

**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.

19 (b) PHASED MODERNIZATION OF TICONDEROGA
20 CLASS CRUISERS AND DOCK LANDING SHIPS.—The Sec-

1 retary of the Navy may retain 22 Ticonderoga Class cruises-
2 ers (CGs) and 12 Whidbey Island/Harpers Ferry Class
3 dock landing ships (LSDs) until the end of their service
4 lives, as follows:

5 (1) The naval combat forces of the Navy shall
6 include not less than 11 operational CGs and 11
7 operational LSDs. For purposes of this subsection,
8 an operational CG and LSD includes a CG or LSD
9 that is available for worldwide deployment other
10 than during routine or scheduled maintenance or re-
11 pair.

12 (2) The Secretary of the Navy may conduct
13 phased modernization of 11 CGs and 3 LSDs. Dur-
14 ing the phased modernization period, the Navy may
15 reduce manning on these ships to the minimal level
16 necessary to ensure safety and security of the ship
17 and to retain critical skills;

18 (3) The 11 CGs referred to in paragraph (1)
19 may be decommissioned individually once replaced
20 by a CG undergoing phased modernization in para-
21 graph (2). After being reintroduced into the oper-
22 ational fleet, the 11 CGs referred to in paragraph
23 (2) may be decommissioned individually upon reach-
24 ing their expected service lives. The three LSDs re-
25 ferred to in paragraph (2), after completing the

1 phased modernization will be reintroduced into the
2 operational fleet and may be decommissioned upon
3 reaching their expected service lives.

4 (c) AUTHORITIES AND LIMITATIONS DURING
5 PHASED MODERNIZATION.—

6 (1) AUTHORITIES.—During the period of
7 phased modernization, for the ships listed in sub-
8 section (b), the Secretary of the Navy is authorized
9 to—

10 (A) Continue to maintain the ships in a
11 manner that will ensure the ships' ability to re-
12 enter the operational fleet;

13 (B) Conduct planning activities to ensure
14 scheduled and deferred maintenance and mod-
15 ernization work items are identified and in-
16 cluded in availability work packages;

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

20 (D) Time completion of maintenance and
21 modernization of the CGs, including required
22 testing and crew training, to replace on a one-
23 for-one basis active CGs that will be decommis-
24 sioned upon reaching their expected service life;

1 (E) Ensure adequate funds are available to
2 execute phased modernization activities on all
3 ships covered by SMOSF.

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

7 (A) permit the removal or cannibalization
8 of equipment or systems to support operational
9 ships, with the exception of rotatable pool
10 equipment and any exemption necessary to sup-
11 port urgent operational requirements that is ap-
12 proved by the Secretary of the Navy; or

13 (B) make any irreversible modifications
14 that will prohibit the ship from reentering the
15 operational fleet.

16 (d) AUTHORITY TO ENTER INTO ECONOMIC ORDER
17 QUANTITY CONTRACTS.—The Secretary of the Navy may
18 enter into contracts known as “economic order quantity
19 contracts” with private shipyards for ship maintenance
20 and modernization, and with private industry for equip-
21 ment procurement for the phased modernization of the
22 vessels referred to in subsection (a).

23 (e) REPORT REQUIRED.—The Secretary of the Navy
24 shall submit to the congressional defense committees a
25 written report on the status of the phased modernization

1 program. Such report will be submitted annually with the
2 President's budget submission, and shall include, as a
3 minimum, the following information for the ships under-
4 going phased modernization pursuant to subsection (b)(2):

5 (1) the status of phased modernization efforts,
6 including availability schedules, equipment procure-
7 ment schedules, and by year funding requirements;

8 (2) the vessel's readiness, operational and man-
9 ning status;

10 (3) the vessel's material condition assessment;

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

14 (5) a listing of equipment, other than rotatable
15 pool equipment and components incidental to per-
16 forming maintenance, removed from the vessel, in-
17 cluding a justification for the removal, the disposi-
18 tion of the equipment, and plan for restoration of
19 the equipment;

20 (6) a plan detailing planned obligations and ex-
21 penditures by ship for the upcoming fiscal year, and
22 projections of obligations by ship by year for the re-
23 maining time a ship is in the phased modernization
24 program. The Navy will notify the congressional de-

1 fense committees in writing 30 days prior to exe-
2 cuting any deviations to the annual plan; and
3 (7) in accordance with the detailed funding
4 plan, the Navy shall ensure the SMOSF account is
5 adequately resourced to execute no less than the exe-
6 cution year plus the plan's projection for the next
7 fiscal year.

