



H.R. 6999 – Integrated Deepwater Program Reform Act

FLOOR SITUATION

H.R. 6999 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Elijah Cummings (D-MD) on September 23, 2008. The resolution was referred to the Committee on Transportation and Infrastructure, but was never considered.

H.R. 6999 is expected to be considered on the floor of the House on September 24, 2008.

**Note: The House passed a bill by the same name, H.R. 2722, by a vote of 426 to 0 on July 31, 2007. The Senate passed a similar bill by unanimous consent on December 19, 2007. A formal conference was not requested on either bill. H.R. 6999 is similar to the two bills passed by the House and Senate with some exceptions.*

SUMMARY

Procurement Structure: The bill prohibits the Secretary from using a private sector entity as a lead systems integrator 90 days after enactment and requires full and open competition for any acquisition for which an outside contractor is used.

Required Contract Terms: H.R. 6999 requires the Secretary to ensure that any contract, delivery order, or task order for the Integrated Deepwater Program meet the following requirements: 1) prohibits self-certification by a contractor for procurements; 2) provides that the Commandant shall conduct a technical review of all designs and engineering changes; 3) requires the Commandant to establish, approve, and maintain technical requirements; 4) requires that any measurement of contractor performance be based on the status of all work performed; and 5) specifies that the standard for determining TEMPEST compliance will be the standard used by the Navy.

Chief Acquisition Officer: The bill establishes an Agency Chief Acquisition Officer who will be responsible for several activities, including the monitoring the performance of acquisition activities and advise the Commandant on appropriate strategies to achieve the mission of the Coast Guard, increasing the use of competitive acquisition, and ensuring the use of detailed performance specifications.

Reports: H.R. 6999 requires the Secretary to submit a comprehensive annual report on the progress of the Integrated Deepwater Program within 45 days after the end of each fiscal year. The bill also requires the Secretary to report to Congress no later than 30 days after the Deepwater Program Executive Officer becomes aware of a breach of an acquisition program baseline.

Department of Defense Consultation: The bill requires the Secretary to make arrangements as appropriate with the Secretary of Defense for support in contracting and management of acquisitions under the Integrated Deepwater Program.

BACKGROUND

The Integrated Deepwater Program (IDP) is a 25-year, \$24 billion initiative to replace many of the Coast Guard's vessels, aircraft, and other assets.

The IDS Program is the largest acquisition in the Coast Guard's history. At full implementation, the Integrated Deepwater System includes three classes of new cutters and their associated small boats, upgraded legacy cutters, a new fixed-wing manned aircraft fleet, a combination of new and upgraded helicopters, and both cutter-based and land-based unmanned air vehicles. All of these assets will be



linked with state-of-the-art Command, Control, Communications and Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) systems, and will be supported by integrated logistics.

These deepwater assets, which operate from our ports to the high seas as the front line of our layered defense are aging. They do not possess the speed, interoperability, sensors, and communication capabilities required to respond effectively to America's diverse and growing maritime needs.

The IDS Program has raised significant concern over funding and management issues. In 2007, the Department of Homeland Security Inspector General testified to Congress that the agency's oversight of the Deepwater program was hampered by "flawed contract terms and conditions, poorly defined performance requirements, and inadequate management and technical oversight."

In a September 24, 2008, letter to the Committees on Transportation and Infrastructure and Homeland Security, U.S. Coast Guard Commandant T.W. Allen states, "We must strongly oppose H.R. 6999... Such requirements would remove vital certification functions from Coast Guard control. Such requirements would delay the review and approval of projects and... increase costs."

COST

The Congressional Budget Office has not issued a cost estimate for H.R. 6999.

STAFF CONTACT

For questions or further information contact Brianne Miller at 6-2302.