man-*
21 *agement of acquisitions programs, financial manage-*
22 *ment (including earned value management and cost*
23 *estimating), engineering and logistics management,*
24 *and contract management, that includes—*

1 (A) a description of how the Coast Guard
2 will cultivate among uniformed personnel exper-
3 tise in acquisitions management and financial
4 management;

5 (B) a description of the processes that will
6 be followed to draft and ensure technical review
7 of procurement packages, including statements of
8 work, for any class of assets acquired by the
9 Coast Guard;

10 (C) a description of how the Coast Guard
11 will conduct an independent cost estimating
12 process, including independently developing cost
13 estimates for major change orders; and

14 (D) a description of how Coast Guard will
15 strengthen the management of change orders.

16 (9) Within 4 months after the date of enactment
17 of this Act, a report on the development of a new ac-
18 quisitions office within the Coast Guard describing
19 the specific staffing structure for that directorate, in-
20 cluding—

21 (A) identification of all managerial posi-
22 tions proposed as part of the office, the functions
23 that each managerial position will fill, and the
24 number of employees each manager will super-
25 vise; and

1 (B) a formal organizational chart and iden-
2 tification of when managerial positions are to be
3 filled.

4 (10) Ninety days prior to the issuance of a Re-
5 quest for Proposals for construction of an Offshore
6 Patrol Cutter, a report detailing the service life, fa-
7 tigue life, maximum range, maximum speed, and
8 number of days underway under general Atlantic and
9 North Pacific Sea conditions the cutter shall be built
10 to achieve.

11 (11) The Secretary shall report annually on the
12 percentage of the total amount of funds expended on
13 procurements under the Deepwater Program that has
14 been paid to each of small businesses and minority-
15 owned businesses.

16 (12) Within 120 days after the date of enactment
17 of this Act, a report on any Coast Guard mission per-
18 formance gap due to the removal of Deepwater Pro-
19 gram assets from service. The report shall include the
20 following:

21 (A) A description of the mission perform-
22 ance gap detailing the geographic regions and
23 Coast Guard capabilities affected.

24 (B) An analysis of factors affecting the mis-
25 sion performance gap that are unrelated to the

1 *Deepwater Program, including deployment of*
2 *Coast Guard assets overseas and continuous ves-*
3 *sel shortages.*

4 *(C) A description of measures being taken*
5 *in the near term to fill the mission performance*
6 *gap, including what those measures are and*
7 *when they will be implemented.*

8 *(D) A description of measures being taken*
9 *in the long term to fill the mission performance*
10 *gap, including what those measures are and*
11 *when they will be implemented.*

12 *(E) A description of the potential alter-*
13 *natives to fill the mission performance gap, in-*
14 *cluding any acquisition or lease considered and*
15 *the reasons they were not pursued.*

16 ***(b) REPORT REQUIRED ON ACCEPTANCE OF DELIVERY***
17 ***OF INCOMPLETE ASSET.—***

18 ***(1) IN GENERAL.—If the Secretary accepts deliv-***
19 ***ery of an asset after the date of enactment of this Act***
20 ***for which a contractually required certification can-***
21 ***not be achieved within 30 days after the date of deliv-***
22 ***ery or with any system that is not fully functional***
23 ***for the mission for which it was intended, the Sec-***
24 ***retary shall submit to the Committee on Transpor-***
25 ***tation and Infrastructure of the House of Representa-***

1 *tives and the Committee on Commerce, Science, and*
2 *Transportation of the United States Senate within 30*
3 *days after accepting delivery of the asset a report ex-*
4 *plaining why acceptance of the asset in such a condi-*
5 *tion is in the best interests of the United States Gov-*
6 *ernment.*

7 (2) *CONTENTS.—The report shall—*

8 (A) *specify the systems that are not able to*
9 *achieve contractually required certifications*
10 *within 30 days after the date of delivery and the*
11 *systems that are not fully functional at the time*
12 *of delivery for the missions for which they were*
13 *intended;*

14 (B) *identify milestones for the completion of*
15 *required certifications and to make all systems*
16 *fully functional; and*

17 (C) *identify when the milestones will be*
18 *completed, who will complete them, and the cost*
19 *to complete them.*

1 **SEC. 7. USE OF THE NAVAL SEA SYSTEMS COMMAND, THE**
2 **NAVAL AIR SYSTEMS COMMAND, AND THE**
3 **SPACE AND NAVAL WARFARE SYSTEMS COM-**
4 **MAND TO ASSIST THE COAST GUARD IN EXER-**
5 **CISING TECHNICAL AUTHORITY FOR THE**
6 **DEEPWATER PROGRAM AND OTHER COAST**
7 **GUARD ACQUISITION PROGRAMS.**

8 *(a) FINDINGS.—Congress finds that the Coast Guard’s*
9 *use of the technical, contractual, and program management*
10 *oversight expertise of the Department of the Navy in ship*
11 *and aircraft production complements and augments the*
12 *Coast Guard’s organic expertise as it procures assets for the*
13 *Deepwater Program.*

14 *(b) INTER-SERVICE TECHNICAL ASSISTANCE.—The*
15 *Secretary may enter into a memorandum of understanding*
16 *or a memorandum of agreement with the Secretary of the*
17 *Navy to provide for the use of the Navy Systems Commands*
18 *to assist the Coast Guard with the oversight of Coast Guard*
19 *major acquisition programs. Such memorandum of under-*
20 *standing or memorandum of agreement shall, at a min-*
21 *imum provide for—*

22 *(1) the exchange of technical assistance and sup-*
23 *port that the Coast Guard Chief Engineer and the*
24 *Coast Guard Chief Information Officer, as Coast*
25 *Guard Technical Authorities, may identify;*

1 (2) *the use, as appropriate, of Navy technical ex-*
2 *pertise; and*

3 (3) *the temporary assignment or exchange of per-*
4 *sonnel between the Coast Guard and the Navy Sys-*
5 *tems Commands to facilitate the development of or-*
6 *ganic capabilities in the Coast Guard.*

7 (c) *TECHNICAL AUTHORITIES.*—*The Coast Guard*
8 *Chief Engineer, Chief Information Officer, and Chief Acqui-*
9 *sition Officer shall adopt, to the extent practicable, proce-*
10 *dures that are similar to those used by the Navy Senior*
11 *Acquisition Official to ensure the Coast Guard Technical*
12 *Authorities, or designated Technical Warrant Holders, ap-*
13 *prove all technical requirements.*

14 (d) *COORDINATION.*—*The Secretary, acting through*
15 *the Commandant of the Coast Guard, may coordinate with*
16 *the Secretary of the Navy, acting through the Chief of Naval*
17 *Operations, to develop processes by which the assistance will*
18 *be requested from the Navy Systems Commands and pro-*
19 *vided to the Coast Guard.*

20 (e) *REPORT.*—*Not later than 120 days after the date*
21 *of enactment of this Act and every twelve months thereafter,*
22 *the Commandant of the Coast Guard shall report to the*
23 *Committee on Transportation and Infrastructure of the*
24 *House of Representatives and the Committee on Commerce,*
25 *Science, and Transportation of the Senate on the activities*

1 *undertaken pursuant to such memorandum of under-*
2 *standing or memorandum of agreement.*

3 **SEC. 8. DEFINITIONS.**

4 *In this Act:*

5 (1) *DEEPWATER PROGRAM.*—*The term “Deep-*
6 *water Program” means the Integrated Deepwater*
7 *Systems Program described by the Coast Guard in its*
8 *report to Congress entitled “Revised Deepwater Imple-*
9 *mentation Plan 2005”, dated March 25, 2005. The*
10 *Deepwater Program primarily involves the procure-*
11 *ment of cutter and aviation assets that operate more*
12 *than 50 miles offshore.*

13 (2) *SECRETARY.*—*The term “Secretary” means*
14 *the Secretary of the department in which the Coast*
15 *Guard is operating.*

Union Calendar No. 172

110TH CONGRESS
1ST Session

H. R. 2722

[Report No. 110-270]

A BILL

To restructure the Coast Guard Integrated
Deepwater Program, and for other purposes.

JULY 30, 2007

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed