

# SAC NEWSLETTER



7.25.2022

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)



House passes \$839B defense bill, swatting down Biden's military plans



Senate Armed Services releases full \$847 billion defense bill



Funding shortfalls could cause major readiness problems, leaders warn



New Navy Fleet Study Calls for 373 Ship Battle Force, Details are Classified



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## House passes \$839B defense bill, swatting down Biden's military plans



Andrew Harnik/AP Photo

"The House approved sweeping defense policy legislation on Thursday that marks the second straight year Democrats and Republicans endorsed significant increases to President Joe Biden's Pentagon spending plan.

The \$839 billion National Defense Authorization Act, approved in a 329-101 vote, is \$37 billion more than the administration sought in military spending.

On top of the budget, the bill also rebukes several of Biden's national security plans. Members maintained a nuclear cruise missile the administration planned to scrap, hampered F-16 sales to Turkey and limited the number of aircraft and ships the Pentagon can retire.

"It is the definition of a bipartisan bill," said Rep. Mike Rogers of Alabama, the top Republican on the Armed Services Committee.

The bill authorizes 13 new warships, adding five ships the Navy didn't request — an extra Arleigh Burke-class destroyer, another Constellation-class frigate, another fleet oiler and two expeditionary medical ships.

It also requires the Navy to keep five of the nine littoral combat ships it sought to retire. Lawmakers turned back a push by Smith to allow the service to scrap all nine hulls.

The bill also greenlights a 4.6 percent pay raise for troops. And it codifies Biden's executive order raising the minimum wage for federal contractors across the government to \$15 per hour.

The Senate has not yet voted on its own defense bill.

Senate Armed Services Chair Jack Reed (D-R.I.) told POLITICO that he aims to bring his version of the bill to the floor in September."

## Senate Armed Services releases full \$847 billion defense bill



Photo by Win McNamee/Getty Images

"The Senate Armed Services Committee (SASC) today released the text of its annual defense policy bill, boosting the department's procurement and research funds by billions over its budget request.

The SASC version of the fiscal 2023 National Defense Authorization Act would authorize a \$45 billion increase in defense spending over the budget request, to a total of \$847 billion, at a time when high inflation is eating into the Pentagon's coffers, the US is contending with an increasingly aggressive China and the Pentagon is shipping weapons to Ukraine amid Russia's invasion of the country.

SASC's version of the NDAA appears to closely follow a summary of the legislation released last month, and gives the Pentagon about \$158 billion in procurement, up from \$144.2 billion in the Pentagon's ask. Congress increased funds for combat aircraft, Navy and Marine Corps vessels, armored vehicles, munitions, and short- and long-range fires, according to last month's bill summary.

In the Pacific, the NDAA boosts authorized funding for the Pacific Deterrence Initiative by \$1.1 billion "for unfunded requirements identified by the Commander of U.S. Indo-Pacific Command." Additionally, it authorizes \$245 million for Joint All-Domain Command and Control, including a joint force headquarters in the Indo-Pacific, according to last month's summary.

Sen. Jim Inhofe, who is retiring early next year and for whom the bill is named, said in a statement that he hopes "the Senate acts with a sense of urgency on the NDAA."

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## Funding shortfalls could cause major readiness problems, leaders warn



Airman 1st Class Christian Conrad/Air Force

"Service leaders warned Tuesday that underfunded readiness accounts could lead to insufficient training for troops, unfinished equipment maintenance and a host of other problems for military leaders.

But lawmakers said Pentagon planners are partially to blame for the readiness funding shortfalls, and that military leadership needs to do a better job prioritizing operation and maintenance accounts in their budget requests if they want to avoid those issues.

"When you submit your budgets, they do not call for 100% of the readiness needs across the line," said Rep. John Garamendi, R-Calif., head of the House Armed Services Committee's panel on readiness. "So what you are submitting to is already insufficient in your own view before it winds up with us."

The Defense Department's fiscal 2023 budget request includes about \$135 billion in readiness spending, including money for field logistics, training exercises and platform maintenance. Officials estimated that total is about 85% of what is actually needed to fully fund the military's readiness requirements.

Still, both lawmakers and service officials said planners need to put a higher priority on the readiness issues, even if they are harder to quantify than things like new platform purchases and troops' pay raises.

How to do that remains the question."

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## New Navy Fleet Study Calls for 373 Ship Battle Force, Details are Classified



US Navy Photo

"The Navy quietly slipped a new, classified assessment on the number of ships the service needs to meet its missions around the world to Congress earlier this month. The report calls for a battle force of 373 ships – 75 more than in the current fleet.

Dubbed the Battle Force Ship Assessment and Requirement, the Fiscal Year 2021 defense authorization bill called for the Navy to generate the report and deliver it directly to Congress.

"The Navy's Battle Force Ship Assessment and Requirement (BFSAR) report determined that a battle force of 373 ships is required to meet future campaigning and warfighting demands. The report is classified and was submitted to Congress," reads a statement from the service provided to USNI News.

Outside of the fleet total, the service did not provide an unclassified summary of the force structure. In prior years, the FSA has included an unclassified summary of the the required quantities for each type of battleforce ship in the fleet.

The requirement in the bill was designed to have the report bypass the Office of the Secretary of Defense and go directly to Congress, several legislative sources have told USNI News. OSD took a more active role in crafting the Navy's force structure under former Secretary of Defense Mark Esper and senior leadership has continued to be involved in the force structure process.

In February, the Navy rolled out a long-range shipbuilding plan that laid out three different versions of a battle force into 2052, depending on the number of resources the service is allocated. The first option would yield an inventory of 316 ships by FY 2052, the second would yield 327 ships by FY 2052 and the third would yield 367 ships.

Those would be buttressed by emerging unmanned platforms that would extend the range of the Navy's sensors and deepen magazines beyond its manned ships and submarines.

With those additions, the fleet could grow to 500 hulls or more, Chief of Naval Operations Adm. Mike Gilday said ahead of the long-range ship rollout in remarks during the WEST 2022 conference, co-hosted by AFCEA and the U.S. Naval Institute.

"The Navy is expected to complete a second BFSAR later this year, which will reflect new analytic work, changes to force design, and the impacts of the 2022 National Defense Strategy released in March on future Navy battle force structure," reads the Navy statement."

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## Quick Link Resources Included for the Benefit of the Members



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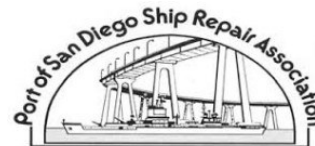
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# NOTES FROM THE PRESIDENT

WRITTEN BY: DERRY PENCE

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We continue to monitor the actions being taken by the APCD with regards to welding and the establishment of permits for welding. We will keep you advised on any workshops that the APCD conducts that could impact our industry. You are also encouraged to attend meetings of the AB 617 Steering Committee. Their meetings are both in-person and virtual.

The Navy has a number of initiatives that they are pursuing and all of them are focused on reducing lost operational days for the ships. While there has been an improvement in reducing the lost operational days, there is still a lot to do. ASNE is sponsoring the Fleet Maintenance and Modernization Symposium (FMMS) to be held in Virginia Beach from September 20, 2022 until September 22, 2022. On September 22nd, the Navy's senior maintenance leadership will meet with industry. The format will include an INDP and Small Business Session. Details will be shared as they become available.

At the July meeting of the Environmental Committee, we discussed NSI 009-04 and 009-13 and the need to be able to differentiate between meters that need to be calibrated and meters that the operator can reset. We then discussed the need for training for our Environmental Specialists. Work is ongoing to develop and deliver a marine coating training program. We will be seeking to get inputs on the level of interest and then we will schedule training sessions at Anchors. We also discussed the training available at Southwestern College for Environmental, Health, and Safety specialists.

At the July Safety Committee Meeting, several topics were addressed. One of the topics was the issue with the number of hotwork chits submitted on a daily basis to the ships and the number of chits that are actually worked on a given day. The Navy is working to update NSI 009-07 with the intent of reducing the number of chits processed that are not worked.

The Security Committee, working with Naval Base San Diego and SWRMC, and the result to date is the DBIDS policy statement that was sent out to all members. Hopefully, this will assist all subcontractors in obtaining credentials that will not expire for one year. As we are continuing to review the DBIDS process more, we are hopeful that we can improve the process and reduce the cycle time required to process a credential. If you have any questions or suggestions, please reach out to me.

The Workforce Development Committee has partnered with the East County Adult Education Center (ECAEC) to develop an introductory course for the maritime industry. The target is to offer the initial course in August. Please standby for further information. There will be opportunities for you to promote your company prior to the start of the class and there will be an opportunity to hire the students when they have completed the two-week introduction to maritime course.

The Strategic Affairs Committee (SAC) continues to produce the Monthly Newsletter for our members. The newsletter has been a valuable resource on what is going on in the Navy and what is happening in Congress. The big news item for this month is the passage of the FY23 NDAA by the House of Representatives and in the Senate it is moving out of Committee. While this is good news, it does not appear that we will have a FY23 Budget before October 1st, but we can hope that it is completed by January 2023, keep your fingers crossed.

As always, it is an honor and pleasure to work with you for the benefit of our industry. If there is an issue that needs to be addressed, please contact me. Furthering the interests of all our members is our goal.

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## U.S. Navy Hands Down Punishments Over Bonhomme Richard Fire



U.S. Navy photo by Mass  
Communication Specialist 3rd  
Class Christina Ross/  
Released

The U.S. Navy has announced a series of accountability actions in response to the 2020 fire on board the USS Bonhomme Richard (LHD 6) in San Diego.

The punishments are primarily focused on Bonhomme Richard's senior leadership and the fire response team.

In total there were 27 individual disposition decisions, including six Nonjudicial Punishments (NJP) with guilty findings, two NJPs with Matter of Interest Filings (MIF) and a Letter of Instruction (LOI), two NJP dismissals with a warning, one additional MIF, five other LOIs, three Non-Punitive Letters of Caution (NPLOC), two letters to former Sailors documenting substandard performance, and six no-action determinations.

Adm. Samuel Paparo, Commander of the U.S. Pacific Fleet and Consolidated Disposition Authority (CDA), awarded punitive letters of reprimand and forfeitures of pay to Capt. Gregory Scott Thoroman, former commanding officer, and Capt. Michael Ray, former executive officer. Former Command Master Chief Jose Hernandez was awarded a punitive letter of reprimand.

Additionally, LOIs were awarded to Rear Adm. Scott Brown, U.S. Pacific Fleet director of fleet maintenance, and Rear Adm. Eric Ver Hage, commander, Navy Regional Maintenance Center.

Additionally, Secretary Del Toro issued a Secretarial Letter of Censure (SLOC) to Vice Adm. (ret) Richard Brown. At the time of the fire, Vice Adm. (ret) Brown was Commander, Naval Surface Force, U.S. Pacific Fleet.

The punishments are separate and distinct from the ongoing criminal proceedings against Seaman Apprentice Ryan Mays, who is accused of arson and hazarding a vessel, nor do they represent the entirety of corrective actions following the fire.

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### 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@delphinus.com](mailto:KWilkinson@delphinus.com) and you'll be added to the committee distributions and meeting invitations.

Current Active Committee Members include: Kyle Wilkinson, Derry Pence, Terry Buis, Marcel Becker, Kyle Clapp, Kelvan Hall, Michael Curtain, Michael Bice, Ed Zajonc, Morgan Miller, Lorenzo Ramirez, Patrick Mooney, Ross Shook, Desiree Waldon, David Widener, Chris Hill, and Dan Cummins.

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# Members Featured



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### Prepared By:

Kyle Wilkinson—SAC Committee Chair  
With contributions from: Derry Pence (President, San Diego Ship Repair Association)

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