

SAC NEWSLETTER



8.11.2020

A monthly newsletter brought to you by The Strategic Affairs Committee of the PSDSRA

Top stories in this newsletter (Helpful Hint: click the pictures to be taken to the articles/links)



Defense execs press lead lawmakers for COVID reimbursements



Senate Ships vs. House Subs: Conference Clash To Come?



Navy Awards Contract for First Vessel In Its Family of Unmanned Surface Vehicles



Report to Congress on Navy Force Structure



Check Out Our PSDSRA Member Features

Defense execs press lead lawmakers for COVID reimbursements



Defensenews.com

"Eighty defense industry executives have written to top congressional leaders to ask for emergency appropriations to reimburse defense contractors' coronavirus-related costs.

Section 3610 of the Coronavirus Aid, Relief, and Economic Security Act allows firms serving the federal government to seek reimbursement for pandemic-related expenses, but Congress hasn't passed corresponding appropriations. Defense officials have said they need roughly \$10 billion, and that without added funding from Congress, the Pentagon would have to dip into modernization and readiness funds.

The advocates appear to face an uphill battle in Congress, where Republicans in particular are skeptical of new deficit spending after already approving aid packages worth trillions of dollars. McConnell outlined a proposal last week that made no mention of defense spending or Section 3610."

Senate Ships vs. House Subs: Conference Clash To Come?



Breakingdefense.com

"House Democrats want to add \$2.5 billion to build a second Virginia-class submarine next year. Senate Republicans would rather spend on destroyers and amphibious ships.

House defense appropriators voted Wednesday to back the House Armed Services Committee's bid to restore full funding for a Virginia-class attack submarine that the Trump Office of Management and Budget cut at the last minute.

Adding over \$2.5 billion for the submarine puts the Democrat-controlled House on a collision course with the Republican-led Senate Armed Services Committee, whose funding tables only added a net \$398 million — effectively a down payment, not a complete boat. Conversely, the SASC added \$905 million to the request for destroyers and amphibious ships, while the two House committees actually trimmed those two categories. (HASC and House Appropriations have slightly different numbers).

Yet to be heard from is the fourth and final piece of the annual defense spending jigsaw in Congress, the Senate Appropriations Committee. (The process is arcane, but in essence, spending increases must be approved by both the authorizers — i.e. the armed services committees — and the appropriators in both chambers). If the Senate appropriators side with their Senate Armed Services colleagues, they'll set the ground for a multi-billion-dollar battle between the two chambers. If Senate appropriators side with the House, it'll be hard indeed for SASC to stand alone."

Navy Awards Contract for First Vessel In Its Family of Unmanned Surface Vehicles



"The Navy has awarded a contract for the first unmanned surface vessel it will design and build on its own, a key milestone for the eventual family of unmanned systems that will be a key component of the future surface fleet, according to a Monday contract announcement from the Pentagon.

L3 Technologies won a \$35-million contract to develop a prototype medium unmanned surface vehicle (MUSV) on Monday, which could grow to \$281 million if options for eight follow-on craft are exercised, Naval Sea Systems Command announced.

The contract calls for delivering the first prototype by the end of the Fiscal Year 2023, according to a release from NAVSEA."

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Job Killer Legislation - Update and Tracking



Calchamber.com

Legislation to watch:

AB 196 (Lorena Gonzalez; D-San Diego) Establishes Costly “Conclusive Presumption” of Injury.

Status: 5/5/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. **Location:** 5/5/2020-S. L., P.E. & R. – In senate. Passed by Assembly

AB 398 (Chu; D-San Jose) Headcount Tax.

Status: 7/1/2020-Re-referred to Com. on GOV. & F. **Location:** 7/1/2020-S. GOV. & F. – In senate. Passed by Assembly

AB 664 (Cooper; D-Elk Grove) Establishes Costly “Conclusive Presumption” of Injury.

Status: 5/18/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. **Location:** 7/12/2019-S. L., P.E. & R. – In senate. Passed by Assembly

*****NEW*** AB 1253 (Santiago; D-Los Angeles) Massive Retroactive Tax Increase.**

Seeks to increase California's personal income tax rate, already the highest in the country, for struggling small businesses and high-income earners, which will result in a recently reported \$6.8 billion in increased taxes.

AB 2999 (Low; D-Campbell) New Protected Leave and Threat of Litigation.

Status: 7/14/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on JUD. **Location:** 7/1/2020-S. JUD. – In senate. Passed by Assembly

AB 3075 (Lorena Gonzalez; D-San Diego) Local Wage Standards.

Status: Opposition and job killer tag removed due to July 21, 2020 amendments. SAC will no longer track this bill.

AB 3216 (Kalra; D-San Jose) New COVID-19 Employment Leave Mandate.

Status: 8/5/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. **Location:** 7/1/2020-S. L., P.E. & R. – In senate. Passed by Assembly

*****NEW*** SB 55 (Jackson; D-Santa Barbara) Expands CEQA's Existing Requirements.**

Adds substantial time and costs to the CEQA process and provides project opponents with new legal arguments to delay or block housing and other projects. Almost identical to SB 950 that failed to pass the Senate Environmental Quality Committee.

*****NEW*** SB 1383 (Jackson; D-Santa Barbara) Employees: Time Off.**

Significantly burdens small employers by requiring employers with only five employees to provide eligible employees with 12 weeks of mandatory family leave, which can be taken in increments of one to two hours, and threatens these small employers with costly litigation if they make any mistake in implementing this leave.

*****NEW*** SB 1399 (Durazo; D-Los Angeles) Increased Costs and Liability on Employers.**

Significantly increases the burden on nonunionized employers in the garment manufacturing industry in California by eliminating piece rate as a method of payment even though it can benefit the employee, creating joint and several liability for contractors for any wage violations or the employer, and shifting the evidentiary standards in a Labor Commissioner hearing to limit the ability for an employer to defend against an alleged wage violation. These additional requirements will encourage companies to contract with manufacturers outside of California, thereby limiting the demand and workforce of garment manufacturers in California.

AB 3030 (Karla; D-San Jose) Resource conservation: land and ocean conservation goals.

Status: 8/5/20-In committee: Hearing postponed by committee. **Location:** 8/5/20-Sen Natural Resources and Water – In senate. Passed by Assembly

Proposition 13

Status: Will be on November ballot.

Report to Congress on Navy Force Structure



“The Navy’s 355-ship force-level goal is the result of a Force Structure Assessment (FSA) conducted by the Navy in 2016. A new FSA, referred to as the Integrated Naval FSA (INFSA), is to be published sometime during the spring of 2020. Statements from Department of the Navy (DON) officials suggest that the INFSA could result in a once-in-a-generation change in the Navy’s fleet architecture, meaning the mix of ships that make up the Navy. DON officials suggest that the INFSA could shift the fleet to a more distributed architecture that includes a reduced proportion of larger ships, an increased proportion of smaller ships, and a newly created category of large unmanned surface vehicles (USVs) and large unmanned underwater vehicles (UUVs). Such a change in fleet architecture could alter the mix of ships to be procured for the Navy and the distribution of Navy shipbuilding work among the nation’s shipyards.”

Report to Congress on Navy Large Unmanned Surface and Undersea Vehicles



"The Navy in FY2021 and beyond wants to develop and procure three types of large unmanned vehicles (UVs). These large UVs are called Large Unmanned Surface Vehicles (LUSVs), Medium Unmanned Surface Vehicles (MUSVs), and Extra-Large Unmanned Undersea Vehicles (XLUUVs). The Navy is requesting \$579.9 million in FY2021 research and development funding for these large UVs and their enabling technologies.

The Navy's large UV programs pose a number of oversight issues for Congress, including issues relating to the analytical basis for the more distributed fleet architecture; the Navy's accelerated acquisition strategies for these programs; technical, schedule, and cost risk in the programs; the proposed annual procurement rates for the programs; the industrial base implications of the programs; potential implications for miscalculation or escalation at sea; the personnel implications of the programs; and whether the Navy has accurately priced the work it is proposing to do in FY2021 on the programs."

Election Information



This link is provided as a resource to the membership to stay up to date on election information. This link includes information on Presidential, Congressional, State Legislature, and Local Government elections. As well as State ballot Measures, Election Dates, and FAQs.

About the SAC:

The Strategic Affairs Committee's charter is to monitor current events and news relevant to the Ship Repair Industry and provide the Association's board of directors with items of interest that may affect the industry and / or the membership. The information includes but is not limited to current events, geopolitical information, budget news, political information and upcoming legislation.



The PSDSRA's Facebook page is regularly updated with news, which is focused on, timely and relevant information of value to our members in the Maritime Industry. To view, like, and/or follow the PSDSRA's page, click the Facebook logo.

The SAC meets on the 3rd Tuesday of every month.

To join the Committee - Email kwilkinson@tecnicocorp.com and you'll be added to the committee distributions and invited to attend the meetings.

Current Active Committee Members include: Kyle Wilkinson, Derry Pence, Terry Buis, Marcel Becker, Kyle Clapp, Kelvan Hall, Michael Curtain, Michael Bice, Ed Zajonc, Michael Gonzales, Morgan Miller, Dante Sitta, Lorenzo Ramirez, Patrick Mooney, Victoria McIntyre, and Steven Moore.

Members Featured

BAE SYSTEMS



JAANN

COMPLETE A.I.T. SUPPORT & SOLUTIONS

Prepared By:

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BAE SYSTEMS



San Diego Ship Repair

BAE Systems San Diego Ship Repair is a leading provider of ship repair, maintenance, modernization, conversion, and overhaul services for the U.S. Navy. With over 1,200 employees, our full-service shipyard encompasses 20 acres of property and over 16.6 acres of water area on San Diego Bay.

San Diego Ship Repair Capabilities:

Floating Drydock:
55,000 and 26,000
long ton lift

Pier Space: four piers
totaling 2,800 feet

96,000 square feet
of production shops

Floating crane

baesystems.com/sdsr

Click [here](https://baesystems.com/sdsr) to learn more about BAE Systems San Diego Ship Repair and how they can support your team.⁴

JAANN

COMPLETE A.I.T. SUPPORT & SOLUTIONS

San Diego based JAANN Inc. was formed in 2010 with the sole purpose of providing the highest quality installation and repair services in the AIT industry. With our unique combination of qualified personnel, we offer skilled Marine Electricians, Electronics Technicians, Welders, Ship Fitters and General Laborers. We cover every aspect of AIT installation, delivering the highest quality results.

Our focus on Diversity, Integrity and Performance has made JAANN, Inc. a trusted partner in the ship repair industry. Our wide range of capabilities have proven to be tremendous assets in the AIT industry.

JAANN's core competencies and qualifications include but are not limited to:

- Termination and testing of all Multi-Pin, Triaxial, Coaxial and Cat 5 cables and connectors
- Fiber Optic cable installation, termination, repair and testing including multi-terminus connectors
- Troubleshooting and repair of the AN/SPY-1 Multi-Function Radar System
- Aegis Weapon System ORDALT installation and testing
- Marine electrical services including the installation and connection of Power Panels, Transformers, Automatic Bus Transfer units and IC/SM Alarm Panels
- Full-service metal fabrication, machining, cutting, bending and welding
- NAVSEA and SWRMC approved certifications for welding including SWAW, GMAW, FCAW, BRACE, GRAW-MA and Stud Welding
- HVAC fabrication, installation, modification and repair

In 2020, JAANN Solar was established in West Los Angeles. This division provides solar energy solutions to commercial customers with the installation and service of photovoltaic systems, battery backup, storage systems as well as solar powered electric vehicle charging stations.

For more information please contact us at:

JAANN, Inc.
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National City, CA 91950

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(619) 336-0584

Click [here](#) to learn more about JAANN and how they can support your team.

INTERNATIONAL AIR TOOL & INDUSTRIAL SUPPLY COMPANY

PNEUMATIC TOOLS. INDUSTRIAL SUPPLIES. EXPERT ADVICE.

International Air Tool Company supplies high performance pneumatic tools, diaphragm pumps, chain hoists, and MRO products to heavy industries worldwide. From the air compressor to the end of the tool and everything in between, we are your expert source for all things pneumatic.

Our philosophy is simple: offer premium brands at reasonable prices, provide unparalleled technical assistance, and back it all up with outstanding customer support. We believe that proper tool selection can have a dramatic impact on the quality of your work and strive to help our customers choose the right tool for the job the first time around.

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 <p>Material Removal & Precision Drilling Tools</p>	 <p>Power Tools, Construction Equipment, & Air Compressors</p>
 <p>Bonded, Coated, & Non-Woven Abrasives, Cut-Off Wheels & Saw Blades</p>	 <p>Bolting, Material Removal, Assembly, Drilling, & Construction Tools, Hoists, Material & Ergonomic Handling Equipment</p>
 <p>Abrasive Power Tools</p>	 <p>High Performance Solid Carbide Cutting Tools & Saw Blades</p>
 <p>Powered & Manual Hoists, Material Handling Equipment & Jib Cranes</p>	 <p>Hose Reels for Air, Water, Grease, Oil, & Welding Cables</p>

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