

110TH CONGRESS  
1ST SESSION

# S. 924

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## AN ACT

To strengthen the United States Coast Guard's Integrated  
Deepwater Program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Integrated Deepwater Program Reform Act”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
 2 this Act is as follows:

- See. 1. Short title; table of contents.
- See. 2. Procurement structure.
- See. 3. Alternatives Analysis.
- See. 4. Certification.
- See. 5. Contract requirements.
- See. 6. Improvements in Coast Guard management.
- See. 7. Department of Defense Consultation.
- See. 8. Procurement and report requirements.
- See. 9. GAO review and recommendations.
- See. 10. Inspector General review of Deepwater program.
- See. 11. Definitions.

3 **SEC. 2. PROCUREMENT STRUCTURE.**

4 (a) IN GENERAL.—

5 (1) USE OF LEAD SYSTEMS INTEGRATOR.—Ex-  
 6 cept as provided in subsection (b), the United States  
 7 Coast Guard may not use a private sector entity as  
 8 a lead systems integrator for procurements under, or  
 9 in support of, the Integrated Deepwater Program  
 10 more than 90 days after the date of enactment of  
 11 this Act.

12 (2) FULL AND OPEN COMPETITION.—The  
 13 United States Coast Guard shall utilize full and  
 14 open competition for any other procurement for  
 15 which an outside contractor is used under, or in sup-  
 16 port of, the Integrated Deepwater Program after the  
 17 date of enactment of this Act, unless otherwise ex-  
 18 cepted in accordance with the Competition in Con-  
 19 tracting Act of 1984 and the Federal Acquisition  
 20 Regulations.

1 (b) EXCEPTIONS.—

2 (1) COMPLETION OF PROCUREMENT BY LEAD  
3 SYSTEMS INTEGRATOR.—Notwithstanding subsection  
4 (a), the Coast Guard may use a private sector entity  
5 as a lead systems integrator—

6 (A) to complete any delivery order or task  
7 order that was issued to the lead systems inte-  
8 grator on or before the date that is 90 days  
9 after the date of enactment of this Act without  
10 any change in the quantity of assets or the spe-  
11 cific type of assets covered by the order;

12 (B) for procurements after the date that is  
13 90 days after the date of enactment of this Act  
14 of, or in support of—

15 “(i) the HC-130J aircraft, the HH-  
16 65 aircraft, and the C4ISR system, and

17 (ii) National Security Cutters or Mar-  
18 itime Patrol Aircraft under contract or  
19 order for construction as of the date that  
20 is 90 days after the date of enactment of  
21 this Act,

22 if the requirements of subsection (c) are met  
23 with respect to such procurements; and

24 (C) for the procurement, or in support, of  
25 additional National Security Cutters or Mari-

1 time Patrol Aircraft if the Commandant deter-  
2 mines, after conducting the alternatives analysis  
3 required by section 3, that—

4 (i) the procurement is in accordance  
5 with the Competition in Contracting Act of  
6 1984 and the Federal Acquisition Regula-  
7 tions;

8 (ii) the procurement and the use of a  
9 private sector entity as a lead systems inte-  
10 grator for the procurement is in the best  
11 interest of the Federal government; and

12 (iii) the requirements of subsection (c)  
13 are met with respect to such procurement.

14 (2) AWARDS TO TIER 1 SUBCONTRACTORS.—

15 The Coast Guard may award to any Tier 1 subcon-  
16 tractor or subcontractor below the Tier 1 level any  
17 procurement that it could award to a lead systems  
18 integrator under paragraph (1).

19 (3) REPORT ON DECISION-MAKING PROCESS.—

20 If the Commandant determines under subparagraph  
21 (B) or C) of paragraph (1) that the Coast Guard  
22 will use a private sector lead systems integrator for  
23 a procurement, the Commandant shall notify in writ-  
24 ing the Senate Committee on Commerce, Science,  
25 and Transportation and the House of Representa-

1 tives Committee on Transportation and Infrastruc-  
2 ture of its determination and shall provide a detailed  
3 rationale for the determination.

4 (c) LIMITATION ON LEAD SYSTEMS INTEGRATORS.—

5 Neither an entity performing lead systems integrator func-  
6 tions for a procurement under, or in support of, the Inte-  
7 grated Deepwater Program, nor a Tier 1 subcontractor,  
8 for any procurement described in subparagraph (B) or (C)  
9 of subsection (b)(1) may have a financial interest in a sub-  
10 contractor below the tier 1 subcontractor level unless—

11 (1) the subcontractor was selected by the Coast  
12 Guard through full and open competition for such  
13 procurement;

14 (2) the procurement was awarded by the lead  
15 systems integrator or a subcontractor through full  
16 and open competition;

17 (3) the procurement was awarded by a subcon-  
18 tractor through a process over which the lead sys-  
19 tems integrator or a Tier 1 subcontractor exercised  
20 no control; or

21 (4) the Commandant has determined that the  
22 procurement was awarded in a manner consistent  
23 with the Competition in Contracting Act of 1984  
24 and the Federal Acquisition Regulations.

1 (d) **RULE OF CONSTRUCTION.**—The limitation in  
2 subsection (b)(1)(A) on the quantity and specific type of  
3 assets to which subsection (b) applies shall not be con-  
4 strued to apply to the modification of the number or type  
5 of any subsystems or other components of a vessel or air-  
6 craft described in subsection (b)(1)(B) or (C).

7 **SEC. 3. ALTERNATIVES ANALYSIS.**

8 (a) **IN GENERAL.**—Except with respect to a procure-  
9 ment described in subparagraph (A) or (B) of section  
10 2(b)(1) of this Act, or a procurement for which a request  
11 for proposals consistent with the Federal Acquisition Reg-  
12 ulations has been issued before the date of enactment of  
13 this Act, no procurement of a major asset may be awarded  
14 under the Integrated Deepwater Program after the date  
15 of enactment of this Act until an alternatives analysis has  
16 been conducted under this section.

17 (b) **INDEPENDENT ANALYSIS.**—As soon as possible,  
18 but no later than 120 days after the date of enactment  
19 of this Act, the Commandant shall execute a contract for  
20 an alternatives analysis with a Federally Funded Research  
21 and Development Center, a qualified entity of the Depart-  
22 ment of Defense, or a similar independent third party enti-  
23 ty that has appropriate acquisition expertise for inde-  
24 pendent analysis of all of the proposed procurements  
25 under, or in support of, the Integrated Deepwater Pro-

1 gram, including procurements described in section  
2 2(b)(1)(B), and for any future major changes of such pro-  
3 curements. The Commandant may not contract under this  
4 subsection for such an analysis with any entity that has  
5 a substantial financial interest in any part of the Inte-  
6 grated Deepwater Program as of the date of enactment  
7 of this Act or in any alternative being considered.

8 (c) ANALYSIS.—The alternatives analysis provided  
9 pursuant to the contract under subsection (b) for procure-  
10 ments and feasible alternatives shall include—

11 (1) an examination of capability, interoper-  
12 ability, and other advantages and disadvantages;

13 (2) an evaluation of whether different quantities  
14 of specific assets could meet the Coast Guard’s over-  
15 all performance needs;

16 (3) a discussion of key assumptions and vari-  
17 ables, and sensitivity to changes in such assumptions  
18 and variables;

19 (4) an assessment of technology risk and matu-  
20 rity;

21 (5) an evaluation of safety and performance  
22 records;

23 (6) a calculation of costs, including life-cycle  
24 costs; and

25 (7) a business case of viable alternatives.

1 (d) REPORT TO CONGRESS.—As soon as possible  
2 after an alternatives analysis has been completed, the  
3 Commandant shall develop a plan for the procurements  
4 addressed in the analysis, as well as procurements de-  
5 scribed in subsection (a) for which no alternatives analysis  
6 is required, and shall transmit a report describing the  
7 plan, and the schedule and costs for delivery of such pro-  
8 curements to the Senate Committee on Commerce,  
9 Science, and Transportation and the House of Represent-  
10 atives Committee on Transportation and Infrastructure.

11 (e) EXPERIMENTAL, TECHNICALLY IMMATURE SYS-  
12 TEMS.—

13 (1) IN GENERAL.—No procurement of an exper-  
14 imental or technically immature major asset may be  
15 awarded under the Integrated Deepwater Program  
16 until an alternatives analysis has been conducted for  
17 such asset. The alternatives analysis shall include  
18 the same components as those set forth in sub-  
19 section (c). In addition, the alternatives analysis  
20 shall also include—

21 (A) an examination of likely research and  
22 development costs and the levels of uncertainty  
23 associated with such estimated costs;

1           (B) an examination of likely production  
2           and deployment costs and the levels of uncer-  
3           tainty associated with such estimated costs;

4           (C) an examination of likely operating and  
5           support costs and the levels of uncertainty asso-  
6           ciated with such estimated costs;

7           (D) if they are likely to be significant, an  
8           examination of likely disposal costs and the lev-  
9           els of uncertainty associated with such esti-  
10          mated costs;

11          (E) an analysis of the risks to production  
12          cost, schedule, and life-cycle cost resulting from  
13          the experimental, technically immature nature  
14          of the systems under consideration; and

15          (F) such additional measures the Com-  
16          mandant determines to be necessary for appro-  
17          priate evaluation of the asset.

18          (2) REPORT.—As soon as possible after an al-  
19          ternatives analysis pursuant to this subsection has  
20          been completed, the Commandant shall transmit a  
21          report that provides a detailed summary of the find-  
22          ings of the analysis, a plan for the procurements ad-  
23          dressed in the analysis, and the schedule and costs  
24          for delivery of such procurements to the Senate  
25          Committee on Commerce, Justice, and Transpor-

1       tation and the House of Representatives Committee  
2       on Transportation and Infrastructure.

3 **SEC. 4. CERTIFICATION.**

4       (a) IN GENERAL.—After the date of enactment of  
5 this Act, a contract, delivery order, or task order exceeding  
6 \$10,000,000 for procurement under, or in support of, the  
7 Coast Guard’s Integrated Deepwater Program may not be  
8 executed by the Coast Guard until the Commandant cer-  
9 tifies that—

10           (1) appropriate market research has been con-  
11 ducted prior to technology development to reduce  
12 duplication of existing technology and products;

13           (2) the technology has been demonstrated to  
14 the maximum extent practicable in a relevant envi-  
15 ronment;

16           (3) the technology demonstrates a high likeli-  
17 hood of accomplishing its intended mission;

18           (4) the technology is affordable when consid-  
19 ering the per unit cost and the total procurement  
20 cost in the context of the total resources available  
21 during the period covered by the Integrated Deep-  
22 water Program;

23           (5) the technology is affordable when consid-  
24 ering the ability of the Coast Guard to accomplish

1 its missions using alternatives, based on dem-  
2 onstrated technology, design, and knowledge;

3 (6) funding is available to execute the contract,  
4 delivery order, or task order; and

5 (7) the technology complies with all relevant  
6 policies, regulations, and directives of the Coast  
7 Guard.

8 (b) LIMITATION.—Nothing in this section shall pre-  
9 vent the Coast Guard from executing contracts or issuing  
10 delivery orders or task orders, for research and develop-  
11 ment or technology demonstrations under, or in support  
12 of, the Integrated Deepwater Program.

13 (c) REPORT TO CONGRESS.—The Commandant shall  
14 transmit a copy of each certification required under sub-  
15 section (a) to the Senate Committee on Commerce,  
16 Science, and Transportation and the House of Represent-  
17 atives Committee on Transportation and Infrastructure  
18 within 30 days after the completion of the certification.

19 **SEC. 5. CONTRACT REQUIREMENTS.**

20 The Commandant shall ensure that any contract, de-  
21 livery order, or task order for procurement under, or in  
22 support of, the Integrated Deepwater Program executed  
23 by the Coast Guard after the date of enactment of this  
24 Act—

1           (1) addresses the recommendations related to  
2           award fee determination and award term evaluation  
3           made by the Government Accountability Office in its  
4           March, 2004, report entitled Coast Guard’s Deep-  
5           water Program Needs Increased Attention to Man-  
6           agement and Contractor Oversight, GAO-04-380,  
7           including the recommendation that any award or in-  
8           centive fee be tied to program outcomes;

9           (2) addresses any subsequent Government Ac-  
10          countability Office recommendations that are issued  
11          at least 30 days prior to the execution of the con-  
12          tract, delivery order or task order when such rec-  
13          ommendations are relevant to the contract terms;

14          (3) provides that certification of any Integrated  
15          Deepwater Program procurement for performance,  
16          safety, and other relevant factors determined by the  
17          Commandant will be conducted by an independent  
18          third party;

19          (4) does not include—

20                 (A) provisions that commit the Coast  
21                 Guard without express written approval by the  
22                 Coast Guard; or

23                 (B) any provision allowing for equitable  
24                 adjustment that differs from the Federal Acqui-  
25                 sition Regulations;

1 (5) meets the requirements of the Coast Guard  
2 Major Systems Acquisition COMDTINST Manual  
3 5000.10(series); and

4 (6) for any contract, contract modification, or  
5 award term extending the existing Integrated Deep-  
6 water Program contract term—

7 (A) is reviewed by, and addresses rec-  
8 ommendations made by, the Under Secretary of  
9 Defense for Acquisition, Technology, and Logis-  
10 tics through the Defense Acquisition University  
11 in its Quick Look Study dated February 5,  
12 2007; and

13 (B) does not include any minimum require-  
14 ments for the purchase of a given or deter-  
15 minable number of specific assets.

16 **SEC. 6. IMPROVEMENTS IN COAST GUARD MANAGEMENT.**

17 (a) IN GENERAL.—As soon as practicable after the  
18 date of enactment of this Act, the Commandant shall take  
19 action to ensure that—

20 (1) the measures contained in the Coast  
21 Guard’s report entitled Coast Guard: Blue Print for  
22 Acquisition Reform are implemented fully;

23 (2) any additional measures for improved man-  
24 agement recommended by the Defense Acquisition  
25 University in its Quick Look Study of the United

1 States Coast Guard Deepwater Program, dated Feb-  
2 ruary 5, 2007, are implemented;

3 (3) integrated product teams, and all higher-  
4 level teams that oversee integrated product teams,  
5 are chaired by Coast Guard personnel; and

6 (4) the Assistant Commandant for Engineering  
7 and Logistics is designated as the Technical Author-  
8 ity for all design, engineering, and technical deci-  
9 sions for the Integrated Deepwater Program.

10 (b) TRANSFER.—

11 (1) IN GENERAL.—Section 93(a) of title 14,  
12 United States Code, is amended—

13 (A) by striking “and” after the semicolon  
14 in paragraph (23);

15 (B) by striking “appropriate.” in para-  
16 graph (24) and inserting “appropriate; and”;  
17 and

18 (C) by adding at the end thereof the fol-  
19 lowing:

20 “(25) notwithstanding any other provision of  
21 law, in any fiscal year transfer funds made available  
22 for personnel, compensation, and benefits from the  
23 appropriation account ‘Acquisition, Construction,  
24 and Improvement’ to the appropriation account ‘Op-  
25 erating Expenses’ for personnel compensation and

1 benefits and related costs necessary to execute new  
2 or existing procurements of the Coast Guard.”.

3 (2) NOTIFICATION.—Within 30 days after mak-  
4 ing a transfer under section 93(a)(25) of title 14,  
5 United States Code, the Commandant shall notify  
6 the Senate Committee on Commerce, Science,  
7 Transportation and Infrastructure, the Senate Com-  
8 mittee on Appropriations, the House Committee on  
9 Transportation and Infrastructure, and the House  
10 Committee on Appropriations.

11 **SEC. 7. DEPARTMENT OF DEFENSE CONSULTATION.**

12 (a) IN GENERAL.—The Coast Guard shall make ar-  
13 rangements as appropriate with the Department of De-  
14 fense for support in contracting and management of pro-  
15 curements under the Integrated Deepwater Program. The  
16 Coast Guard shall also seek opportunities to leverage off  
17 of Department of Defense contracts, and contracts of  
18 other appropriate agencies, to obtain the best possible  
19 price for Integrated Deepwater Program assets. No later  
20 than one year after the date of enactment of this Act, the  
21 Commandant of the Coast Guard shall provide a report  
22 to the Senate Committee on Commerce, Science, and  
23 Transportation and the House of Representatives Com-  
24 mittee on Transportation and Infrastructure on agree-

1 ments and other arrangements concluded pursuant to this  
2 subsection.

3 (b) ASSESSMENT.—Within 180 days after the date  
4 of enactment of this Act, the Comptroller General shall  
5 transmit a report to the Senate Committee on Commerce,  
6 Science, and Transportation and the House of Represent-  
7 atives Committee on Transportation and Infrastructure  
8 that—

9 (1) contains an assessment of current Coast  
10 Guard acquisition and management capabilities to  
11 manage procurements under or in support of the In-  
12 tegrated Deepwater Program;

13 (2) includes recommendations as to how the  
14 Coast Guard can improve its acquisition manage-  
15 ment, either through internal reforms or by seeking  
16 acquisition expertise from the Department of De-  
17 fense; and

18 (3) addresses specifically the question of wheth-  
19 er the Coast Guard can better leverage Department  
20 of Defense or other agencies' contracts that would  
21 meet the needs of the Integrated Deepwater Pro-  
22 gram in order to obtain the best possible price.

23 **SEC. 8. PROCUREMENT AND REPORT REQUIREMENTS.**

24 (a) PROCUREMENT SCHEDULES.—

1           (1) BUDGET JUSTIFICATION DOCUMENTS.—

2           Each calendar year, not later than 45 days after the  
3           President submits the budget to Congress under sec-  
4           tion 1105 of title 31, United States Code, the Com-  
5           mandant shall submit to Congress budget justifica-  
6           tion documents regarding development and procure-  
7           ment schedules for each asset of the Integrated  
8           Deepwater Program for which any funds for pro-  
9           curement are requested in that budget.

10           (2) REQUIRED DOCUMENTS.—The budget jus-  
11           tification documents required to be submitted under  
12           paragraph (1) for each asset for which funds for  
13           procurement are requested in the budget include—

14                   (A) the development schedule for each  
15                   asset and asset class, including estimated an-  
16                   nual costs until development is completed;

17                   (B) the procurement schedule for each  
18                   asset and asset class, including estimated an-  
19                   nual costs and units to be procured until pro-  
20                   curement is completed;

21                   (C) any variances in schedule or cost from  
22                   the schedule and costs described in the plan  
23                   submitted under section 3(d); and

1           (D) a projection of the remaining oper-  
2           ational lifespan of each legacy asset and pro-  
3           jected costs for sustaining such assets.

4       (b) QUARTERLY STATUS UPDATE.—The Com-  
5       mandant shall provide an update on the status of the Inte-  
6       grated Deepwater Program to the Senate Committee on  
7       Commerce, Science, and Transportation and the House of  
8       Representatives Committee on Transportation and Infra-  
9       structure at the beginning of the first full fiscal year quar-  
10      ter after the date of enactment of this Act, and at the  
11      beginning of each subsequent fiscal year quarter.

12      (c) REPORTING ON COST OVERRUNS AND DELAYS.—

13           (1) REPORT REQUIRED.—The Commandant  
14      shall submit a report to the Senate Committee on  
15      Commerce, Science, and Transportation and the  
16      House of Representatives Committee on Transpor-  
17      tation and Infrastructure as soon as possible, but  
18      not later than 30 days after the Deepwater Program  
19      Executive Officer becomes aware of—

20           (A) a likely cost overrun greater than 10  
21           percent of the program acquisition unit cost,  
22           the procurement unit cost, or the life cycle cost  
23           of an individual asset or a class of assets under  
24           the Integrated Deepwater Program; or

1           (B) a likely delay of more than 6 months  
2           in the delivery schedule for any individual asset  
3           or class of assets under the Integrated Deep-  
4           water Program.

5           (2) REQUIRED CONTENT.—The report shall  
6           include—

7                   (A) a detailed explanation for the variance  
8                   or delay;

9                   (B) the current program acquisition unit  
10                  cost and the complete history of changes to that  
11                  cost from the schedule and costs described in  
12                  the plan submitted under section 3(d);

13                  (C) the current procurement unit cost and  
14                  the complete history of changes to that cost  
15                  from the schedule and costs described in the  
16                  plan submitted under section 3(d); and

17                  (D) a full life-cycle cost analysis for each  
18                  asset or class of assets for which a report is  
19                  being submitted under paragraph (1).

20           (3) SUBSTANTIAL VARIANCES IN COSTS OR  
21           SCHEDULE.—If a likely cost overrun is greater than  
22           20 percent or a likely delay is greater than 12  
23           months from the schedule and costs described in the  
24           plan submitted under section 3(d) or, if the plan has  
25           been revised, from the schedule and costs described

1 in the revised plan, the Commandant shall include in  
2 the report required under paragraph (1) a written  
3 certification, with a supporting explanation, that—

4 (A) the asset or asset class is essential to  
5 the accomplishment of Coast Guard missions;

6 (B) there are no alternatives to such asset  
7 or asset class which will provide equal or great-  
8 er capability in a more cost-effective and timely  
9 manner;

10 (C) the new estimates of the program ac-  
11 quisition unit cost or procurement unit cost are  
12 reasonable; and

13 (D) the management structure for the ac-  
14 quisition program is adequate to manage and  
15 control program acquisition unit cost or pro-  
16 curement unit cost.

17 (4) CERTIFIED ASSETS AND ASSET CLASSES.—

18 If the Commandant certifies an asset or asset class  
19 under paragraph (3), the requirements of this sub-  
20 section shall be based on the new estimates of cost  
21 and schedule contained in that certification.

22 (5) DEFINITIONS.—In this subsection:

23 (A) LIFE-CYCLE COST.—The term “life-  
24 cycle cost” means all costs for development,  
25 procurement, construction, and operations and

1 support for a particular asset, without regard to  
2 funding source or management control.

3 (B) **PROCUREMENT UNIT COST.**—The term  
4 “procurement unit cost” means the amount  
5 equal to the total of all funds programmed to  
6 be available for obligation for procurement of a  
7 given asset class divided by the number of as-  
8 sets to be procured.

9 (C) **PROGRAM ACQUISITION UNIT COST.**—  
10 The term “program acquisition unit cost”  
11 means the amount equal to the total cost for  
12 development, procurement, and construction for  
13 each class of assets divided by the total number  
14 of assets in each class.

15 (d) **PATROL BOAT REPORT.**—Not later than 90 days  
16 after the date of enactment of this Act the Commandant  
17 shall submit to the Committee on Commerce, Science, and  
18 Transportation of the Senate and the Committee on  
19 Transportation and Infrastructure of the House of Rep-  
20 resentatives a report on how the Coast Guard plans to  
21 manage the annual readiness gap of lost time for 110-  
22 foot patrol boats from fiscal year 2008 through fiscal year  
23 2014. The report shall include—

24 (1) a summary of the patrol hours that will be  
25 lost due to delays in replacing the 110-foot cutters

1 and reduced capabilities of the 110-foot cutters that  
2 have been converted;

3 (2) an identification of assets that may be used  
4 to alleviate the annual readiness gap of lost time for  
5 such patrol boats;

6 (3) a projection of the remaining operational  
7 lifespan of the 110-foot patrol boat fleet;

8 (4) a description of how extending through fis-  
9 cal year 2014 the transfer agreement between the  
10 Coast Guard and the United States Navy for 5 Cy-  
11 clone class 179-foot patrol coastal ships would effect  
12 the annual readiness gap of lost time for 110-foot  
13 patrol boats; and

14 (5) an estimate of the cost to extend the oper-  
15 ational lifespan of the 110-foot patrol boat fleet for  
16 each of fiscal years 2008 through 2014.

17 (e) REPORT ON C4ISR.—Not later than 90 days  
18 after the date of enactment of this Act, the Commandant  
19 shall submit to the Senate Committee on Commerce,  
20 Science, and Transportation and the House of Represent-  
21 atives Committee on Transportation and Infrastructure a  
22 report on the manner in which the Coast Guard is resolv-  
23 ing the problems and responding to the recommendations  
24 contained in the August 2006 Department of Homeland  
25 Security Inspector General Report entitled Improvements

1 Needed in the Coast Guard's Acquisition and Implementa-  
2 tion of Deepwater Information Technology Systems.

3 (f) AMENDMENT OF 2006 ACT.—Section 408(a) of  
4 the Coast Guard and Maritime Transportation Act of  
5 2006 is amended—

6 (1) by striking paragraphs (1) and (3); and

7 (2) by redesignating paragraphs (2) and (4)  
8 through (8) as paragraphs (1) through (6), respec-  
9 tively.

10 **SEC. 9. GAO REVIEW AND RECOMMENDATIONS.**

11 (a) AWARD FEE AND AWARD TERM CRITERIA.—The  
12 Coast Guard shall consult with the Comptroller General  
13 to ensure that the Government Accountability Office's rec-  
14 ommendations, in its March, 2004, report entitled Coast  
15 Guard's Deepwater Program Needs Increased Attention  
16 to Management and Contractor Oversight, GAO-04-380,  
17 and any subsequent Government Accountability Office rec-  
18 ommendations with respect to award fee and award term  
19 criteria will be addressed to the maximum extent prac-  
20 ticable in any contract, delivery order, or task order or  
21 extension of the existing contract for procurement under  
22 or in support of the Integrated Deepwater Program en-  
23 tered into after the date of enactment of this Act.

24 (b) OTHER RECOMMENDATIONS.—The Commandant  
25 shall ensure that all other recommendations in that report,

1 and any subsequent recommendations issued before March  
2 1, 2007, are implemented to the maximum extent prac-  
3 ticable by the Coast Guard within 1 year after the date  
4 of enactment of this Act, and implement subsequent rec-  
5 ommendations to the maximum extent practicable as they  
6 arise.

7 (c) GAO REPORTS ON IMPLEMENTATION.—Begin-  
8 ning 6 months after the date of enactment of this Act,  
9 the Comptroller General shall submit an annual report to  
10 the Senate Committee on Commerce, Science, and Trans-  
11 portation and the House of Representatives Committee on  
12 Transportation and Infrastructure on the Coast Guard’s  
13 progress in implementing the provisions of this Act, the  
14 Government Accountability Office’s recommendations, in  
15 its March, 2004, report entitled Coast Guard’s Deepwater  
16 Program Needs Increased Attention to Management and  
17 Contractor Oversight, GAO–04–380, and any subsequent  
18 Government Accountability Office recommendations  
19 issued before March 1, 2007.

20 **SEC. 10. INSPECTOR GENERAL REVIEW OF DEEPWATER**  
21 **PROGRAM.**

22 Not later than 240 days after the date of the enact-  
23 ment of this Act, the Inspector General of the Department  
24 of Homeland Security shall submit to the Secretary, and

1 to Congress, a report on the acquisition of assets under  
2 the Deepwater program. The report shall include—

3           (1) a description of each decision, if any, of the  
4           Coast Guard or Integrated Coast Guard Systems re-  
5           lating to the acquisition of assets under the Deep-  
6           water program that directly or indirectly resulted in  
7           cost overruns or program cost increases to the  
8           United States;

9           (2) an assessment whether any decision covered  
10          by paragraph (1) violated the terms of the contract  
11          of Integrated Coast Guard Systems for the Deep-  
12          water program;

13          (3) an assessment of how much program costs  
14          under the Deepwater program have increased as a  
15          result of any such decision; and

16          (4) an assessment of whether the Coast Guard  
17          or Integrated Coast Guard Systems is responsible  
18          for the payment of any cost overruns associated with  
19          any such decision.

20 **SEC. 11. DEFINITIONS.**

21       In this Act:

22           (1) **COMMANDANT.**—The term “Commandant”  
23       means the Commandant of the United States Coast  
24       Guard.

1           (2) INTEGRATED DEEPWATER PROGRAM.—The  
2           term “Integrated Deepwater Program” means the  
3           Integrated Deepwater Systems Program described  
4           by the Coast Guard in its Report to Congress on Re-  
5           vised Deepwater Implementation Plan, dated March  
6           25, 2005, including any subsequent modifications,  
7           revisions, or restatements of the Program.

8           (3) PROCUREMENT.—The term “procurement”  
9           includes development, production, sustainment,  
10          modification, conversion, and missionization.

Passed the Senate December 19, 2007.

Attest:

*Secretary.*

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 924**

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**AN ACT**

To strengthen the United States Coast Guard's  
Integrated Deepwater Program.