

**AMENDMENT TO H.R. 4435, AS REPORTED
OFFERED BY MR. SMITH OF WASHINGTON**

Strike section 1026 and insert the following:

1 **SEC. 1026. AVAILABILITY OF FUNDS FOR RETIREMENT OR**
2 **INACTIVATION OF TICONDEROGA CLASS**
3 **CRUISERS OR DOCK LANDING SHIPS.**

4 (a) LIMITATION ON AVAILABILITY OF FUNDS.—

5 (1) IN GENERAL.—Except as provided below,
6 none of the funds authorized to be appropriated by
7 this Act or otherwise made available for the Depart-
8 ment of Defense may be obligated or expended to re-
9 tire, prepare to retire, inactivate, or place in storage
10 a cruiser or dock landing ship.

11 (2) SHIP, MODERNIZATION, OPERATIONS, AND
12 SUSTAINMENT FUND.—The Ship, Modernization,
13 Operations, and Sustainment Fund (SMOSF) covers
14 eleven Ticonderoga Class cruisers (CG 63 through
15 CG 73) and three Dock Landing Ships (LSD 41,
16 LSD 42, and LSD 46). The SMOSF may only be
17 used to sustain and modernize the ships referred to
18 in the preceding sentence. The Secretary of the
19 Navy may transfer unobligated balances from oper-
20 ation and maintenance funds and manpower funds

1 from across the Department of the Navy into the
2 SMOSF.

3 (3) AVAILABILITY OF FUNDS.—Amounts trans-
4 ferred to the SMOSF shall remain available for the
5 same time period as the appropriation or fund for
6 which the transferred funds were originally appro-
7 priated.

8 (b) PHASED MODERNIZATION OF TICONDEROGA
9 CLASS CRUISERS AND DOCK LANDING SHIPS.—The Sec-
10 retary of the Navy may retain 22 Ticonderoga Class cruis-
11 ers (CGs) and 12 Whidbey Island/Harpers Ferry Class
12 dock landing ships (LSDs) until the end of their service
13 lives, as follows:

14 (1) The naval combat forces of the Navy shall
15 include not less than 11 operational CGs and 11
16 operational LSDs. For purposes of this subsection,
17 an operational CG and LSD includes a CG or LSD
18 that is available for worldwide deployment other
19 than during routine or scheduled maintenance or re-
20 pair.

21 (2) The Secretary of the Navy may conduct
22 phased modernization of 11 CGs and 3 LSDs. Dur-
23 ing the phased modernization period, the Navy may
24 reduce manning on these ships to the minimal level

1 necessary to ensure safety and security of the ship
2 and to retain critical skills;

3 (3) The 11 CGs referred to in paragraph (1)
4 may be decommissioned individually once replaced
5 by a CG undergoing phased modernization in para-
6 graph (2). After being reintroduced into the oper-
7 ational fleet, the 11 CGs referred to in paragraph
8 (2) may be decommissioned individually upon reach-
9 ing their expected service lives. The three LSDs re-
10 ferred to in paragraph (2), after completing the
11 phased modernization will be reintroduced into the
12 operational fleet and may be decommissioned upon
13 reaching their expected service lives.

14 (c) AUTHORITIES AND LIMITATIONS DURING
15 PHASED MODERNIZATION.—

16 (1) AUTHORITIES.—During the period of
17 phased modernization, for the ships listed in sub-
18 section (b), the Secretary of the Navy is authorized
19 to—

20 (A) Continue to maintain the ships in a
21 manner that will ensure the ships' ability to re-
22 enter the operational fleet;

23 (B) Conduct planning activities to ensure
24 scheduled and deferred maintenance and mod-

1 ernization work items are identified and in-
2 cluded in availability work packages;

3 (C) Conduct hull, mechanical, and elec-
4 trical and combat system modernization nec-
5 essary to achieve a service life of 40 years;

6 (D) Time completion of maintenance and
7 modernization of the CGs, including required
8 testing and crew training, to replace on a one-
9 for-one basis active CGs that will be decommis-
10 sioned upon reaching their expected service life;

11 (E) Ensure adequate funds are available to
12 execute phased modernization activities on all
13 ships covered by SMOSF.

14 (2) LIMITATIONS.—During the period of phased
15 modernization, for the ships listed in subsection (b),
16 the Secretary of the Navy may not:

17 (A) permit the removal or cannibalization
18 of equipment or systems to support operational
19 ships, with the exception of rotatable pool
20 equipment and any exemption necessary to sup-
21 port urgent operational requirements that is ap-
22 proved by the Secretary of the Navy; or

23 (B) make any irreversible modifications
24 that will prohibit the ship from reentering the
25 operational fleet.

1 (d) AUTHORITY TO ENTER INTO ECONOMIC ORDER
2 QUANTITY CONTRACTS.—The Secretary of the Navy may
3 enter into contracts known as “economic order quantity
4 contracts” with private shipyards for ship maintenance
5 and modernization, and with private industry for equip-
6 ment procurement for the phased modernization of the
7 vessels referred to in subsection (a).

8 (e) REPORT REQUIRED.—The Secretary of the Navy
9 shall submit to the congressional defense committees a
10 written report on the status of the phased modernization
11 program. Such report will be submitted annually with the
12 President’s budget submission, and shall include, as a
13 minimum, the following information for the ships under-
14 going phased modernization pursuant to subsection (b)(2):

15 (1) the status of phased modernization efforts,
16 including availability schedules, equipment procure-
17 ment schedules, and by year funding requirements;

18 (2) the vessel’s readiness, operational and man-
19 ning status;

20 (3) the vessel’s material condition assessment;

21 (4) a list of rotatable pool equipment that is
22 identified across the Ticonderoga Class cruisers to
23 support operations on a continuing basis;

24 (5) a listing of equipment, other than rotatable
25 pool equipment and components incidental to per-

1 forming maintenance, removed from the vessel, in-
2 cluding a justification for the removal, the disposi-
3 tion of the equipment, and plan for restoration of
4 the equipment;

5 (6) a plan detailing planned obligations and ex-
6 penditures by ship for the upcoming fiscal year, and
7 projections of obligations by ship by year for the re-
8 maining time a ship is in the phased modernization
9 program. The Navy will notify the congressional de-
10 fense committees in writing 30 days prior to exe-
11 cuting any deviations to the annual plan; and

12 (7) in accordance with the detailed funding
13 plan, the Navy shall ensure the SMOSF account is
14 adequately resourced to execute no less than the exe-
15 cution year plus the plan's projection for the next
16 fiscal year.

