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IN THE SENATE OF THE UNITED STATES

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Read twice and referred to the Committee on Commerce, Science, and  
Transportation

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## AN ACT

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  
7 SYSTEMS INTEGRATOR.—

8           (1) IN GENERAL.—Except as otherwise pro-  
9 vided in this subsection, the Secretary may not use  
10 a private sector entity as a lead systems integrator  
11 for procurements under, or in support of, the Deep-  
12 water Program beginning on the earlier of October  
13 1, 2011, or the date on which the Secretary certifies  
14 in writing to the Committee on Transportation and  
15 Infrastructure of the House of Representatives and  
16 the Committee on Commerce, Science, and Trans-  
17 portation of the Senate that the Coast Guard has  
18 available and can retain sufficient contracting per-  
19 sonnel and expertise within the Coast Guard,  
20 through an arrangement with other Federal agen-  
21 cies, or through contracts or other arrangements  
22 with private sector entities, to perform the functions  
23 and responsibilities of the lead system integrator in  
24 an efficient and cost-effective manner.

25           (2) COMPLETION OF EXISTING DELIVERY OR-  
26 DERS AND TASK ORDERS.—The Secretary may use

1 a private sector entity as a lead systems integrator  
2 to complete any delivery order or task order under  
3 the Deepwater Program that was issued to the lead  
4 systems integrator on or before the date of enact-  
5 ment of this 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 ves-  
23 sels and aircraft.

24 (b) COMPETITION.—

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

9           (2) EXCEPTION.—The Secretary may use a pro-  
10      curement method that is less than full and open  
11      competition to procure an asset under the Deep-  
12      water Program, 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  
19      on Transportation and Infrastructure of the  
20      House of Representatives and the Committee  
21      on Commerce, Science, and Transportation of  
22      the Senate a report explaining why such pro-  
23      curement is in the best interests of the Federal  
24      Government.

1           (3) LIMITATION ON APPLICATION.—Paragraph  
2           (1) shall not apply to a contract, subcontract, or  
3           task order that was issued before the date of enact-  
4           ment of this Act, if there is no change in the quan-  
5           tity of assets or the specific type of assets procured.

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

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

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

22           (3) COST ESTIMATE OF MAJOR CHANGES.—A  
23           requirement that an independent cost estimate must  
24           be prepared and approved by the Secretary before  
25           the execution of any change order costing more than

1       5 percent of the unit cost approved in the Deepwater  
2       Program baseline in effect as of May 2007.

3           (4) PERFORMANCE MEASUREMENT.—A require-  
4       ment that any measurement of contractor and sub-  
5       contractor performance must be based on the status  
6       of all work performed, including the extent to which  
7       the work performed met all cost, schedule, and mis-  
8       sion performance requirements outlined in the Deep-  
9       water Program contract.

10          (5) EARLY OPERATIONAL ASSESSMENT.—For  
11       the acquisition of any cutter class for which an  
12       Early Operational Assessment has not been devel-  
13       oped—

14           (A) a requirement that the Secretary of  
15       the Department in which the Coast Guard is  
16       operating shall cause an Early Operational As-  
17       sessment to be conducted by the Department of  
18       the Navy after the development of the prelimi-  
19       nary design of the cutter and before the con-  
20       duct of the critical design review of the cutter;  
21       and

22           (B) a requirement that the Coast Guard  
23       shall develop a plan to address the findings pre-  
24       sented in the Early Operational Assessment.

1           (6) TRANSIENT ELECTROMAGNETIC PULSE  
2 EMANATION.—For the acquisition or upgrade of air,  
3 surface, or shore assets for which compliance with  
4 transient electromagnetic pulse emanation (TEM-  
5 PEST) is a requirement, a provision specifying that  
6 the standard for determining such compliance shall  
7 be the air, surface, or shore asset standard then  
8 used by the Department of the Navy.

9           (7) OFFSHORE PATROL CUTTER UNDERWAY RE-  
10 QUIREMENT.—For any contract issued to acquire an  
11 Offshore Patrol Cutter, provisions specifying the  
12 service life, fatigue life, days underway in general  
13 Atlantic and North Pacific Sea conditions, maximum  
14 range, and maximum speed the cutter shall be built  
15 to achieve.

16           (8) INSPECTOR GENERAL ACCESS.—A require-  
17 ment that the Department of Homeland Security’s  
18 Office of the Inspector General shall have access to  
19 all records maintained by all contractors working on  
20 the Deepwater Program, and shall have the right to  
21 privately interview any contractor personnel.

22           (d) LIFE CYCLE COST ESTIMATE.—

23           (1) IN GENERAL.—The Secretary shall develop  
24 an authoritative life cycle cost estimate for the  
25 Deepwater Program.

1           (2) CONTENTS.—The life cycle cost estimate  
2       shall include asset acquisition and logistics support  
3       decisions and planned operational tempo and loca-  
4       tions as of the date of enactment of this Act.

5           (3) SUBMITTAL.—The Secretary shall—

6                (A) submit the life cycle cost estimate to  
7       the Committee on Transportation and Infra-  
8       structure of the House of Representatives and  
9       the Committee on Commerce, Science, and  
10      Transportation of the Senate within 4 months  
11      after the date of enactment of this Act; and

12               (B) submit updates of the life cycle cost  
13      estimate to such Committees annually.

14      (e) CONTRACT OFFICERS.—The Secretary shall as-  
15      sign a separate contract officer for each class of cutter  
16      and aircraft acquired or rehabilitated under the Deep-  
17      water Program, including the National Security Cutter,  
18      the Offshore Patrol Cutter, the Fast Response Cutter A,  
19      the Fast Response Cutter B, maritime patrol aircraft, the  
20      aircraft HC-130J, the helicopter HH-65, the helicopter  
21      HH-60, and the vertical unmanned aerial vehicle.

22      (f) TECHNOLOGY RISK REPORT.—The Secretary  
23      shall submit to the Committee on Transportation and In-  
24      frastructure of the House of Representatives and the Com-  
25      mittee on Commerce, Science, and Transportation of the



1 Senate a report identifying the technology risks and level  
2 of maturity for major technologies used on each class of  
3 asset acquisitions under the Deepwater Program, includ-  
4 ing the Fast Response Cutter A (FRC-A), the Fast Re-  
5 sponse Cutter B (FRC-B), the Offshore Patrol Cutter  
6 (OPC), and the Vertical Unmanned Aerial Vehicle  
7 (VUAV), not later than 90 days before the date of award  
8 of a contract for such an acquisition.

9 (g) SUBMISSION OF ASSESSMENT RESULTS AND  
10 PLANS TO CONGRESS.—The Commandant of the Coast  
11 Guard shall submit to the Committee on Transportation  
12 and Infrastructure of the House of Representatives and  
13 the Committee on Commerce, Science, and Transportation  
14 of the Senate—

15 (1) the results of each Early Operational As-  
16 sessment conducted pursuant to subsection (c)(5)(A)  
17 and the plan approved by the Commandant pursuant  
18 to subsection (c)(5)(B) for addressing the findings  
19 of such assessment, within 30 days after the Com-  
20 mandant approves the plan; and

21 (2) a report describing how the recommenda-  
22 tions of each Early Operational Assessment con-  
23 ducted pursuant to subsection (c)(5)(A) on the first  
24 in class of a new cutter class have been addressed

1 in the design on which construction is to begin, with-  
2 in 30 days before initiation of construction.

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

4 (a) IN GENERAL.—Chapter 3 of title 14, United  
5 States Code, is amended by adding at the end the fol-  
6 lowing:

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

8 “(a) ESTABLISHMENT OF AGENCY CHIEF ACQUI-  
9 TION OFFICER.—The Commandant shall appoint or des-  
10 ignate a career reserved employee as Chief Acquisition Of-  
11 ficer for the Coast Guard, who shall—

12 “(1) have acquisition management as that offi-  
13 cial’s primary duty; and

14 “(2) report directly to the Commandant to ad-  
15 vise and assist the Commandant to ensure that the  
16 mission of the Coast Guard is achieved through the  
17 management of the Coast Guard’s acquisition activi-  
18 ties.

19 “(b) AUTHORITY AND FUNCTIONS OF THE CHIEF  
20 ACQUISITION OFFICER.—The functions of the Chief Ac-  
21 quisition Officer shall include—

22 “(1) monitoring the performance of acquisition  
23 activities and acquisition programs of the Coast  
24 Guard, evaluating the performance of those pro-  
25 grams on the basis of applicable performance meas-

1 urements, and advising the Commandant regarding  
2 the appropriate business strategy to achieve the mis-  
3 sion of the Coast Guard;

4 “(2) increasing the use of full and open com-  
5 petition in the acquisition of property and services  
6 by the Coast Guard by establishing policies, proce-  
7 dures, and practices that ensure that the Coast  
8 Guard receives a sufficient number of sealed bids or  
9 competitive proposals from responsible sources to  
10 fulfill the Government’s requirements (including per-  
11 formance and delivery schedules) at the lowest cost  
12 or best value considering the nature of the property  
13 or service procured;

14 “(3) ensuring the use of detailed performance  
15 specifications in instances in which performance-  
16 based contracting is used;

17 “(4) making acquisition decisions consistent  
18 with all applicable laws and establishing clear lines  
19 of authority, accountability, and responsibility for  
20 acquisition decisionmaking within the Coast Guard;

21 “(5) managing the direction of acquisition pol-  
22 icy for the Coast Guard, including implementation of  
23 the unique acquisition policies, regulations, and  
24 standards of the Coast Guard;

1 “(6) developing and maintaining an acquisition  
2 career management program in the Coast Guard to  
3 ensure that there is an adequate professional work-  
4 force; and

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

9 “(A) assessing the requirements estab-  
10 lished for Coast Guard personnel regarding  
11 knowledge and skill in acquisition resources  
12 management and the adequacy of such require-  
13 ments for facilitating the achievement of the  
14 performance goals established for acquisition  
15 management;

16 “(B) in order to rectify any deficiency in  
17 meeting such requirements, developing strate-  
18 gies and specific plans for hiring, training, and  
19 professional development; and

20 “(C) reporting to the Commandant on the  
21 progress made in improving acquisition man-  
22 agement capability.”.

23 (b) CLERICAL AMENDMENT.—The table of sections  
24 at the beginning of such chapter is amended by adding  
25 at the end the following:

“55. Chief Acquisition Officer.”.

1 (c) SPECIAL RATE SUPPLEMENTS.—

2 (1) REQUIREMENT TO ESTABLISH.—Not later  
3 than 1 year after the date of enactment of this Act  
4 and in accordance with part 9701.333 of title 5,  
5 Code of Federal Regulations, the Commandant of  
6 the Coast Guard shall establish special rate supple-  
7 ments that provide higher pay levels for employees  
8 necessary to carry out the amendment made by this  
9 section.

10 (2) SUBJECT TO APPROPRIATIONS.—The re-  
11 quirement under paragraph (1) is subject to the  
12 availability of appropriations.

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

14 (a) IN GENERAL.—The Secretary shall—

15 (1) cause each cutter, other than a National Se-  
16 curity Cutter, acquired by the Coast Guard and de-  
17 livered after the date of enactment of this Act to be  
18 classed by the American Bureau of Shipping, before  
19 acceptance of delivery;

20 (2) cause the design and construction of each  
21 National Security Cutter, other than National Secu-  
22 rity Cutter 1 and 2, to be certified by an inde-  
23 pendent third party with expertise in vessel design  
24 and construction certification to be able to meet a  
25 185-underway-day requirement under general Atlan-

1       tic and North Pacific sea conditions for a period of  
2       at least 30 years;

3           (3) cause all electronics on all aircraft, surface,  
4       and shore assets that require TEMPEST certifi-  
5       cation and that are delivered after the date of enact-  
6       ment of this Act to be tested and certified in accord-  
7       ance with TEMPEST standards and communica-  
8       tions security (COMSEC) standards by an inde-  
9       pendent third party that is authorized by the Fed-  
10      eral Government to perform such testing and certifi-  
11      cation; and

12          (4) cause all aircraft and aircraft engines ac-  
13      quired by the Coast Guard and delivered after the  
14      date of enactment of this Act to be certified for air-  
15      worthiness by an independent third party with ex-  
16      pertise in aircraft and aircraft engine certification,  
17      before acceptance of delivery.

18      (b) FIRST IN CLASS OF A MAJOR ASSET ACQUISI-  
19      TION.—The Secretary shall cause the first in class of a  
20      major asset acquisition of a cutter or an aircraft to be  
21      subjected to an assessment of operational capability con-  
22      ducted by the Secretary of the Navy.

23      (c) FINAL ARBITER.—The Secretary shall be the  
24      final arbiter of all technical disputes regarding designs

1 and acquisitions of vessels and aircraft for the Coast  
2 Guard.

3 **SEC. 5. NATIONAL SECURITY CUTTERS.**

4 (a) NATIONAL SECURITY CUTTERS 1 AND 2.—

5 (1) REPORT ON OPTIONS UNDER CONSIDER-  
6 ATION.—The Secretary shall submit to the Com-  
7 mittee on Transportation and Infrastructure of the  
8 House of Representatives and the Committee on  
9 Commerce, Science, and Transportation of the Sen-  
10 ate—

11 (A) within 120 days after the date of en-  
12 actment of this Act, a report describing in de-  
13 tail the cost increases that have been experi-  
14 enced on National Security Cutters 1 and 2  
15 since the date of the issuance of the task orders  
16 for construction of those cutters and explaining  
17 the causes of these cost increases; and

18 (B) within 180 days after the date of en-  
19 actment of this Act, a report on the options  
20 that the Coast Guard is considering to  
21 strengthen the hulls of National Security Cutter  
22 1 and National Security Cutter 2, including—

23 (i) the costs of each of the options  
24 under consideration;

1 (ii) a schedule for when the hull  
2 strengthening repairs are anticipated to be  
3 performed; and

4 (iii) the impact that the weight likely  
5 to be added to each the cutter by each op-  
6 tion will have on the cutter's ability to  
7 meet both the original performance re-  
8 quirements included in the Deepwater Pro-  
9 gram contract and the performance re-  
10 quirements created by contract Amend-  
11 ment Modification 00042 dated February  
12 7, 2007.

13 (2) DESIGN ASSESSMENT.—Not later than 30  
14 days before the Coast Guard signs any contract, de-  
15 livery order, or task order to strengthen the hull of  
16 either of National Security Cutter 1 or 2 to resolve  
17 the structural design and performance issues identi-  
18 fied in the Department of Homeland Security In-  
19 spector General's report OIG-07-23 dated January  
20 2007, the Secretary shall submit to the Committee  
21 on Transportation and Infrastructure of the House  
22 of Representatives and the Committee on Commerce,  
23 Science, and Transportation of the Senate all results  
24 of an assessment of the proposed hull strengthening  
25 design conducted by the Naval Surface Warfare



1 Center, Carderock Division, including a description  
2 in detail of the extent to which the hull strength-  
3 ening measures to be implemented on those cutters  
4 will enable the cutters to meet a 185-underway-day  
5 requirement under general Atlantic and North Pa-  
6 cific sea conditions for a period of at least 30 years.

7 (b) NATIONAL SECURITY CUTTERS 3 THROUGH 8.—

8 Not later than 30 days before the Coast Guard signs any  
9 contract, delivery order, or task order authorizing con-  
10 struction of National Security Cutters 3 through 8, the  
11 Secretary shall submit to the Committee on Transpor-  
12 tation and Infrastructure of the House of Representatives  
13 and the Committee on Commerce, Science, and Transpor-  
14 tation of the Senate all results of an assessment of the  
15 proposed designs to resolve the structural design, safety,  
16 and performance issues identified by the Department of  
17 Homeland Security Office of Inspector General report  
18 OIG–07–23 for the hulls of those cutters conducted by the  
19 Naval Surface Warfare Center, Carderock Division, in-  
20 cluding a description in detail of the extent to which such  
21 designs will enable the cutters to meet a 185-underway-  
22 day requirement under general Atlantic and North Pacific  
23 sea conditions.

1 **SEC. 6. MISCELLANEOUS REPORTS.**

2 (a) IN GENERAL.—The Secretary shall submit the  
3 following reports to the Committee on Transportation and  
4 Infrastructure of the House of Representatives and the  
5 Committee on Commerce, Science, and Transportation of  
6 the Senate:

7 (1) Within 4 months after the date of enact-  
8 ment of this Act, a justification for why 8 National  
9 Security Cutters are required to meet the oper-  
10 ational needs of the Coast Guard, including—

11 (A) how many days per year each National  
12 Security Cutter will be underway at sea;

13 (B) where each National Security Cutter  
14 will be home ported;

15 (C) the amount of funding that will be re-  
16 quired to establish home port operations for  
17 each National Security Cutter;

18 (D) the extent to which 8 National Secu-  
19 rity Cutters deployed without vertical un-  
20 manned aerial vehicles (VUAV) will meet or ex-  
21 ceed the mission capability (including surveil-  
22 lance capacity) of the 12 Hamilton-class high  
23 endurance cutters that the National Security  
24 Cutters will replace;

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

4 (F) an analysis of how many Offshore Pa-  
5 trol Cutters would be required to provide the  
6 patrol coverage provided by a National Security  
7 Cutter.

8 (2) Within 4 months after the date of enact-  
9 ment of this Act, a report on—

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

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

19 (C) an update on the current status of the  
20 development of the VUAV; and

21 (D) the timeline detailing the major mile-  
22 stones to be achieved during development of the  
23 VUAV and identifying the delivery date for the  
24 first and last VUAV.

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

8           (4) Within 4 months after the date of enact-  
9           ment of this Act, a report detailing the total number  
10          of change orders that have been created by the  
11          Coast Guard under the Deepwater Program before  
12          the date of enactment of this Act, the total cost of  
13          these change orders, and their impact on the Deep-  
14          water Program schedule.

15          (5) Within 180 days after the date of enact-  
16          ment of this Act, a report detailing the technology  
17          risks and level of maturity for major technologies  
18          used on maritime patrol aircraft, the HC-130J, and  
19          the National Security Cutter.

20          (6) Not less than 60 days before signing a con-  
21          tract to acquire any vessel or aircraft, a report com-  
22          paring the cost of purchasing that vessel or aircraft  
23          directly from the manufacturer or shipyard with the  
24          cost of procuring it through the Integrated Coast  
25          Guard System.

1           (7) Within 30 days after the Program Execu-  
2           tive Officer of the Deepwater Program becomes  
3           aware of a likely cost overrun exceeding 5 percent of  
4           the overall asset acquisition contract cost or schedule  
5           delay exceeding 5 percent of the estimated asset con-  
6           struction period under the Deepwater Program, a  
7           report by the Commandant containing a description  
8           of the cost overrun or delay, an explanation of the  
9           overrun or delay, a description of Coast Guard's re-  
10          sponse, and a description of significant delays in the  
11          procurement schedule likely to be caused by the  
12          overrun or delay.

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

20                (A) a description of how the Coast Guard  
21                will cultivate among uniformed personnel exper-  
22                tise in acquisitions management and financial  
23                management;

24                (B) a description of the processes that will  
25                be followed to draft and ensure technical review

1 of procurement packages, including statements  
2 of work, for any class of assets acquired by the  
3 Coast Guard;

4 (C) a description of how the Coast Guard  
5 will conduct an independent cost estimating  
6 process, including independently developing cost  
7 estimates for major change orders; and

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

10 (9) Within 4 months after the date of enact-  
11 ment of this Act, a report on the development of a  
12 new acquisitions office within the Coast Guard de-  
13 scribing the specific staffing structure for that direc-  
14 torate, including—

15 (A) identification of all managerial posi-  
16 tions proposed as part of the office, the func-  
17 tions that each managerial position will fill, and  
18 the number of employees each manager will su-  
19 pervise; and

20 (B) a formal organizational chart and  
21 identification of when managerial positions are  
22 to be filled.

23 (10) Ninety days prior to the issuance of a Re-  
24 quest for Proposals for construction of an Offshore  
25 Patrol Cutter, a report detailing the service life, fa-

1       tigue life, maximum range, maximum speed, and  
2       number of days underway under general Atlantic  
3       and North Pacific Sea conditions the cutter shall be  
4       built to achieve.

5           (11) The Secretary shall report annually on the  
6       percentage of the total amount of funds expended on  
7       procurements under the Deepwater Program that  
8       has been paid to each of small businesses and minor-  
9       ity-owned businesses.

10          (12) Within 120 days after the date of enact-  
11       ment of this Act, a report on any Coast Guard mis-  
12       sion performance gap due to the removal of Deep-  
13       water Program assets from service. The report shall  
14       include the following:

15           (A) A description of the mission perform-  
16       ance gap detailing the geographic regions and  
17       Coast Guard capabilities affected.

18           (B) An analysis of factors affecting the  
19       mission performance gap that are unrelated to  
20       the Deepwater Program, including deployment  
21       of Coast Guard assets overseas and continuous  
22       vessel shortages.

23           (C) A description of measures being taken  
24       in the near term to fill the mission performance

1 gap, including what those measures are and  
2 when they will be implemented.

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

7 (E) A description of the potential alter-  
8 natives to fill the mission performance gap, in-  
9 cluding any acquisition or lease considered and  
10 the reasons they were not pursued.

11 (b) REPORT REQUIRED ON ACCEPTANCE OF DELIV-  
12 ERY OF INCOMPLETE ASSET.—

13 (1) IN GENERAL.—If the Secretary accepts de-  
14 livery of an asset after the date of enactment of this  
15 Act for which a contractually required certification  
16 cannot be achieved within 30 days after the date of  
17 delivery or with any system that is not fully func-  
18 tional for the mission for which it was intended, the  
19 Secretary shall submit to the Committee on Trans-  
20 portation and Infrastructure of the House of Rep-  
21 resentatives and the Committee on Commerce,  
22 Science, and Transportation of the United States  
23 Senate within 30 days after accepting delivery of the  
24 asset a report explaining why acceptance of the asset



1 in such a condition is in the best interests of the  
2 United States Government.

3 (2) CONTENTS.—The report shall—

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

10 (B) identify milestones for the completion  
11 of required certifications and to make all sys-  
12 tems fully functional; and

13 (C) identify when the milestones will be  
14 completed, who will complete them, and the cost  
15 to complete them.

16 **SEC. 7. USE OF THE NAVAL SEA SYSTEMS COMMAND, THE**  
17 **NAVAL AIR SYSTEMS COMMAND, AND THE**  
18 **SPACE AND NAVAL WARFARE SYSTEMS COM-**  
19 **MAND TO ASSIST THE COAST GUARD IN EX-**  
20 **ERCISING TECHNICAL AUTHORITY FOR THE**  
21 **DEEPWATER PROGRAM AND OTHER COAST**  
22 **GUARD ACQUISITION PROGRAMS.**

23 (a) FINDINGS.—Congress finds that the Coast  
24 Guard’s use of the technical, contractual, and program  
25 management oversight expertise of the Department of the

1 Navy in ship and aircraft production complements and  
2 augments the Coast Guard's organic expertise as it pro-  
3 cures assets for the Deepwater Program.

4 (b) INTER-SERVICE TECHNICAL ASSISTANCE.—The  
5 Secretary may enter into a memorandum of understanding  
6 or a memorandum of agreement with the Secretary of the  
7 Navy to provide for the use of the Navy Systems Com-  
8 mands to assist the Coast Guard with the oversight of  
9 Coast Guard major acquisition programs. Such memo-  
10 randum of understanding or memorandum of agreement  
11 shall, at a minimum provide for—

12 (1) the exchange of technical assistance and  
13 support that the Coast Guard Chief Engineer and  
14 the Coast Guard Chief Information Officer, as Coast  
15 Guard Technical Authorities, may identify;

16 (2) the use, as appropriate, of Navy technical  
17 expertise; and

18 (3) the temporary assignment or exchange of  
19 personnel between the Coast Guard and the Navy  
20 Systems Commands to facilitate the development of  
21 organic capabilities in the Coast Guard.

22 (c) TECHNICAL AUTHORITIES.—The Coast Guard  
23 Chief Engineer, Chief Information Officer, and Chief Ac-  
24 quisition Officer shall adopt, to the extent practicable, pro-  
25 cedures that are similar to those used by the Navy Senior

1 Acquisition Official to ensure the Coast Guard Technical  
2 Authorities, or designated Technical Warrant Holders, ap-  
3 prove all technical requirements.

4 (d) COORDINATION.—The Secretary, acting through  
5 the Commandant of the Coast Guard, may coordinate with  
6 the Secretary of the Navy, acting through the Chief of  
7 Naval Operations, to develop processes by which the as-  
8 sistance will be requested from the Navy Systems Com-  
9 mands and provided to the Coast Guard.

10 (e) REPORT.—Not later than 120 days after the date  
11 of enactment of this Act and every twelve months there-  
12 after, the Commandant of the Coast Guard shall report  
13 to the Committee on Transportation and Infrastructure  
14 of the House of Representatives and the Committee on  
15 Commerce, Science, and Transportation of the Senate on  
16 the activities undertaken pursuant to such memorandum  
17 of understanding or memorandum of agreement.

18 **SEC. 8. DEFINITIONS.**

19 In this Act:

20 (1) DEEPWATER PROGRAM.—The term “Deep-  
21 water Program” means the Integrated Deepwater  
22 Systems Program described by the Coast Guard in  
23 its report to Congress entitled “Revised Deepwater  
24 Implementation Plan 2005”, dated March 25, 2005.  
25 The Deepwater Program primarily involves the pro-

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

Passed the House of Representatives July 31, 2007.

Attest: LORRAINE C. MILLER,  
*Clerk.*