

**AMENDMENT TO**  
**RULES COMMITTEE PRINT 119-33**  
**OFFERED BY MR. GARAMENDI OF CALIFORNIA**

At the end of subtitle B of title XXXI, add the following new section:

1 **SEC. 31\_\_\_ . NOTIFICATION OF COST OVERRUNS FOR CER-**  
2 **TAIN DEPARTMENT OF ENERGY PROJECTS.**

3 Section 6284 of title 10, United States Code, is  
4 amended by striking subsections (b), (c), and (d), and in-  
5 serting the following new subsections:

6 “(b) COSTS EXCEEDING BASELINE.—(1) With re-  
7 spect to any project referred to in paragraph (1), (2), (3),  
8 or (4) of subsection (a) that will likely exceed an amount  
9 that is equal to 125 percent of the cost baseline estab-  
10 lished under subsection (a) for that project, the Adminis-  
11 trator or the Secretary, as applicable, shall—

12 “(A) not later than 30 days after determining  
13 that the project will likely exceed such amount, no-  
14 tify the congressional defense committees of such de-  
15 termination; and

16 “(B) concurrently with the submission of the  
17 budget justification materials submitted to Congress  
18 in support of the budget of the President for a fiscal

1 year (pursuant to section 1105(a) of title 31), and  
2 quarterly thereafter, provide to the congressional de-  
3 fense committees a briefing on the total cost for the  
4 project.

5 “(2) With respect to a stockpile life extension project  
6 or new nuclear weapon program project referred to in sub-  
7 section (a)(1) or a major alteration project referred to in  
8 subsection (a)(2), the Administrator or the Secretary, as  
9 applicable, shall—

10 “(A) notify the congressional defense commit-  
11 tees of the cost for any warhead in the project that  
12 has exceeded an amount that is equal to 150 percent  
13 of the cost baseline established under subsection  
14 (a)(1)(B) or (a)(2)(B), as applicable, for each war-  
15 head in that project; and

16 “(B) concurrently with the submission of the  
17 budget justification materials submitted to Congress  
18 in support of the budget of the President for a fiscal  
19 year (pursuant to section 1105(a) of title 31), and  
20 quarterly thereafter, provide to the congressional de-  
21 fense committees a briefing on the cost for any war-  
22 head in the project that will likely exceed an amount  
23 that is equal to 150 percent of the cost baseline es-  
24 tablished under subsection (a)(1)(B) or (a)(2)(B), as  
25 applicable, for each warhead in that project.

1           “(3) Not later than 45 days after the Administrator  
2 or the Secretary, as applicable, makes a notification under  
3 paragraph (1)(A) or (2)(A) regarding a project, the Ad-  
4 ministrator or the Secretary, as the case may be, shall  
5 submit to the congressional defense committees informa-  
6 tion as follows:

7           “(A) A timeline under which the Administrator  
8 or the Secretary shall submit to such committees the  
9 assessment under subparagraph (B) and the revised  
10 cost and schedule baseline under subparagraph (C),  
11 subject to subsection (c)(2).

12           “(B) An assessment of the root cause or causes  
13 of the growth in the total cost of the project, includ-  
14 ing the contribution of any shortcomings in cost,  
15 schedule, or performance of the program, including  
16 the role, if any, of—

17                   “(i) unrealistic performance expectations;

18                   “(ii) unrealistic baseline estimates for cost  
19 or schedule;

20                   “(iii) immature technologies or excessive  
21 manufacturing or integration risk;

22                   “(iv) unanticipated design, engineering,  
23 manufacturing, or technology integration issues  
24 arising during program performance;

25                   “(v) changes in procurement quantities;

1                   “(vi) inadequate program funding or fund-  
2                   ing instability;

3                   “(vii) poor performance by personnel of the  
4                   Federal Government or contractor personnel re-  
5                   sponsible for program management;

6                   “(viii) changes to scope or requirements; or

7                   “(ix) any other matters.

8                   “(C) A revised cost and schedule baseline for  
9                   the project and, in the case of a stockpile life exten-  
10                  sion or new nuclear weapon program project referred  
11                  to in subparagraph (A) or (B) of subsection (a)(1)  
12                  or a major alteration project referred to in sub-  
13                  section (a)(2), a revised estimate of the cost for each  
14                  warhead in the project;

15                  “(4)(A) The Secretary and the Administrator shall  
16                  obtain the concurrence of the Director of Cost Estimating  
17                  and Program Evaluation of the National Nuclear Security  
18                  Administration with respect to the information prepared  
19                  to be submitted to the congressional defense committees  
20                  under this subsection.

21                  “(B) The Director of Cost Estimating and Program  
22                  Evaluation may make, at any time, an independent deter-  
23                  mination that the total cost for a project or warhead re-  
24                  ferred to in paragraph (1) or (2) will exceed the thresholds  
25                  described in such paragraphs. The Administrator or the

1 Secretary, as applicable, shall treat such a determination  
2 by the Director as a determination made by the Adminis-  
3 trator or the Secretary, as the case may be.

4 “(c) TERMINATION OR CONTINUATION OF  
5 PROJECTS.—(1) Not later than 14 days after submitting  
6 an assessment of the root cause and a revised cost and  
7 schedule baseline under paragraph (3) of subsection (b)  
8 with respect to a project referred to paragraphs (1) and  
9 (2) of such subsection, the Administrator or the Secretary,  
10 as applicable, shall—

11 “(A) notify the congressional defense commit-  
12 tees with respect to whether the project will be ter-  
13 minated or continued; and

14 “(B) if the project will be continued, certify to  
15 the congressional defense committees that—

16 “(i) a review of the revised baseline has  
17 been conducted by the Director of Cost Esti-  
18 mating and Program Evaluation, consistent  
19 with section 3221(d)(1)(F) of the National Nu-  
20 clear Security Administration Act (50 U.S.C.  
21 2411(d)(1)(F));

22 “(ii) the continuation of the project is nec-  
23 essary to the mission of the Department of En-  
24 ergy and there is no alternative to the project

1           that would meet the requirements of that mis-  
2           sion;

3           “(iii) a management structure is in place  
4           adequate to manage and control the cost and  
5           schedule of the project; and

6           “(iv) the project will be managed in ac-  
7           cordance with any lessons learned from the as-  
8           sessment of the root cause.

9           “(2) If the Administrator or the Secretary, as appli-  
10          cable, fails to submit an assessment of the root cause and  
11          a revised cost and schedule baseline by the relevant date  
12          specified in the timeline under paragraph (3)(A) of sub-  
13          section (b) with respect to a project referred to paragraphs  
14          (1) and (2) of such subsection, the Administrator or the  
15          Secretary shall terminate such project.

16          “(d) APPLICABILITY OF REQUIREMENTS TO REVISED  
17          COST AND SCHEDULE BASELINES.—A revised cost and  
18          schedule baseline under subsection (b)(3) shall be subject  
19          to the requirements of subsections (b) and (c) in the same  
20          manner and to the same extent as a cost and schedule  
21          baseline established under subsection (a).”.

