



## Defense Primer: Department of Defense Maintenance Depots

Section 2464 of Title 10, United States Code states that it is “essential for the national defense that the Department of Defense maintain a core logistics capability that is government-owned and government-operated...to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency requirements.” Accordingly, all military departments own and operate *organic* industrial facilities to maintain, repair and overhaul equipment. These facilities are collectively referred to as the organic industrial base (OIB).

The OIB consists of depots and shipyards that perform *depot-level maintenance and repair*. Outside of the depot system, the Army operates 17 arsenals and ammunition plants whose primary role is to manufacture and store ammunition while the Air Force and Navy utilize 16 Centers for weapon system support. These Centers (6 Air Force and 10 Navy) are responsible for related research, development, test and evaluation (RDT&E), acquisitions and sustainment activities.

### What is Depot Maintenance?

Section 2460 of Title 10, United States Code, defines *depot-level maintenance and repair* as “material maintenance or repair requiring the overhaul, upgrading, or rebuilding of parts, assemblies, or subassemblies, and the testing and reclamation of equipment as necessary, **regardless of the source of funds for the maintenance or repair or the location at which the maintenance or repair is performed** [emphasis added by CRS].”

The definition includes “(1) all aspects of software maintenance classified by the Department of Defense as of July 1, 1995, as depot-level maintenance and repair, and (2) interim contractor support or contractor logistics support (or any similar contractor support), to the extent that such support is for the performance of services described in the preceding sentence.”

Section 2460 specifically excludes certain activities such as “the procurement of major modifications or upgrades of weapon systems that are designed to improve program performance” and nuclear refueling of aircraft carriers. Additionally, the procurement of parts for safety modifications is not considered a depot-level task, but the installation of those parts is.

### How does the Organic Industrial Base support readiness?

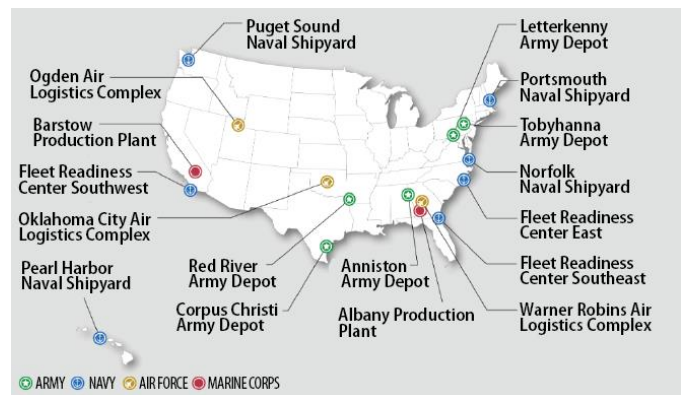
DOD depots and shipyards perform complete overhauls on weapon systems and repair many individual components within each weapon system. Many of the depots and shipyards also have the ability to send repair teams to

operating locations to perform on-site technical assistance or in-depth repairs. DOD’s OIB also serves as a repository for technical data, unique tooling, test equipment, and design capability required to repair individual components and weapon systems.

### Organization of the DOD Industrial Base

Each military service includes command structures with responsibility for providing logistics and maintenance support to the majority of the military equipment within the service’s control. There are currently 17 DOD facilities whose primary responsibility is to conduct depot-level maintenance (see Figure 1).

Figure 1. DOD Depot Maintenance Facilities



Source: GAO-17-82R

### Army

Army Materiel Command (AMC), headquartered at Redstone Arsenal, AL, develops and delivers materiel support to maintain combat equipment. AMC operates five depots, each of which is generally responsible for specific systems:

- **Anniston Army Depot, AL:** Combat vehicles, small caliber weapons, artillery, and rail operations.
- **Corpus Christi Army Depot, TX:** Rotary wing aircraft.
- **Letterkenny Army Depot, PA:** Air defense and tactical missile systems.
- **Red River Army Depot, TX:** Combat and tactical wheeled vehicles.
- **Tobyhanna Army Depot, PA:** Electronic systems.

### Air Force

Air Force Materiel Command (AFMC), headquartered at Wright-Patterson Air Force Base, OH, conducts research, development, test and evaluation while also providing acquisition management and logistics support. Under AFMC’s leadership, the Air Force Sustainment Center (AFSC), located at Tinker Air Force Base, OK, directs the

sustainment of air and space weapon system readiness through depot maintenance, supply chain management and installation support. AFSC directs the operations of the three Air Logistics Complexes (ALCs), each of which generally performs work on specific weapon systems:

- **Ogden ALC, UT:** Aircraft such as the F-35, F-22, and C-130 as well as Minuteman III Intercontinental Ballistic Missiles.
- **Oklahoma City ALC, OK:** Aircraft such as the B-1B and B-52 as well as military aircraft engines.
- **Warner Robins ALC, GA:** Aircraft such as the F-15, C-5 and Special Operations Forces aircraft.

## Navy

Naval Sea Systems Command (NAVSEA), headquartered at the Washington Navy Yard, District of Columbia operates the shipyards and has technical authority for ship maintenance operations. The four shipyards within NAVSEA perform depot-level repairs on ships and submarines as assigned:

- **Norfolk Naval Shipyard, VA.**
- **Pearl Harbor Naval Shipyard, HI.**
- **Portsmouth Naval Shipyard, ME.**
- **Puget Sound Naval Shipyard, WA.**

From a naval aviation perspective, Commander, Naval Air Systems Command (NAVAIR) provides full life-cycle support of naval aviation aircraft, weapons and systems. It is responsible for the operation of three aviation Fleet Readiness Centers (FRCs) providing support to both Navy and Marine assets:

- **FRC East, NC:** Fixed and rotary wing aircraft such as the V-22, F/A-18, F-35, UH-1N and H-53 variants.
- **FRC Southeast, FL:** Aircraft such as the P-3 and EA-6B, as well as multiple aircraft engines.
- **FRC Southwest, CA:** Fixed and rotary wing aircraft such as the AV-8B, E-2, H-60, AH-1 and UH-1 variants.

## Marine Corps

Logistics Command, headquartered in Albany, GA, directs the Marine Depot Maintenance Command (MDMC) in repairing, rebuilding, and modifying all ground combat equipment and combat support and combat service support equipment. MDMC operates one depot comprised of two production plants:

- **Marine Corps Logistics Base Albany, GA:** Ground-combat and combat-support equipment (East Coast).
- **Marine Corps Logistics Base Barstow, CA:** Ground-combat and combat-support equipment (West Coast).

## Statutory Framework for the Depots

Chapter 146 of Title 10 U.S.C. contains several provisions governing the performance and resourcing of depot-level maintenance. In addition to statutorily defining *depot maintenance and repair* (10 U.S.C. 2460) related provisions include: §2464, §2466, §2474 and §2476.

### Core Logistics Capabilities

Section 2464, first enacted in 1984, requires the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, to identify the core logistics capabilities

necessary to maintain and repair the weapons systems and other military equipment “as necessary to enable the armed forces to fulfill the strategic and contingency plans prepared by the Chairman of the Joint Chiefs of Staff under [10 U.S.C. §153(a)].” Section 2464 requires the Secretary to assign the organic depots and shipyards sufficient workload to ensure cost efficiency and technical competence in peacetime while preserving the surge capacity and reconstitution capabilities needed to support contingencies.

### The 50/50 Statute

Section 2466 requires a minimum level of depot maintenance be performed at organic depot facilities and is often referred to as the *50/50 statute* or just *50/50*. The statute states that not more than 50 percent of the funds made available in a fiscal year to a military department or defense agency for depot-level maintenance and repair workload may be used to contract nonfederal government personnel for the given workload. This prevents DOD from outsourcing a majority of its maintenance workload to ensure organic facilities, equipment and personnel receive a sufficient peacetime workload to remain qualified and available in times of emergency.

The statutory ratio of public to private depot-level funds expenditures has changed over time from a 70/30 requirement when it was first enacted in 1982, to a 60/40 mix in the early nineties. The current 50/50 ratio was enacted in 1997.

### Centers of Industrial and Technical Excellence (CITE)

Section 2474 authorizes service secretaries and, in the case of a Defense Agency, the Secretary of Defense to “designate each depot-level activity or military arsenal facility of the military departments and the Defense Agencies...a Center of Industrial and Technical Excellence in the recognized core competencies of the designee.”

A facility designated as a CITE may enter into a partnership with private industry. These partnerships offer flexibility to the depots to perform subcontract work for private industry and for private companies to use facilities or equipment “not fully utilized for a military department’s own production or maintenance requirements” for either military or commercial purposes. One model is partnering with Original Equipment Manufacturers (OEM) on equipment overhaul. The OEM provides the parts/kits and the depot provides facilities, tools, and labor.

### Minimum Capital Investment

Section 2476 stipulates investment in the “capital budgets of the covered depots of that military department a total amount equal to not less than six percent of the average...workload at all the depots of that military department for the preceding three fiscal years.” This directive ensures the departments reinvest in facilities and equipment.

**Note:** former CRS Intern Kylie Weaver assisted in the preparation of this Defense Primer report.

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