DEPARTMENT OF THE NAVY

GENERAL POLICY FOR THE INACTIVATION, RETIREMENT, AND DISPOSITION OF U.S. NAVAL VESSELS
OPNAV INSTRUCTION 4770.5J

From: Chief of Naval Operations

Subj: INACTIVATION, RETIREMENT, AND DISPOSITION OF U.S. NAVAL VESSELS

Ref: (a) OPNAVINST 4780.6F
(b) 10 U.S.C.
(c) OPNAVINST 5090.1E
(d) Naval Ships Technical Manual, 1 October 2005
(e) OPNAVINST 1541.5
(f) OPNAVINST 4730.5R
(g) OPNAVINST 4730.7F
(h) OPNAVINST 5400.44A
(i) SECNAVINST 4900.50B
(j) NWP 1-03.1
(k) OPNAVINST 4440.19F
(l) SECNAVINST 5030.8C

1. Purpose. To set forth the policy and guidance for the inactivation, transfer, and disposal of vessels of the U.S. Navy and the administration of those assets following inactivation. This instruction has been revised to update changes in organizational structures and changes to references. This instruction is a complete revision and should be reviewed in its entirety.

2. Cancellation. OPNAVINST 4770.5H.

3. Background. Inactive vessels designated as retention assets form a reserve of sea power available for future reactivation. It is the Navy’s objective to maintain retention assets in a fixed state of preservation consistent with available funds. It is further the Navy’s objective to maintain all inactive vessels, whether for retention or pending disposal, in compliance with applicable Federal, State, and local environmental laws and regulations. Throughout this instruction, the term “vessel” refers to all naval ships and service craft listed in the Naval Vessel Register (NVR). Additional guidance specific to the retirement and disposal of service craft and non-NVR vessels is in reference (a).

a. Inactive vessels designated for retention will be maintained in the highest practicable state of preservation that is consistent with their inactive status, available funds, and higher priority Navy requirements for material as determined by the Chief of Naval Operations (CNO).
Deputy Chief of Naval Operations (DCNO), Warfighting Requirements and Capabilities (CNO N9) will review the composition of the inventory of inactive ships and their material condition to determine the number of vessels to be held as retention assets, as well as identify which vessels will be sold, leased, donated, or disposed of as part of the ship disposition process.

b. Nuclear-powered ships and submarines are de-fueled during the inactivation process. These vessels, having no further useful life, are not relied on as a reserve of sea power.

c. References (b) through (g) provide policy and guidance for matters concerning environmental protection compliance that will be stringently adhered to with the implementation of this instruction.

4. **Scope and Applicability**

a. This instruction applies to all conventionally-powered and non-self-propelled vessels of the U.S. Navy that are listed in the NVR.

b. This instruction also applies to the inactivation and disposal of nuclear-powered ships and submarines; ships and service craft with nuclear support spaces; and nuclear engineering and nuclear support facilities as governed by instructions implemented by the Commander, Naval Sea Systems Command (COMNAVSEASYSCOM). This instruction does not supersede or change responsibilities and authorities of the Director, Naval Nuclear Propulsion Program, as outlined in Executive Order 12344, which is codified by section 7158 of Title 42, United States Code and section 2406 of Title 50, United States Code.

5. **Action.** Addressees are responsible for implementing and administering the policies and guidance found herein. COMNAVSEASYSCOM is the Navy’s agent in matters pertaining to the inactivation, maintenance, storage, and disposal of naval vessels and will issue additional procedures as necessary to ensure the uniform compliance with the policies herein. COMNAVSEASYSCOM is also the implementing agent for foreign military transfers. The major stakeholders’ roles and responsibilities are outlined in chapter 1.

6. **Definitions and Acronyms.** Appendix A defines terms and acronyms used in this instruction.

7. **Records Management**

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the Department of the Navy Directorate Assistant for Administration, Directives and Records Management Division portal page at https://portal.secanav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx.
b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact the local records manager or the Department of the Navy Directorate for Assistant for Administration, Directives and Records Management Division program office.

8. Review and Effective Date. Per OPNAVINST 5215.17A, Director, Warfare Integration (OPNAV N9I) will review this instruction annually around the anniversary of its issuance date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy (SECNAV), and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will be in effect for 10 years, unless revised or cancelled in the interim, and will be reissued by the 10-year anniversary date if it is still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the instruction is no longer required, it will be processed for cancellation as soon as the need for cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.

9. Forms and Information Management Control
   a. OPNAV 5400/1 Navy Organization Change Request, is available for download from Naval Forms Online at https://forms.documentservices.dla.mil/order/.
   b. OPNAV 4790/CK Ship’s Configuration Change Form, is available for download from Naval Forms Online at https://forms.documentservices.dla.mil/order/.
   d. The reports required by this instruction are exempt from reports control by SECNAV Manual 5214.1, section IV, subparagraph 7l.

J. W. KILBY
Deputy Chief of Naval Operations,
Warfighting Requirements and Capabilities

Releasability and distribution:
This instruction is cleared for public release and is available electronically only via Department of the Navy issuances Web site, https://www.secnav.navy.mil/doni/default.aspx.
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CHAPTER 1
ROLES AND RESPONSIBILITIES

1. **General**. This chapter identifies the roles and responsibilities of the major stakeholders involved with the retirement, transfer, disposition, and disposal of U.S. naval vessels.

2. **CNO**

   a. **OPNAV N9I**

      (1) Provide ship inactivation and disposition policy guidance.

      (2) Serve as the requirements and resource sponsor for the maintenance, disposition, and disposal of ships in the inactive ship inventory. Maintain oversight of the ship inactivation funding account throughout the Planning, Programming, Budgeting, and Execution (PPBE) process. After the first year of lay-up in the inactive fleet, fund the inactive ship and facility maintenance costs for vessels in the inactive inventory.

      (3) Manage the ship inactivation and disposition decision process which includes chairing the ship inactivation decision and ship disposition review meetings, and provide all information, including status changes, to those vessels already in the inactive ship inventory to the CNO for approval.

      (4) Assign disposition categories for all ships scheduled for retirement, including those vessels designated to support fleet training requirements, experimental use, and those being disposed of via donation; interagency or foreign military transfer; artificial reefing; and dismantling.

      (5) Pursuant to section 8678 of reference (b), initiate correspondence to SECNAV, via CNO, recommending specific vessels be stricken from the NVR prior to their disposal.

      (6) Coordinate decisions regarding changes in the method of disposal once a vessel is stricken from the NVR.

      (7) Coordinate with the respective Office of the Chief of Naval Operations (OPNAV) ship resource and platform sponsors; Commander, U.S. Fleet Forces Command (COMUSFLTFORCOM); Commander, U.S. Pacific Fleet (COMPACFLT); fleet type commanders (TYCOM); COMNAVSEASYSCOM; ship program managers; and the Board of Inspection and Survey (INSURV) on fleet requests to waive inactivation surveys as described in chapter 10.
b. **OPNAV Ship Resource and Platform Sponsors.** Director, Strategic Mobility and Combat Logistics (OPNAV N42); DCNO, Information Warfare/Director of Naval Intelligence (CNO N2N6); Director, Innovation, Technology Requirements, and Test and Evaluation (OPNAV N94/Office of Naval Research (ONR)); Director, Expeditionary Warfare (OPNAV N95); Director, Surface Warfare (OPNAV N96); Director, Undersea Warfare (OPNAV N97); and Director, Air Warfare (OPNAV N98).

   (1) Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.

   (2) Provide OPNAV N9I with the Future Years Defense Program’s (FYDP) retirement schedule and determine future mobilization requirements.

   (3) Budget and program funds through the PPBE process for the planning and execution of the nuclear-powered ships’ inactivation, disposal, and recycling program to support the inactivation of ships scheduled across the FYDP.

   (4) Budget and program funds through the PPBE process for the inactivation of non-nuclear ships and costs associated with the first year’s maintenance in the inactive ship inventory. Provide OPNAV N9I with funding profiles for ships that are scheduled to be inactivated across the FYDP throughout the PPBE process.

   (5) Assist in the reprogramming of funds necessary to execute the inactivation of a ship when the retirement date is accelerated and does not allow program objective memorandum (POM) programming, or when planned foreign military sales (FMS) hot ship transfers become non-executable.

   (6) Coordinate with COMNAVSEASYSCOM and the Military Sealift Command (MSC) ship program managers and life-cycle managers for modernization planning and execution requirements to mobilize assets.

   (7) Coordinate with OPNAV N9I and COMNAVSEASYSCOM when directing a hot ship transfer of a retiring vessel to another DoD Service, Federal, State, or local government or non-governmental agency.

   (8) Coordinate and fund the removal of non-transferable technology prior to transfer to foreign military.

   (9) Fund the first year of lay-up in storage costs for inactive ship and facility maintenance for defueled formerly nuclear-powered ships and submarine tenders.

   (10) Coordinate manning level requirements for ships scheduled to inactivate with the ship’s chain of command.
(11) Provide for Electronic Chart Display and Information System-Navy or navigational charts and publications to reactivated ships and service crafts.

c. **DCNO, Manpower, Personnel, Training, and Education (CNO N1)/Chief of Naval Personnel**

   (1) Support the ship inactivation and disposition decision process via the ship inactivation decision conference.

   (2) Coordinate Manning level requirements for ships scheduled to inactivate with the ship’s commanding officer (CO), in coordination with the appropriate TYCOM and ship resource sponsors.

   (3) Provide updates to training policy contained in chapter 14.

d. **Director, Organization and Management Branch (DNS-12)**

   (1) Support the ship inactivation and disposition decision process via the ship inactivation decision conference.

   (2) Pursuant to reference (h), staff OPNAV 5400/1 Navy Organization Change Request, to the appropriate OPNAV ship resource and platform sponsor; DCNO, Fleet Readiness and Logistics (CNO N4); CNO N2N6; DCNO, Integration of Capabilities and Resources (CNO N8); CNO N9; and OPNAV N9I; as well as CNO N1; DCNO, Operations, Plans and Strategy (CNO N3N5); Director, Shore Readiness (OPNAV N46); Director, Programming (OPNAV N80); Director, Fiscal Management (OPNAV N82), and Director, Fleet Readiness (OPNAV N83); to support the inactivation of a nuclear-powered vessel (to include related homeport changes, planned inactivation fiscal year (FY)) and projected decommissioning dates.

e. **Director, Navy History and Heritage Command (DNS-H)**

   (1) Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences, including development of determinations of eligibility (or determinations of ineligibility) for listing on the National Register of Historic Places as required for National Historic Preservation Act compliance.

   (2) Perform a curator survey on ships that are scheduled to inactivate within 12 months prior to the date of their retirement.

   (3) Collect, preserve, and exhibit naval relics, trophies, paintings, and other memorabilia of historical significance from inactivating vessels.

   (4) Coordinate the removal of designated items as described in chapter 11.
(5) Coordinate the submission and disposition of the vessel’s final command history and historical records (including command operation reports, war diaries, and deck logs) to OPNAV DNS-H Naval Warfare Division, Ships Histories Branch, and TYCOM with the responsible vessel custodian.

d. OPNAV N83

(1) Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.

(2) Authorize the use of environmentally-remediated vessels in a fleet training exercise commensurate with reference (c).

(3) Confirm all fleet requests for vessels used in support of fleet training exercises.

(4) Coordinate environmental preparations on ships designated for use in fleet training exercises, as funded by the requestor.

g. Director, Energy and Environmental Readiness (OPNAV N45)

(1) Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.

(2) Coordinate all environmental actions (described in chapter 5) for any vessel used in support of fleet training exercises, reefing, experimental use, live fire test and evaluation or weapons effect testing, or other disposition with potential for direct impact to the marine environment.

h. OPNAV N46

(1) Perform duties as OPNAV resource sponsor for Commander, Navy Installations Command (CNIC) service craft program.

(2) Assess COMNAVSEASYSCOM requests to strike OPNAV N46 resourced service craft from the NVR and forward such requests to the Assistant Secretary of the Navy for Research, Development, and Acquisition (ASN (RD&A)).

i. Director, International Engagement (OPNAV N513)

(1) Support the ship disposition decision process via the ship disposition review conference.

(2) Provide OPNAV N9I with foreign transfer requirement projections.
(3) Coordinate ship transfer plans with Navy International Programs Office (IPO), OPNAV N9I, COMNAVSEASYSCOM, and the fleet.

(4) Coordinate with Navy IPO to advise OPNAV N9I when international partners no longer have viable interest in vessels that are on hold for foreign ship transfer.

3. President, INSURV (OPNAV N09P)

   a. Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.

   b. Conduct a survey on vessels that are scheduled to inactivate and be kept in an out of commission; in reserve or out of service; or in reserve status. Coordinate with OPNAV N9I, COMNAVSEASYSCOM, and TYCOM on de-scoping inactivation survey requirements when applicable for specific vessels.

   c. Coordinate with COMNAVSEASYSCOM and TYCOM on requirements for conducting surveys on vessels designated for hot ship transfer within 18 months prior to the planned retirement date.

   d. Coordinate with COMNAVSEASYSCOM on requirements for conducting surveys on vessels designated for cold ship transfer.

   e. Conduct surveys on inactive ships as needed.

   f. Conduct surveys on service craft commensurate with reference (a).

4. COMNAVSEASYSCOM Director, Ship Maintenance and Modernization (SEA 21) will manage the complete lifecycle support for all non-nuclear surface ships. SEA 21 oversees the ship inactivation process, including ship transfers or sales to foreign navies, inactivation, and disposal.

   a. Inactive Ship Office (SEA 21I)

      (1) Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.

      (2) Disseminate additional procedures to comply with the policies and guidelines herein and to aid in ensuring compliance by claimant activities.
(3) Perform command and support responsibilities assigned to the COMNAVSEASYSCOM Inactive Ships Management Office (INACTSHIPOFF) Portsmouth, VA, and the COMNAVSEASYSCOM Inactive Ships On-site Maintenance Office (INACTSHIPMAINTO).

(4) Provide for the custody, security, maintenance, and readiness of vessels under COMNAVSEASYSCOM INACTSHIPOFF, and formerly nuclear-powered ships and submarines, and vessels with nuclear support facilities (e.g., submarine tenders), that are berthed at a naval shipyard and are the responsibility of that yard.

(5) Develop and disseminate a ship inactivation plan commensurate with the OPNAV assigned ship disposition within 6 months of the ship’s retirement.

(6) Provide execution funding as programmed by the OPNAV ship resource and platform sponsors to support inactivation work to be completed by the fleet and COMNAVSEASYSCOM INACTSHIPMAINTO.

(7) Accept ships on arrival at the COMNAVSEASYSCOM INACTSHIPMAINTO that have been prepared for lay-up pursuant to both reference (d), chapter 050, and the ship’s inactivation plan, and maintain oversight over those Navy vessels stored at a reserve facility.

(8) When authorized, prepare vessels that are in the inactive ship’s inventory for final disposal.

(9) Manage and execute the disposal of vessels, including the requirement for compliance with the National Historic Preservation Act.

(10) Coordinate with OPNAV N9I before authorizing the removal of installed equipment from assets that are designated for FMS.

(11) Specify the payback requirements when responding to cannibalization requests. In the case of donation hold assets, COMNAVSEASYSCOM will keep approval authority for asset removal and payback requirements.

(12) Provide program and budget requirements to OPNAV N9I for the inactivation, maintenance, and disposal of naval vessels. Provide OPNAV N9I with funding profiles and execution status reports for non-nuclear inactive vessels as requested.

(13) Execute ship inactivation funds from the OPNAV ship resource and platform sponsors. Coordinate budget preparation and financial administration for all ship inactivation and vessel disposals for which funds have been provided. Provide a detailed summary of all funds expended towards a donated ship from resources provided by the OPNAV resource sponsor for inactive ships as part of the annual financial review.
(14) Recommend changes to ship disposition assignments to OPNAV N9I as necessary.

(15) Submit proposals for inspections of inactive ships that are under COMNAVSEASYSCOM responsibility to OPNAV N09P via OPNAV N9I as necessary, pursuant to chapter 10.

(16) Certify vessels authorized for use in support of fleet training exercises; live fire test and evaluation; or weapons effectiveness testing, have been prepared to environmental standards.

(17) Prepare an annual report for submission by OPNAV N45 to the Environmental Protection Agency administrator for vessels sunk during Navy fleet training exercises within the preceding calendar year.

(18) Coordinate the removal of equipment from retention assets to support COMUSFLTFORCOM and COMPACFLT requirements where payback replacement exceeds 12 months, or a waiver of payback is requested, and notify OPNAV N9I and OPNAV ship resource and platform sponsor.

(19) Ensure vessels being transferred outside of naval custody no longer have the outward appearance of any active Navy vessels by painting out names and numbers of naval vessels and service craft, except for vessels donated for museum or memorial use.

(20) Provide ship disposal plan inputs to OPNAV N9I.

(21) In the case of split inactivations, execute operational control (OPCON) and administrative control (ADCON) once the inactivating ship arrives at the final inactivation site and is transferred to COMNAVSEASYSCOM INACTSHIPMAINTO.

(22) Advise OPNAV N9I of Navy’s requirement to remove installed systems in appendix B from inactivating vessels to support Navy requirements (e.g., Phalanx close-in weapons system as part of the COMNAVSEASYSCOM inactivation plan).

(23) Liaison with Navy IPO, to identify non-transferable technology on vessels designated for foreign military transfer and issue appropriate guidance via naval message to TYCOM. Additional information is in chapter 6.


(1) Be the implementing agent for foreign military transfers, and issues guidance to TYCOM on the removal of non-transferrable technology.

(2) Implement the foreign transfers of inactive service craft under COMNAVSEASYSCOM custody pursuant to reference (i).
(3) Execute the FMS program as directed by the Navy IPO. Provide additional instructions to COMUSFLTFORCOM and COMPACFLT, in coordination with OPNAV N9I, regarding the preparation of ships for foreign military transfer.

(4) Coordinate with INSURV on requirements for surveys on vessels authorized for hot ship transfer within 18 months prior to the planned retirement date.

(5) Coordinate case funding for the execution of FMS requirements (i.e., funding for any alterations or improvements, ship transfer support, inactive equipment maintenance, vessel storage, and preservation requirements) and advise OPNAV N9I when the FMS case is established.

c. Support Ships, Boats, and Craft Program Office (PMS 325) will initiate correspondence to Deputy Assistant Secretary of the Navy, Ships (DASN (Ships)) via OPNAV N46 to strike service craft from the NVR in support of disposal efforts.

5. Commander, Navy Supply Systems Command (COMNAVSUPSYSCOM)

a. Support the ship inactivation and disposition decision process via the ship disposition review conference.

b. Act as the program manager for silver service items. Coordinate the custody and preservation of silver service items aboard vessels.

c. Coordinate the removal and disposition of silver service items during the decommissioning and disposal process.

6. COMUSFLTFORCOM and COMPACFLT

a. Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.

b. Issue implementing directives as necessary and ensure compliance by subordinate activities.

c. Coordinate with TYCOM and numbered fleet commanders on inactivation availability period for ships under COMUSFLTFORCOM and COMPACFLT OPCON via the quarterly scheduling conference.

d. In coordination with the TYCOM for nuclear-powered ships, submit an OPNAV 5400/1 pursuant to reference (h), providing notification to the Director, Navy Staff (DNS) of the
projected decommissioning date to include the planned inactivation availability start date and any change in homeport as a result. Update the OPNAV 5400/1 as required based on changes to the inactivation timeline. Additional guidance provided in chapter 3.

e. In coordination with the TYCOM, for non-nuclear-powered ships (excluding MSC vessels), submit an OPNAV 5400/1 commensurate with reference (h) guidelines, providing formal notification to DNS on the retirement date for battle force vessels. Since MSC ships are manned by civilian mariners and are not assigned homeports, an OPNAV 5400/1 is not required to inactivate United States Naval Ship (USNS) assigned to MSC.

f. COs, masters, and officers in charge for all ships will submit a naval message announcing the ship’s official retirement date - normally sent in conjunction with the decommissioning or out of service ceremony. This message will be addressed “TO” the chain of command and “INFO” (for “information”) all appropriate support activities, including CNO, CNO N8, CNO N9, OPNAV N9I, DNS-H, NVR, COMNAVSEASYSCOM Surface Warfare Directorate (NAVSEA 21), and COMNAVSEASYSCOM Naval Systems Engineering Directorate, Cost Engineering and Industrial Analysis Division (NAVSEA 05C) and will include a brief history of the significant events in the life of the ship.

g. Execute OPCON and ADCON of a ship that is scheduled for inactivation and safe stowage until the ship has been delivered to COMNAVSEASYSCOM’s custody at the COMNAVSEASYSCOM INACTSHIPMAINTO.

h. In the case of split inactivations, execute OPCON and ADCON until the inactivating ship arrives at the final inactivation site and is transferred to COMNAVSEASYSCOM INACTSHIPMAINTO.

i. Oversee the planning and execution of ship inactivations. Provide and fund barge support for duty crew messing and berthing during inactivation availabilities. Provide funding for intra-service supply support operations team and offload of ship’s spare parts during ship inactivation when a ship is to be struck from the NVR. For nuclear ships, coordinate with COMNAVSEASYSCOM as appropriate.

j. Comply with additional COMNAVSEASYSCOM directives for execution of the inactivation process.

k. Coordinate directly with OPNAV N9I prior to altering the inactivation schedule of a ship that was designated before for hot ship transfer to a foreign country.

l. Act as the implementing agent for foreign hot ship transfers. Maintain responsibility for ships that are designated for hot ship transfer until custody is transferred to the foreign government.
m. Coordinate with COMNAVSEASYSCOM to identify non-transferrable equipment on ships slated for FMS, and to issue corresponding guidance, commensurate with the appendix C timeline, on inactivating ships which includes material offload, and stripping of specific hardware and systems.

n. Develop cost estimates, or task regional maintenance centers to develop cost estimates, for inactivation tasks that are considered beyond the capability of ship’s force and provide them to COMNAVSEASYSCOM for budget development and funding.

o. Coordinate towing requirements, including the funding of vessel towing commensurate with the Navy tow manual to the post-inactivation storage facility.

p. Coordinate with the Navy curator for removal of designated items as described in chapter 11.

q. Provide DNS with appropriate documentation when requesting to retire a ship before reaching its expected service life (ESL) as discussed in chapter 2.

r. Coordinate with OPNAV N9I with appropriate documentation when:

   (1) requesting to extend a ship’s ESL as discussed in chapter 2.

   (2) requesting to extend a ship’s retirement date beyond the CNO’s planned FY.

7. **MSC**

   a. Support the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.

   b. Coordinate with COMUSFLTFORCOM, COMPACFLT, and respective OPNAV ship resource and platform sponsor to provide OPNAV N9I with the ship inactivation schedule over the FYDP and to determine future mobilization requirements for inactivating ships.

   c. Establish inactivation availability and out-of-service dates in coordination with COMUSFLTFORCOM and COMPACFLT within the approved FY.

   d. Maintain responsibility for MSC ships until transfer of custody to COMNAVSEASYSCOM at a COMNAVSEASYSCOM INACTSHIPMAINTO, or transfer of custody to Maritime Administration (MARAD), as applicable.

   e. Manage the planning and execution of MSC ship inactivations pursuant to reference (d), chapter 050, for CNO assigned ship dispositions, and the MARAD reserve fleet manual for ships assigned to MARAD for disposition, in coordination with COMNAVSEASYSCOM.
f. Budget and program funds in coordination with respective OPNAV ship resource and platform sponsor and plan requirements for inactivation (i.e., towing preparations, towing, first-year maintenance costs, and other costs associated with the ship’s movement in support of arrival or removal from its storage site).

g. Coordinate with COMUSFLTFORCOM and COMPACFLT on the planned inactivation start date within the CNO approved inactivation FY and the projected out-of-service date. Additional guidance is in chapter 3.

h. MSC will submit a naval message announcing MSC ship inactivation 90 days prior to the actual retirement date. The message must provide the date the vessel will be placed out of service along with the planned disposition. Any outstanding inactivation funding requirements will be addressed as well. The message will be “TO” CNO WASHINGTON DC/N00/N09/DNS12/N3N5/N9/N9I/N4/N42 (or respective resource sponsor), COMUSFLTFORCOM, COMPACFLT, COMNAVSASYSCOM WASHINGTON DC/SEA 21/SEA 21I/ and NAVSEA INACTSHIPOFF PORTSMOUTH VA/00/01/. The message will align with the ship inactivation decision and ship disposition review recommendations, and the annual long-range plan for construction of naval vessels – commonly known as the 30-year shipbuilding plan (if it is a battle force ship). COMNAVSASYSCOM will develop the ship's inactivation plan based on the message. MSC will send a message to COMUSFLTFORCOM or COMPACFLT, “INFO” all concerned to request a change to the ship’s retirement date. COMUSFLTFORCOM or COMPACFLT will notify OPNAV N9I of the approved change.

i. MSC will submit a naval message announcing the official retirement date for all MSC vessels. The message will normally be sent in conjunction with the out of service ceremony. The message should be “TO” CNO WASHINGTON DC/N00/N09/DNS12/N3N5/N9/N9I/N4/N42 (or respective resource sponsor), COMUSFLTFORCOM, and COMPACFLT. It will “INFO” all appropriate support activities, to include COMNAVSASYSCOM (NAVSEA 21 and NAVSEA 05C). The message should include a brief history of the significant events in the life of the ship.

8. United States Marine Corps (USMC)

a. Provide input to OPNAV N95 on amphibious ship retirements.

b. Represent USMC equities as a member of the long-range shipbuilding strategy integrated product team.

c. Represent USMC equities in the ship inactivation and disposition decision process via the ship inactivation decision and ship disposition review conferences.
CHAPTER 2
SHIP RETIREMENT POLICY

1. **Policy.** SECNAV is the approval authority for the change in status of all active ships of the U.S. Navy (including MSC). These vessels may not be decommissioned or placed out of service without the direct authorization of SECNAV.

2. **General.** The Navy continuously evaluates the threat and evolving security environment to determine the necessary forces required. The numbers and types of ships used to balance the Navy’s current and future mission requirements are outlined in the Navy’s annual long-range plan for construction of naval vessels. This 30-year shipbuilding plan formulates the baseline for decisions concerning which battle force ship types should be retired. The Navy uses a ship’s ESL for planning the number of years a battle force ship is expected to remain in service. The process of determining the requirement to retire a ship typically begins with the OPNAV ship resource and platform sponsors (under CNO N2N6, CNO N4, CNO N8, and CNO N9) presenting their wholeness balance review proposals during the development of the POM.

3. **Ship Retirements.** Refers to the decommissioning of a commissioned ship or the placement of a USNS or service craft out-of-service. Transfers between active status and the Navy Reserve Force do not constitute a retirement.

4. **Decision Factors.** At least, these factors should be considered when determining eligibility for retirement:

   a. Whether the ship has reached its ESL. In general, once a battle force ship reaches its ESL, the ship is expected to retire from active service. However, there are exceptions that result in a ship being retired prior to reaching its ESL or remaining active beyond its ESL (e.g., current and future force structure requirements, mission requirements, budgetary constraints, extraordinary events such as a natural disaster or an accident).

   b. Whether the ship’s operational effectiveness and continued interoperability is still viable to mission requirements.

   c. Whether required system upgrades and design changes are feasible to substantiate a ship’s continued service.

   d. The material fitness of the vessel pursuant to section 8674 of reference (b).

   e. Impact on current and expected future force structure (ability to man, maintain and operate active vessels).

5. **OPNAV 5400/1.** Pursuant to reference (h), an OPNAV 5400/1 is required to be submitted in support of each ship (excluding MSC vessels) under COMUSFLTFORCOM or COMPACFLT
OPNAVCON and scheduled for inactivation. The purpose of OPNAV 5400/1 is to provide DNS with notification of a ship’s inactivation, retirement, or the disestablishment of a military department or attachment aboard a vessel. OPNAV 5400/1 is also required by DNS to support the ship’s inactivation process and to update various programmatic databases, including the Standard Naval Distribution List, Total Force Manpower Management System, Global Force Management, Internet Ship Management Information System, Programming and Budget Information System, and the NVR. In addition, OPNAV 5400/1:

a. provides a comprehensive proposal for CNO or SECNAV staff to review.

b. provides a means for approval or disapproval to execute the proposed action.

c. allows for congressional notification of an action prior to public announcement.

6. Action Required to Retire a Ship Prior to ESL. Decisions for early retirement of a ship under fleet OPCON as a result of the POM process will be documented during POM development and approved by the CNO and SECNAV as the budget is developed. At a minimum, the POM deliberations should address the items listed in subparagraphs 6a through 6c.

a. Describe why it is in the best interest of the Navy to retire the ship prior to reaching its ESL.

b. Identify any gaps in capability that will occur on the retirement of each ship, including the duration of that capability gap.

c. Recommend strategies to mitigate gaps in capability.

7. Action Required to Extend a Ship’s ESL. All requests to extend a ship's ESL, if not generated by the applicable resource sponsor, must be formally coordinated with the respective OPNAV ship resource and platform sponsors (CNO N2N6 and OPNAV N42, OPNAV N94/ONR, OPNAV N95, OPNAV N96, OPNAV N97, and OPNAV N98) and COMNAVSEASYSCOM. In addition, coordination is required with OPNAV N9I to assess the impact on battle force inventory requirements.

8. Non-Battle Force Ships. Retirement decisions concerning non-battle force ships will be coordinated with the fleet operational commander, OPNAV ship resource and platform sponsors, and OPNAV N9I via the ship inactivation decision and ship disposition review process.

9. Service Craft. Service craft are not part of the Navy’s battle force. The guidelines for determining and reporting when service craft will be removed from service are contained in reference (a).
1. **General.** Ships typically begin the inactivation process at the commencement of the inactivation availability. During this period, ships are considered to be in an in commission, in reserve status; exceptions will be coordinated through the respective OPNAV ship resource and platform sponsor.

   a. TYCOM should take necessary precautions to ensure ships designated for foreign military transfer are not stripped of equipment while undergoing their inactivation availability as discussed in chapter 6.

   b. The ship's TYCOM is responsible for the inactivation of nuclear vessels and inactivation and retirement of non-nuclear vessels. COMNAVSEASYSCOM will prepare and issue the plans for inactivation and preservation of vessels, including the adequate control of the quality and progress of inactivation work. Inactivation of nuclear-powered ships and submarines; service craft with nuclear support spaces; and nuclear engineering and nuclear support facility will be governed by instructions implemented by COMNAVSEASYSCOM.

   c. Hulls of nuclear-powered ships, submarines, nuclear-related tenders, and service craft will be retained in safe storage until the disposal and decontamination availabilities are executed by the assigned naval shipyard as scheduled by COMNAVSEASYSCOM.

   d. To the maximum extent possible, the inactivation of the vessel is normally carried out in the ship's homeport.

2. **Inactivation Decision.** Inactivation decisions are formalized during the ship inactivation decision conference as discussed in chapter 4 and are disseminated as part of the report to congress on the annual long-range plan for construction of naval vessels – the 30-year shipbuilding plan. OPNAV N9I in coordination with the OPNAV ship resource and platform sponsor and COMNAVSEASYSCOM will decide the lay-up and maintenance category assigned the ship (see paragraphs 6 and 7 for additional information).

3. **Projected Ship Inactivation Schedule Announcement.** CNO N9 will release a naval administrative message no later than the fourth quarter of the FY, disseminating anticipated retirement dates for all vessels projected to retire in the upcoming FY.

4. **Submission of OPNAV 5400/1.** Pursuant to reference (h) and as discussed in chapter 2, COMUSFLTFORCOM and COMPACFLT must submit an OPNAV 5400/1 in support of the inactivation and retirement of all ships (except MSC ships) under the fleet’s OPCON.

   a. For nuclear-powered ships, OPNAV 5400/1 provides a planned inactivation availability start date and a projected decommissioning date.
(1) The start date for the inactivation process must be within the CNO approved inactivation FY.

(2) For the final release of remaining crew members, the projected decommissioning date need not be in the same FY as the inactivation date. Except for aircraft carriers, this typically occurs 9 to 12 months after the inactivation start date.

b. For non-nuclear-powered ships, OPNAV 5400/1 provides the retirement date for the ships. The retirement date must be within the CNO approved FY. This allows lead time for the ship’s crew to complete their portion of the inactivation process.

c. For changes in retirement date, COMUSFLTFORCOM and COMPACFLT are required to notify OPNAV N9I in the case of a change to a ship’s retirement date or in the case of a nuclear-powered vessel retirement date when the change does not cross FYs. In the event that a change is authorized that crosses FYs, a new OPNAV 5400/1 must be submitted pursuant to reference (h).

5. Modernization

a. Alterations and improvements, if authorized, will only be done when vessels are undergoing full inactivation as identified in subparagraph 6b of this chapter. In the case of FMS, the government-to-government agreement will determine if alterations and improvements are to be done. Ships destined for either disposal or logistic support asset will not have any alterations or improvements done. During the period that a ship is in the inactive ship inventory, alterations and improvements will not normally be done; however, an OPNAV ship resource and platform sponsor may elect to have an alteration or improvement installed on a retention asset. If so elected, the OPNAV ship resource and platform sponsor, in-service engineering agent or activity or inventory manager (IM) is responsible for funding the alteration.

b. Commensurate with reference (b), vessels will not be modified or modernized within 5 years of retirement or disposal, except for safety alterations and modifications; certain other categories of modifications that fall within exceptions from this statute; or modifications for which a secretarial waiver is obtained. (See the ASN (RD&A) Memo, “Guidance for Implementing Statute Prohibiting Modifications of a Weapons Platform within Five Years of Disposal,” of 4 December 2012 for further guidance and procedures to comply with this statute).

c. Records of alterations, repairs, and other material changes for individual ships and service craft are essential to proper activation planning and will be kept up to date as directed by COMNAVSEASYSCOM. All configuration changes will be reported using the OPNAV 4790/CK Ship’s Configuration Change Form, via the normal routing. Once records have reached the end of their life-cycle with COMNAVSEASYSCOM, they will be disposed of pursuant to SECNAV Manual 5210.1 of September 2019.
6. **Lay-up Categories.** Naval vessels are laid up for long-term storage or for safe storage pending disposal. The lay-up category determines the amount of maintenance and repair that should be performed prior to or during the inactivation. Lay-up category will be identified as part of the COMNAVSEASYSCOM ship inactivation plan. Maintenance procedures to meet these requirements will be established by COMNAVSEASYSCOM. The categories are: standard inactivation, full inactivation, and safe-stowage inactivation. Vessel lay-up categories will be assigned during the ship disposition review. (See appendix D for a typical vessel’s life-cycle).

   a. **Standard Inactivation.** This type of inactivation is performed on vessels designated to be kept in the NVR as retention assets for possible future reactivation (out of commission, in reserve or out of service, in reserve status). The ship and its equipment are to be preserved in an as-is condition to minimize long-term degradation and maintain the ship’s condition at retirement. Ships designated for retention for longer than 4 years will receive a standard inactivation plan. All casualty reporting system, casualty categories of C-3 and C-4 casualty ratings pursuant to reference (j), require correction before retirement unless the responsible OPNAV ship resource and platform sponsor waives this requirement.

   b. **Full Inactivation.** A standard inactivation that includes pre-inactivation ship overhaul and dry docking.

   c. **Safe-Stowage Inactivation.** This type of inactivation is performed on vessels that are to be stricken from the NVR and designated for disposal (to include foreign transfer and donation). Safe-stowage inactivation is intended to do the least work necessary to make the vessel safe for storage (e.g., fire and flooding protection) and to prevent environmental releases. The ship’s material condition is expected to deteriorate if not disposed of in a timely manner, which may require emergent repairs or remediation to prevent an environmental regulatory violation.

7. **Maintenance Categories**

   a. Inactive ships and service craft are assigned to maintenance categories by COMNAVSEASYSCOM in coordination with OPNAV N9I based on the planned disposition. The categories indicate the priority sequence for the level of maintenance to be done. The categories include maintenance categories B, C, D, I, X, and Z.

   b. Maintenance category definitions are found in subparagraphs 7b(1) through 7b(6) below.

      (1) Maintenance category B is applicable to ships only. Category B ships are designated for potential mobilization and should receive the maximum maintenance, including improvement of material condition within funds available. Category B ships receive a standard or full inactivation lay-up.
(2) Maintenance category C ships and service craft are those retention assets that will be maintained in an as-is material condition. The difference in categories B and C is strictly in the prioritization of year-to-year maintenance funds. Category C ships receive a standard inactivation lay-up. Retention service craft will be assigned to category C commensurate with reference (a).

(3) Maintenance category D ships and service craft are those in custody of the COMNAVSEASYSCOM INACTSHIPMAINTO sites, providing only berthing (not considered inactive but temporarily retained in an as-is condition on a reimbursable basis pending planned usage by the active force).

(4) Maintenance category I craft are in-service craft assigned to a COMNAVSEASYSCOM INACTSHIPMAINTO.

(5) Maintenance category X applies to ships and service craft that have been stricken from the NVR and are awaiting disposal by any method. Only security required for fire, flooding, and pilferage will be provided, dehumidification and cathodic protection should not be maintained on inactive ships designated for FMS and donation hold unless authorized by OPNAV N9I.

(6) Maintenance category Z applies to former nuclear-powered ships and submarines plus nuclear-related tenders and service craft.

8. Split Inactivations. Split inactivations are situations where the inactivation process is begun in homeport and completed at a naval shipyard or other location before transferring the vessel to a COMNAVSEASYSCOM INACTSHIPMAINTO site. Split inactivations most commonly occur in the case of forward-deployed naval forces assigned ships or MSC ships assigned to the forward operating areas. In split inactivations, some of these special provisions in subparagraphs 8a through 8d are made.

   a. Equipage and consumables, which are required for crew comfort, propulsion plant operation, and ship control functions should be offloaded after arrival at the final inactivation site. Ships designated for FMS hold will be required to follow chapter 6 and reference (i).

   b. Change in status from active to in commission, in reserve, should take place on arrival at the final inactivation site.

   c. Changes in OPCON and ADCON responsibilities are listed in subparagraphs 8c(1) through 8c(2) below.

      (1) Fleet commander is responsible until arrival at a naval shipyard or inactive ship maintenance facility.
(2) On arrival at a naval shipyard or inactive ship maintenance facility, COMNAVSEASYSCOM is responsible.

d. Budgeting and funding will be commensurate with chapter 9.

9. Habitability. During the inactivation availability phase, and at such time as the ship becomes uninhabitable for the remaining crew members, messing and berthing will be provided. Arrangements and funding will be the responsibility of the respective TYCOM; however, permanently installed berthing, messing facilities, laundry facilities, and habitability items should be held in a maximum state of readiness for reactivation consistent with proper preservation and security. Department of the Navy (DON), Office of the Assistant Secretary of the Navy, Financial Management and Comptroller Financial Management Policy Manual (NAVSO P-1000), section 075158, defines responsibility.
CHAPTER 4
THE SHIP DISPOSITION DECISION PROCESS

1. General

a. SECNAV approves changes to the status of all naval vessels, active or inactive (including MSC ships), and acts on the recommendations made by CNO. The ship disposition process provides CNO with these important pieces of information for review: the proposed FY for a ship’s retirement over the FYDP, the proposed ship disposition, and the composition and material condition of the current inactive ship inventory.

b. The ship disposition process identifies which vessels will inactivate, retire, or transfer from the fleet over the FYDP. It also identifies which ships are to be transferred to or retired from the active fleet, and validates the disposition of those ships transferred to the inactive ship maintenance facilities. This chapter addresses the procedures required to manage the Navy’s inactive inventory. Regardless of a ship’s disposition, a curator survey will be performed within 12 months of the ship’s retirement. See chapter 11 for additional information on curator items.

c. There are two critical events that take place to support the overall ship disposition decision process. The first event is the ship inactivation decision meeting to determine the requirement for inactivation and to identify the specific ships that will be inactivated or decommissioned. The second event is the ship disposition review meeting to determine the disposition of ships to be inactivated and confirm the disposition of the current inactive ship inventory.

2. Ship Inactivation Decision Meeting

a. The ship inactivation decision will convene to determine which vessels, including MSC vessels, to select for inactivation over the FYDP in support of the upcoming budget cycle based on force structure requirements, mission requirements, and budgetary constraints. This meeting will be chaired by OPNAV N9I. Representatives will include OPNAV (CNO N2N6, OPNAV N42, OPNAV N94/ONR, OPNAV N95, OPNAV N96, OPNAV N97, and OPNAV N98) ship resource and platform sponsors, CNO N1, CNO N4, OPNAV N45, and OPNAV N83, Office of Budget/Fiscal Management Division (FMB), INSURV, COMNAVSEASYSCOM, fleet commanders (COMUSFLTFORCOM, COMPACFLT), TYCOMs (Commander, Naval Air Forces, Atlantic (COMNAVAIRLANT); Commander, Naval Air Forces, Pacific (COMNAVAIRPAC); Commander, Naval Surface Forces, Atlantic (COMNAVSURFLANT); Commander, Naval Surface Forces, Pacific (COMNAVSURFPAC); Commander, Submarine Forces (COMSUBFOR); Commander, Submarine Forces, Pacific (COMSUBPAC;), and MSC). Representatives are to be prepared to make recommendations for CNO and SECNAV approval with regard to ship inactivations and retirements, their financial impacts, and other matters under their cognizance. The ship inactivation decision will convene to address the items in subparagraphs 2a(1) through 2a(5) below.
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(1) Identify vessels for inactivation that are approaching their ESL during the FYDP.

(2) Identify ships whose ESLs need to be extended.

(3) Identify vessels that will not reach ESL during the FYDP, giving consideration to design changes or modifications that are determined as impracticable to a key operational system upgrade, making it economically inappropriate to continue the operation of that vessel.

(4) Describe any potential gaps in warfighting, mobilization, or training capability that may occur as a result of a vessel’s inactivation.

(5) Consider the required material condition inspection results and recommendations to determine a vessel’s operational effectiveness and interoperability.

b. Results of the ship inactivation decision will be disseminated as a baseline for use in the next POM and the next report to congress on the annual long-range plan for construction of naval vessels.

3. **Ship Disposition Review Meeting**

a. The ship disposition review will normally occur after the ship inactivation decision and will be chaired by OPNAV N9I and specifically address ships inactivating in the current FYDP. Representatives will include all OPNAV ship resource and platform sponsors (CNO N2N6, OPNAV N42, OPNAV N94/ONR, OPNAV N95, OPNAV N96, OPNAV N97, and OPNAV N98), MARAD, OPNAV N45, OPNAV N513, OPNAV N83, DASN (Ships), FMB, INSURV, Navy IPO, COMNAVSEASYSCOM, fleet commanders (COMUSFLTFORCOM, COMPACFLT), TYCOMs (COMNAVAILANT, COMNAVAIRPAC, COMNVSURFLANT, COMNAVSURFPAC, COMSUBFOR, COMSUBPAC, and MSC), USMC, and the Office of Legislative Affairs. The ship disposition review will convene to define all inactivation and disposition requirements for each vessel that is scheduled for retirement during the FYDP, and review the status of ships currently held in the inactive ship inventory.

b. Specifically, the conference will address the topics in subparagraphs 3b(1) through 3b(3) below.

(1) Define all requirements regarding the method of lay-up, maintenance categories, transfers, and disposals.

(2) Provide projected inactivation or decommissioning and out-of-service dates within the FY addressed at the ship inactivation decision conference for all battle force and non-battle force ships.
(3) Identify requirements for inactive vessel utilization in fleet training exercises and experimental use during the FYDP.

c. The ship disposition review results will be reviewed and disseminated commensurate with congressional guidance. The FY 2008 Senate Armed Services Committee Report 110-77 required an appendix be added to the annual long-range plan for the construction of naval vessels that addresses the Navy’s plan for decommissioning battle force ships during the FYDP. The Navy will include the information in subparagraphs 3c(1) through 3c(4) in the report.

(1) Hull numbers of ships that are to be disposed by dismantling or fleet training exercise within the FYDP.

(2) Hull numbers of battle force ships that are to be retired within the FYDP.

(3) Gaps in capability that will occur on the retirement of each ship, including duration of that capability gap.

(4) Disposition proposed for each ship identified commensurate with subparagraph 3c(2) on retirement.

4. Disposition. Appendix E graphically portrays some of the considerations used in determining the disposition of inactivating ships. Based on the results from the ship inactivation process, the items in subparagraphs 4a and 4b will be considered.

a. Retention. In support of meeting future U.S. Navy requirements, retain the vessel in the inactive ship inventory in an out of commission, in reserve status or out of service, in reserve status. These vessels will remain in the NVR while in a retention status.

b. Non-Retention. The vessel is processed for permanent removal from the Navy’s inventory if the vessel is determined excess to the Navy’s requirements or surplus. The vessel will be considered for use as a logistic support asset - primarily for the remaining ships in its class, fleet training exercise support (commensurate with reference (e)), experimental use, or evaluated for removal via one of the disposition methods listed in chapter 5.
CHAPTER 5
SHIP DISPOSITION POLICY

1. General. Select conventionally-powered ships that have completed their useful service lives may be retained in the inactive ship inventory for a period of time to be available for future mobilization or while awaiting disposal. The Navy’s methods to reduce the inactive ship inventory include interagency transfers to the MARAD, U.S. Coast Guard (USCG), National Ocean and Atmospheric Administration, or other U.S. Federal agencies; donations for memorial and museum use as static public displays; foreign military transfers; dismantling and recycling; fleet training exercises; experimental use, including weapons effectiveness testing; or transfers to U.S. States, territories, or other political subdivisions thereof for use as artificial reefs. Appendix E provides a quick look at the disposition process for combatants and noncombatants.

a. Nuclear-powered ships and submarines are dismantled and recycled, which is typically accomplished at a naval shipyard.

b. Tenders with nuclear support facilities will be maintained in storage at the designated naval shipyard until the nuclear support facility is decontaminated. After the release of the nuclear support facilities and subsequent issuance of a free release letter by COMNAVSEASYSCOM Nuclear Propulsion Division (NAVSEA 08), custody of the vessel may be transferred to COMNAVSEASYSCOM INACTSHIPOFF.

c. Service craft with nuclear support facilities will be maintained in storage at the designated naval shipyard until the nuclear support facility is decontaminated. After the release of the nuclear support facility and subsequent issuance of a free release letter by NAVSEA 08, the custodian will maintain custody of the craft pending disposal by COMNAVSEASYSCOM.

2. Action. In order for vessels that are transferred outside of Navy custody to no longer have the outward appearance of an active Navy vessel, names and numbers of naval vessels and service craft will be painted out prior to transfer of custody outside the Navy, except for vessels donated for museum or memorial use.

3. Disposal Methods. The Navy’s methods to reduce the inventory of inactive ships that have been stricken from the NVR include:

a. Interagency Transfer. Requests for interagency transfers to MARAD, USCG, National Ocean and Atmospheric Administration, or other U.S. Federal agencies are to be submitted to OPNAV N9I and are subject to SECNAV approval except as delegated by SECNAV to a lower level.

(1) When Navy-owned ships stored in MARAD National Defense Reserve Fleet (NDRF) become excess, it is the Navy's policy that MARAD will, whenever possible, be given first disposition rights to the ship. MARAD transfers are authorized and governed by section 57101
of Title 46, United States Code, which provides that all Federal entities are authorized to transfer vessels to the NDRF without reimbursement subject to the approval of the Secretary of Transportation and the SECNAV with respect to Ready Reserve Force vessels, and the Secretary of Transportation with respect to all other vessels, including Navy-owned ships not stored in MARAD’s NDRF.

(2) Transfers to other DoD agencies or the Department of Homeland Security are authorized and governed pursuant to section 2578 of reference (b).

(3) Transfers to other U.S. Government Federal agencies outside of the DoD are authorized and governed by the Federal Property Act.

b. Intra-agency Transfer of Conventionally-powered Vessels. Requests by a component of the DON for the transfer of a stricken naval vessel for conversion to an alternate use, non-destructive testing, or historic public display will be submitted to OPNAV N9I for approval along with supporting justification for its use and demonstration of available budget authority to support its custody and proposed use. Transfers will be documented by a support agreement between COMNAVSEASYSCOM and the DON component agency pursuant to DoD Instruction 4000.19 of 25 April 2013. At the end of its proposed use, the DON component will return the vessel to COMNAVSEASYSCOM custody commensurate with the intra-agency agreement. COMNAVSEASYSCOM will be responsible for the disposal of such vessels after their return to COMNAVSEASYSCOM custody. For previous intra-agency transfers without intra-agency agreements in place consistent with this policy, COMNAVSEASYSCOM will coordinate with the current custodian to establish plans for return of vessel custody to COMNAVSEASYSCOM and or ultimate disposal of the vessel.

c. Ship Donation for Museum and Memorial Use. Donated vessels serve as static public displays as museums and memorials that showcase and preserve naval history and tradition. Transfers to eligible Federal, State, and local governments and nonprofit organizations are to be at no cost to the United States pursuant to section 8676 of reference (b), except that vessels must be cosmetically demilitarized pursuant to DoD Manual 4160.28, volume 1, Defense Demilitarization: Program Administration, of 31 August 2018. Ship donation is under the auspices of ASN (RD&A) and executed by COMNAVSEASYSCOM who will advise CNO of the final selection prior to public announcement. Transfers are subject to approval by the SECNAV. Only those vessels that are pending decommissioning and are determined to be historically significant or have a high probability of donation will be considered. Re-designation of an inactive ship for donation from another disposal category is discouraged due to ship deterioration, equipment stripping, and or demilitarization or other disposal preparation work done. Vessels will not typically retained in a donation hold status beyond 2 years unless authorized by ASN (RD&A) in consultation with OPNAV N9I. The designation of ships on donation hold may be extended on an annual basis at the ship disposition review conference based on the existence of viable donation interest and demonstration by the prospective done to COMNAVSEASYSCOM that measurable progress is being made toward submitting a donation.
application that meets the minimum COMNAVSEASYSCOM requirements. Vessels which have been on donation hold for 5 years will not be considered for donation hold extension without extreme extenuating circumstances. OPNAV N9I will direct any change in the ship’s disposition in consultation with ASN (RD&A). Any funds that COMNAVSEASYSCOM must expend in support of previously donated ships, must be done under the Operations and Maintenance, Navy, Ship Inactivations budget line item, 2B2G. These funds must be coordinated with OPNAV resources sponsors for inactive ships. A detailed summary of expenditures used from the 2B2G budget line will be included as part of the annual financial review with OPNAV N9I.

d. FMS. (See chapter 6 for information regarding FMS).

e. Dismantling and Recycling (also known as “scraping”). Pursuant to section 8675 and section 8675a of reference (b), ship dismantling and recycling ensures the effective and permanent demilitarization of a naval warship and prevents the possibility of a ship in which U.S. military personnel have served, fought, or died, from falling into undesirable hands or being used for an objectionable purpose (e.g., commercial display, property of an unfriendly government or group, or other public indignity). Dismantling should be done in the United States or its territories whenever practicable commensurate with existing laws and regulations. Excess weapons systems remaining aboard will be demilitarized through complete destruction by the ship dismantling contractor.

f. Artificial Reefing. Pursuant to section 8676b of reference (b), vessels stricken from the NVR may be transferred by gift or otherwise to any State, commonwealth, or possession of the United States or any municipal corporation or political subdivision thereof for use as artificial reefs. Transfers are subject to ASN (RD&A) approval. COMNAVSEASYSCOM will notify the CNO of the final selection prior to public announcement.

4. Environmental Preparation for Use in a Fleet Training Exercise, Experimental Use, or Disposal

a. Pursuant to section 8676b of reference (b), inactivated non-nuclear ships may be used in fleet training exercise, or for experimental use.

b. All ships will be physically inspected to provide reasonable assurance that no material of known or anticipated worth to the Navy remains aboard prior to disposal, use in a fleet training exercise, or experimental use. The inspection will be conducted by the COMNAVSEASYSCOM INACTSHIPOFF, or a designated representative for non-nuclear ships, including ex-Navy ships in the custody of MARAD. The inspector will provide written certification at the time of completion. The records will be maintained at COMNAVSEASYSCOM INACTSHIPOFF for a period of no less than 2 years after final
disposal of the ship. Once the records have reached the end of their life-cycle with COMNAVSEASYSCOM, the records will be disposed of pursuant to SECNAV Manual 5210.1 CH-1 of September 2019.

5. Vessels Supporting Fleet Training Exercises or Experimental Use. Pursuant to reference (e), fleet and other major claimant requests for vessels in support of a fleet training exercise, target exercise, or experimental use must be submitted to COMNAVSEASYSCOM.

   a. Vessels used in training and experimental events are subject to environmental requirements as discussed in part 229 of Title 40, Code of Federal Regulations, and commensurate with reference (c). These requirements include preparation of the vessel to minimize environmental impact, including removing fuel and other pollutants to the maximum extent practicable.

   b. The claimant will submit a post sink exercise report by naval message pursuant to reference (c), identifying the location of the exercise including latitude, longitude, and water depth, to COMNAVSEASYSCOM WASHINGTON DC//SEA21// and CNO WASHINGTON DC//N00/N09C/N4/N45/N83/N9/N9I//.

   c. At the end of the calendar year, COMNAVSEASYSCOM will prepare an annual report for submission by OPNAV N45 to the Environmental Protection Agency administrator pursuant to references (c) and (e).
1. **General.** Through FMS, the U.S. Navy is enhancing its own operational capabilities by ensuring the Navy’s maritime partners are provided capable platforms. When considering vessels for FMS, the primary emphasis will be on executing a hot ship transfer, which does not require inactivation and reactivation of a ship. Ship transfers that require inactivation and subsequent reactivation are discouraged unless a significant probability of transfer exists. Appendix C identifies the timeline for conducting critical actions in support of a ship being made available for foreign transfer.

2. **Policy.** Pursuant to section 8677 of reference (b), a U.S. naval vessel that is in excess of 3,000 tons or that is less than 20 years of age may not be disposed of to another nation (whether by sale, lease, grant, loan, barter, transfer, or otherwise) unless the disposal of that vessel is authorized by law. Reference (i) is the governing Navy policy for the transfer of naval vessels to foreign governments, to include the ship’s preparation for transfer and equipment disposition. Transfers are to be conducted at no cost to the U.S. Government with the exception of the removal of installed equipment that is non-transferable technology. Reference (i) does not apply to the delivery of new ships constructed commensurate with a Navy contract for foreign governments. FMS vessels will be stricken from the NVR prior to custody transfer to a foreign government.

3. **Ship Disposition Process.** Recommendations for designating specific vessels for foreign transfer will be formalized as part of the CNO’s ship disposition review process (see chapter 4). During the ship disposition review, OPNAV N513, in coordination with the Navy IPO, identifies specific vessels that the Navy’s maritime partners (or the CNO) recommend be made available for foreign military transfer. The ship disposition review reviews whether a ship will be transferred in a hot or cold status. Ships identified for FMS are reviewed annually as part of the ship disposition review process to ensure valid requirements exist and that transfer legislation exists or is being sought. OPNAV N9I will determine the lay-up and maintenance category to be assigned to these ships while in the inactive inventory.

4. **FMS**
   a. **Hot Ship Transfers.** Commensurate with reference (i), a hot ship transfer occurs when the foreign crew “relieves the watch” of the U.S. Navy crew coincident with the decommissioning (or out-of-service date) of the ship from the U.S. Navy. In order for an inactivating ship to undergo a successful hot ship transfer, ship transfer legislation must be enacted no later than 18 months prior to the scheduled decommissioning or out-of-service date. Otherwise, the ship is directed to prepare for a safe stowage inactivation and lay-up in the inactive inventory in support of a future cold transfer unless directed otherwise by OPNAV N9I.
b. **Cold Ship Transfers.** Ships designated for FMS that do not have transfer legislative authority in place 18 months prior to the scheduled retirement date are directed to undergo inactivation availability. COMNAVSEASYSCOM will provide the ship with an inactivation plan based on the ship’s disposition no later than 180 days prior to the scheduled retirement date. During the inactivation availability – which typically starts 90 days ahead of the ship’s retirement date - the TYCOM will maintain oversight over the removal of equipment discussed in paragraph 7 below and reference (i). If no viable transfer or candidate is identified within 2 years of inactivation, OPNAV N9I may redesignate the vessel for disposal in a manner most advantageous to the Government.

5. **Inspections by INSURV and Material Condition Assessments.** The intent is to conduct a material condition assessment as early as possible in the transfer process to prepare a more accurate letter of offer and acceptance (LOA); reduce risk of work creep during reactivation and refurbishment; and reduce the risk from the ship transfer timeline. COMNAVSEASYSCOM is responsible for budgeting FMS administrative funding for material condition assessments of ships proposed for cold transfer. As part of the annual FMS administrative POM and budgeting processes, COMNAVSEASYSCOM will submit requirements within the excess defense articles program element to Navy IPO. No funding from the 2B2G operations and maintenance, Navy budget line will be used in support of material condition assessments.

   a. **Hot Ship Transfers.** Surveys will need to be conducted no later than 18 months prior to transfer - assuming congressional authorization for the transfer is in place. A survey is not required if the last material inspection or TYCOM mid-cycle assessment occurred within 3 years of the ship’s retirement date.

   b. **Cold Ship Transfers.** Post-inactivation material condition assessment will be scheduled if required by COMNAVSEASYSCOM and Navy IPO. If feasible, COMNAVSEASYSCOM may coordinate with Navy IPO to use FMS administrative funding for personnel to observe the last INSURV material inspection prior to the ship’s inactivation.

6. **Funding Associated with the Permanent Removal of Ships from the Navy’s Inactive Ship Inventory.**

   a. **Hot Ship Transfer.** FMS case funding starts when the LOA has been accepted and countersigned. In the course of executing a “hot ship” transfer, all costs related to the transfer of the naval vessel that the U.S. Navy would not otherwise incur when inactivating or decommissioning the vessel must be borne by the recipient. Costs may include ship support for on-the-job training, additional fuel costs, supplies, messing, berthing, and equipment repairs attributed to system operation specifically in support of the hot ship transfer.
b. **Cold Ship Transfer.** FMS funding starts when the LOA has been accepted and countersigned. All charges are to accrue to the applicable FMS case except for the removal of non-transferable technology equipment, the cost of which will be borne by the OPNAV resource and platform sponsor or the equipment IM.

7. **Equipment Removal from FMS.** It is Navy policy that support of the active fleet remains a priority in dealing with equipment and material recovery in ship disposition issues. However, in the case of vessels designated for FMS, retiring ships will not be stripped of equipment. Stripping of ships provides diminished operational capability to the Navy’s maritime partners and erodes Navy’s efforts to build maritime partner capacity. Guidance for the removal and retention of equipment and supplies for ships designated for FMS is in reference (i). Installed equipment (e.g., combat; command, control, communications, computers, and intelligence; and hull, mechanical, and electrical systems) will not be stripped from inactivating ships unless specifically authorized by OPNAV N9I commensurate with subparagraph 7b. Emergent logistic requirements will always be considered on a case-by-case basis to support the fleet.

   a. In support of the fleet releasing its “decommissioning” guidance to respective ships, COMNAVSEASYSCOM, in coordination with Navy IPO, will issue a naval message to the TYCOM not later than 7 months prior to retirement, copy OPNAV N9I, respective OPNAV ship resource and platform sponsor, and COMNAVSEASYSCOM program sponsor identifying non-transferable technology (to include combat systems) required to be removed from the vessel. COMNAVSEASYSCOM, in coordination with the Commander, Naval Information Warfare Systems Command (COMNAVWARSYSCOM) or Commander, Naval Air Systems Command (COMNAVAIRSYSCOM) as appropriate, will also address the viability of sanitizing on-board classified systems to an acceptable level if the equipment is designated to be retained aboard and transferred with the vessel.

   b. No additional installed equipment removals will be permitted except as specifically authorized by OPNAV N9I in response to a record request submitted by Program Executive Office for Integrated Warfare Systems or respective COMNAVSEASYSCOM ship program offices, not later than 9 months prior to the ship’s retirement date, except in the case of emergent casualties in the casualty reporting system; or casualty categories of C-3 and C-4 casualty ratings commensurate with reference (j), that includes:

   (1) A comprehensive list (by individual ship) of specific installed equipment desired for removal.

   (2) Justification for the removal.

      (a) Evidence that the Navy supply system is unable to fulfill the requirement.

      (b) TYCOM and regional maintenance center is unable to fulfill the requirement.
(3) An assessment of the ability to restore the equipment in operational condition in the event the vessel transfers as a cold FMS ship, and includes coordination via the respective systems command (SYSCOM).

(a) COMNAVWARSYS.COM.

(b) COMNAVSEAASYSCOM.

(c) COMNAVAIRSYSCOM.

(d) COMNAVSUPSYSCOM.

c. Classified equipment will be removed, sanitized, or declassified by the ship’s custodian commensurate with instructions from the cognizant SYSCOM or IM. Technical assistance or labor required for such action will be furnished by the cognizant SYSCOM or IM at the request of the custodian.

d. Reference (i) provides the list of equipment that must be removed prior to FMS transfer.

e. Preferred historical items, as desired by the curator of the Navy, will be forwarded commensurate with chapter 11.

f. For any questions regarding transferability of equipment to foreign nations not addressed in reference (i), direct liaison is authorized between TYCOM and Navy IPO in conjunction with the appropriate SYSCOM and info to OPNAV N9I.

g. Appendix B provides general guidance on equipment removals during the inactivation availability, however, reference (i) is the governing instruction for equipment in support of all FMS transfers.

8. **Final Disposition.** Navy IPO will provide OPNAV N9I and the custodian for the NVR copies of the vessel delivery certificates.

9. **Modernization.** In the case of FMS, the government-to-government agreement will determine if alterations and improvements are to be accomplished.
CHAPTER 7
STRIKING POLICY

1. **General.** It is Navy’s policy that all naval vessels listed in the NVR be stricken prior to being permanently removed from U.S. Navy’s custody as provided for in section 8674 through section 8678 of reference (b), which includes vessels removed in support of a fleet training exercise; experimental use; interagency transfer; FMS; artificial reefing; donation as a museum or memorial; and dismantlement. Vessels retained in support of future mobilization purposes will not be stricken from the NVR until declared excess to DON requirements.

2. **Authority.** On recommendations made by CNO, SECNAV authorizes the striking of ships from the NVR. Similarly, upon recommendation made by the appropriate resource sponsor, DASN (Ships) authorizes the striking of support and service craft (excluding submersibles) from the NVR. Specific direction is given to COMNAVSEASYSCOM to develop and execute the process for striking service craft from the NVR commensurate with reference (a).

   a. **Non-Nuclear Ships.** Whenever practicable, non-nuclear ships will be stricken from the NVR effective the date of their retirement unless held as a retention asset.

   b. **Nuclear-Powered Vessels.** Nuclear-powered ships will be stricken from the NVR concurrent with the date of their decommissioning. Nuclear-powered vessels will be placed in an in commission, in reserve status as of the date of the start of their inactivation availability and decommissioned on release of the crew following fuel removal.

3. **Action.** During the fourth quarter of the FY, CNO N9 will submit an action memorandum to SECNAV, via CNO, recommending specific ships and submarines scheduled to inactivate or retire during the forthcoming FY (other than those designated for retention) be stricken from the NVR, commensurate with their date of retirement. This action memorandum will also include a disposal recommendation for conventional vessels. Specifically, the action memorandum will include these items in subparagraphs 3a and 3b below.

   a. Identify each vessel recommended for striking and include its ESL, current age, proposed date of inactivation or retirement, and planned disposition.

   b. Certify combatant vessels contained in the memorandum are not essential to the defense of the United States per section 8678 of reference (b).

4. **Records.** For accounting and recording purposes, a copy of the strike action memorandum will be provided to the NVR custodian to affect updates to the NVR database and Web site.
CHAPTER 8
REACTIVATION

1. Mobilization

   a. Reactivation of inactive ships and service craft under conditions of total, full, or partial mobilization will be governed by the general instructions contained in the current operation plans and such other mobilization plans as may be issued by the CNO.

   b. When tasked by the OPNAV ship resource and platform sponsor, COMNAVSEASYSCOM is responsible for the preparation of plans and programs for the reactivation, repair, modernization, and fitting out of inactive ships and service craft in support of mobilization plans. COMNAVSEASYSCOM is also responsible for the planning for reactivation, initial procurement of material, managing funds, and allocating the industrial resources required for mobilization. Outfitting and trials will be accomplished commensurate with OPNAVINST 4700.8K.

   c. Mobilization plans of military personnel for the ordering of crews to ships being activated will be provided commensurate with the operation plans.

   d. Fleet commanders will plan for and execute training of the crews on mobilization and will accept custody of the ships when reactivation has been completed and the ship is returned to active status.

   e. Mobilization plans for the timely issue of communications security publications and equipment to ships and service crafts upon reactivation will be provided by CNO N2N6 as required.

   f. Mobilization plans for the fitting out of reactivated ships and service craft with Electronic Chart Display and Information System-Navy or navigational charts and publications will be provided by the Oceanographer of the Navy (OPNAV N2N6E).

2. Other than Mobilization. Reactivation, repair, modernization, and fitting out of ships and service craft under circumstances other than mobilization will be under cognizant direction issued by the CNO.
CHAPTER 9
PLANNING, PROGRAMMING, BUDGETING, AND EXECUTION

1. **General.** OPNAV N9I assesses and manages the requirements generation process for all OPNAV resource and platform sponsors to facilitate the programming of funding for inactivation, maintenance, and disposal of naval ships under the ship activation and inactivation 2B2G budget line. COMNAVSEASYSCOM is responsible for execution of funding from these lines.

2. **Non-Nuclear-Powered Ship Programming and Budgeting.** Requirements to be included are: facilities costs for each COMNAVSEASYSCOM INACTSHIPMAINTO plus COMNAVSEASYSCOM INACTSHIPOFF; overhead costs; total amount required for inactivation that includes any effort to be undertaken by the TYCOM to effect inactivation work; costs to maintain the inactive ship inventory and infrastructure; ship disposal costs; and personnel costs.

   a. Under all circumstances, respective OPNAV ship resource and platform sponsors and, where applicable, MSC are responsible for funding the ship’s inactivation lay-up and first year’s maintenance in the inactive ship inventory.

   b. OPNAV N9I is responsible for the cost of the second and subsequent years’ maintenance in the inactive ship inventory and for ship disposal costs.

   c. For submarine tenders, OPNAV N97 is responsible for the cost of the second and subsequent years’ maintenance in shipyard storage and funding nuclear support facility decontamination. Following decontamination and release, OPNAV N9I is responsible for the maintenance and ship disposal costs.

   d. OPNAV ship resource and platform sponsors electing to perform alterations or improvements on inactive ships will fund the effort out of the appropriate resource sponsor’s budget line.

   e. Funding for ashore berthing and messing of crew required for the inactivation process will be the responsibility of the respective TYCOM.

   f. Donated vessels are transferred "as-is, where-is." COMNAVSEASYSCOM is not authorized to use funds provided under 2B2G budget line towards previously donated ships without the concurrence of the OPNAV resource sponsor for inactive ships. COMNAVSEASYSCOM will include as part of the annual financial review with the OPNAV resource sponsor a detailed summary of funds expended from the 2B2G budget line to support previously donated vessels.
3. **Nuclear-Powered Ship Programming and Budgeting.** Requirements to be included are: advanced planning, ship inactivation, reactor compartment disposal, decontamination, and hull recycling. The OPNAV ship resource and platform sponsor is responsible for programming and budgeting the activities listed in subparagraph 2d. If, following defueling and inactivation and prior to disposal, the hull for a nuclear-powered ship is placed in storage, programming and budgeting for storage will be as outlined in subparagraphs 3a through 3c below.

   a. The OPNAV ship resource and platform sponsor (CNO N2N6, OPNAV N42, OPNAV N95, OPNAV N96, OPNAV N97, and OPNAV N98) is responsible for funding the ship's inactivation layup and first year's maintenance in storage.

   b. The OPNAV ship resource and platform sponsor (CNO N2N6, OPNAV N42, OPNAV N95, OPNAV N96, OPNAV N97, and OPNAV N98) is responsible for the cost of storage of defueled nuclear-powered ships. Resource sponsor is responsible for the storage in the inactive inventory while awaiting final disposition.

   c. Funding for ashore berthing and messing of crew required for the inactivation process will be the responsibility of the respective TYCOM.

4. **Funding for Placing a USNS Out of Service.** Costs associated with the pre-inactivation effort, initial inactivation, and first year’s lay-up in the inactive fleet for MSC ships are the execution year responsibility of MSC. The OPNAV ship resource and platform sponsor, via the cognizant customer budget submitting office (BSO), is responsible for programming the costs to both retiring the vessel as well as the costs associated with the vessel’s first year’s lay-up in the inactive fleet. Such costs will be programmed as reimbursable funding for use by MSC in the appropriation and budget line item under which the ship’s operations were funded while active. When inactivation decisions are made outside the timeline supported by the programming process (e.g., an emergent inactivation), then it is the responsibility of the customer BSO to identify funds to support the costs in this paragraph. Further costs associated with subsequent years’ retention and disposal will be funded by OPNAV N9I.

5. **Other Costs.** OPNAV N9I is additionally responsible for programming the costs in subparagraphs 5a and 5b below.

   a. All military construction costs associated with maintaining the COMNAVSEASYSCOM INACTSHIPMAINTO, relocating a COMNAVSEASYSCOM INACTSHIPMAINTO, or maintaining shipyard assets to support hull storage.

   b. All military and civilian personnel at the COMNAVSEASYSCOM INACTSHIPOFF and the COMNAVSEASYSCOM INACTSHIPMAINTO.

6. **Funding Associated with Equipment Removals.** Costs for equipment removal, dismantling, packing, handling, and crating incidental to the delivery of stripped material intended for further
use will be financed by the SYSCOM, other Service, or other authority directing removal and redistribution of subject material. In none of these situations will costs be incurred by COMNAVSEASYSCOM unless approved prior to equipment removal. Official notification to do such work is provided by the directing authority, with appropriate funding authorization. See chapter 12 for further explanation of the equipment removal policy. Specifically, certain common situations will be handled as outlined in subparagraphs 6a through 6f below.

   a. Removal and shipment of equipment removed from retention assets by COMNAVSEASYSCOM INACTSHIPOFF in support of potential reactivation of the ship will normally be funded by the OPNAV ship resource and platform sponsor, and executed by COMNAVSEASYSCOM out of the 2B2G budget line when commensurate with ship inactivation.

   b. Removal and shipment of equipment removed from retention or certain disposal assets for reutilization by IM will be funded out of the IM restoration funds.

   c. Removal and shipment of equipment removed from retention or certain disposal assets for support of an immediate IM requirement (cannibalization) will be funded out of the IM’s restoration funds. Replacement may be required and is the responsibility of the requesting activity.

   d. Removal and shipment of equipment removed from disposal assets in support of TYCOM stripping during inactivation will be funded by fleet maintenance funds.

   e. Any costs associated with removing equipment from a ship prior to authorizing the ship for a fleet training exercise, experimental use or any other ship disposition method must be borne by the requesting fleet or BSO.

   f. Removal, sanitization, and shipment of equipment which must be removed or sanitized incidental to the hot transfer of a ship to a foreign government will be financed by the group dictating removal.

7. Funds Associated with Preparation of Vessels Held for Experimental Purposes

   a. Fleet commands are responsible for all environmental preparation costs for fleet training exercises, commensurate with reference (e). When practical, the requesting authority should check with fleet schedulers to determine if MSC assets are available to tow the vessel rather than contracting for commercial tow services.

   b. For other than fleet training exercises, the requesting authority is responsible for environmental, storage, and breakout preparation for ships held as targets or for experimental purposes.
c. The cost for towing will be borne by the requesting authority.

8. Funding Associated with the Permanent Removal of Ships from the Navy’s Inactive Ship Inventory

   a. Ships Held for FMS. Transfers are to be conducted at no cost to the U.S. Government, except for removal of non-transferable equipment and the unmooring and release of the vessel to the receiving agent. In the case of a hot ship transfer, FMS case funding starts when the LOA has been accepted and countersigned. For a cold ship transfer, FMS funding starts when the FMS case is implemented. Chapter 6 is germane.

   b. Ships Held for Donation or Transfer to Another Government Agency. Transfers of ships that will be donated as a museum or memorial, or transferred to another government agency, are to be conducted at no cost to the Navy, except for the removal of non-transferable equipment and the unmooring and release of the vessel to the receiving agent. Any exceptions will be coordinated through the OPNAV ship resource and platform sponsor.

9. Ships Held as Retention Assets. OPNAV N9I will program for the disposal of all non-nuclear assets that are removed from a retention status in the 2B2G budget line.

10. Split Inactivations. Split inactivations are situations where the inactivation process is begun in homeport and completed at a naval shipyard or other location before transferring the vessel to a COMNAVSEASYSCOM INACTSHIPMAINTO site. Split inactivations most commonly occur in the case of forward-deployed naval forces assigned to the forward operating areas. In split inactivations, funding responsibilities are as listed in subparagraphs 10a through 10c below.

   a. Prior to the start of the inactivation, the TYCOM and COMNAVSEASYSCOM are responsible to share funding. Typically, normal crew type functions will be funded by TYCOM and other work will be centrally funded by COMNAVSEASYSCOM.

   b. At the start of inactivation at homeport, TYCOM and COMNAVSEASYSCOM are responsible to share funding. Typically, normal crew type functions will be funded by TYCOM and other work will be centrally funded by COMNAVSEASYSCOM.

   c. On arrival at the final inactivation site, COMNAVSEASYSCOM INACTSHIPMAINTO is responsible.

   d. Exceptions to the funding responsibilities listed in subparagraphs 10a through 10c are in subparagraphs 10d(1) and 10d(2) below.

      (1) For conventionally-powered ships, necessary removal and packing of equipage left aboard for the voyage to the COMNAVSEASYSCOM INACTSHIPMAINTO site will be at the expense of the TYCOM.
(2) Industrial assistance required to remove installed aviation support equipment will be funded by either the TYCOM or the appropriate IM.

11. **Action.** COMNAVSEASYSCOM will provide OPNAV N9I with funding profiles and execution status reports for non-nuclear and nuclear-powered vessels as requested.
CHAPTER 10
INSPECTIONS AND MATERIAL READINESS POLICY

1. General. The objective of an inactivation material survey is to document the material condition of a ship designated for retention for future mobilization prior to inactivating. This is done through the attainment and maintenance of effective preservation and the prevention of deterioration. A secondary objective is to do repairs and improvements when they can be done within the capability and availability of personnel and funds.

2. Inspections by INSURV

   a. Documentation of the material condition of each inactive ship is the end product of an inspection program.

   b. Policy contained in this instruction will take precedence, commensurate with references (f) and (g), when a ship is within 12 months of inactivating, with this modification: regardless of a ship’s disposal status, ships exceeding periodicity requirements, commensurate with references (f) and (g), will not conduct any portion of an overseas deployment or significant out-of-area operations without approval from OPNAV (N09P).

      (1) Out of Commission, In Reserve and Out of Service, In Reserve. INSURV will conduct a survey on ships scheduled to inactivate and be retained in an out of commission, in reserve or out of service, in reserve status within 18 months prior to the planned retirement date unless waived by OPNAV N9I. A material inspection conducted by INSURV within the 18-month period preceding inactivation will fulfill the requirement of the survey.

      (2) FMS Transfers. Refer to chapter 6 for inspection requirements for ships designed for FMS transfer.

      (3) Non-FMS Transfers. Ships designated for reassignment to MSC, USCG, or other DoD or Federal agencies will receive a material inspection within 18 months of inactivating unless waived by OPNAV N9I.

      (4) Sink Exercise or Disposal. Ships designated for use for fleet training exercises, experimental use, or disposal will not require a survey and should not be scheduled for a material inspection within 18 months of inactivation.

      (5) Inactive Out of Commission, In Reserve and Out of Service, In Reserve Assets. Surveys of inactive ships under the responsibility of COMNAVSEASYSCOM are performed on an as-needed basis.

   c. The requirement for service craft inspections is specified commensurate with reference (a).
CHAPTER 11
CURATOR ITEMS REMOVAL POLICY

1. General

a. The curator for the DON is responsible for collection, preservation, and exhibition of naval relics, trophies, paintings, historical prints, photographs, and other naval memorabilia of historical significance. Presentation silver is the responsibility of COMNAVSUPSYSCOM and questions concerning its disposition will be addressed to COMNAVSUPSYSCOM.

b. This chapter lists objects and items that will be removed from naval vessels on behalf of the curator in each category. The curator will be informed of any other material of potentially historic significance that may come to the attention of ship custodians. Questions concerning the significance of any item will be referred to the curator for resolution.

c. Regardless of a ship’s disposal, a curator survey will be performed on all inactivating and retiring vessels within 12 months prior to decommissioning. Items identified by the curator during the curator survey must be removed prior to final disposal.

2. Curator Criteria. Generally, the criteria for evaluating curator interests are listed in subparagraphs 2a through 2c below.

a. Association With

(1) Combat.

(2) Notable achievements.

(3) Memorable events.

(4) Mission roles and functions.

b. Unique or Special Significance from a Technical Viewpoint

c. Special Relationship with Personnel and Individuals

(1) Heroism.

(2) Humane efforts.

(3) Human interest.

(4) Vessel’s sponsor.
3. **Relics to be Removed and Forwarded to the Curator from Ships Being Decommissioned.**
This list is to be used as guidance and is not necessarily absolute. The definition of memorabilia can be subjective; therefore, vessel custodians are encouraged to use good judgment considering the historic nature of an object.

   a. **Bells.** Ship’s main bell and quarterdeck bell will be forwarded to the Navy curator. Foreign transfer end users are responsible for replacement of the bells prior to transfer.

   b. **Plaques**
      
      (1) Commissioning and builder plaques.
      
      (2) CO plaques.
      
      (3) Individually designed insignia plaque (and mold for same).
      
      (4) Historical data plaques.
      
      (5) Navy efficiency award plaques.

   c. **Distinctive Heraldic Materials**
      
      (1) Shoulder sleeve insignia.
      
      (2) Unit identification marks.

   d. **Flags**
      
      (1) Final flags flown (national ensign, jack, commissioning pennant) will be forwarded to the Navy curator.
      
      (2) Flags flown in significant operations or in battle will be forwarded to the Navy curator.

   e. **Loaned or Donated Property**
      
      (1) Sponsor gifts and loans must be reported to the curator for further disposition.
      
      (2) Loaned items from a private person, public agency, or organization (silver service items excepted) will be returned to their owners with a copy of the return documentation to the Navy curator.
f. **Paintings and Photographs.** Paintings and photographs of a naval nature will be forwarded to the Navy curator.

g. **Documents.** Documents related to the history of the activity or command, to include citations, historical correspondence, commemorative brochures of special events and occasions, copies of command histories, briefing packets, command newspapers, technical books, and manuals related to its operational mission. Typical items include:

1. Commissioning brochure.
2. Change of command brochure.
3. Welcome aboard packet.
4. Decommissioning brochure.
5. Ships characteristic cards.
6. Booklet of general plans.
7. Campaign ribbons.
8. Display boards
   a. One ship’s name board.
   b. Special displays created on the vessel’s history and heritage.
10. Trophies.
11. Mission (specific material). Significant items for retention will be coordinated with the Navy curator, TYCOM, and material managers.

4. **Relics Which the Curator May Request from All Vessels Prior to Use in a Fleet Training Exercise or Disposal by Scrap, Experimental Use, or Title Transfer to MARAD.** This is to be used as guidance and is not necessarily absolute. The definition of memorabilia can be subjective; therefore, vessel custodians are encouraged to use good judgment considering the historic nature of an object.

   a. Anchors and anchor chain.
b. Anemometer.
c. Barometer.
d. Bells.
e. Clocks.
f. Communication material.
g. Engine order telegraph.
h. Engine room equipment.
i. Furniture.
j. Guns and guided missile launching systems.
k. Inclinometer and indicators.
l. Life ring buoys.
m. Mission specific material.
n. Navigational equipment.
o. Planking.
p. Plotting boards.
q. Ship specific equipment.
r. Signaling equipment.
s. Steering stand.
t. Submarine specific equipment.
u. Gun tompions.
v. Wheels.
w. Electronic warfare material.
5. Address Where Curator Items Will Be Forwarded

SHIP TO:
Curator for the Department of the Navy
Naval History and Heritage Command
Building 46
Washington Navy Yard
805 Kidder Breese Street SE
Washington, DC 20374-5060
(202) 433-2842/5858
CHAPTER 12
EQUIPMENT REMOVAL POLICY

1. General

   a. Appendix B contains listings of material and items to be off-loaded commensurate with
      the disposition of the ship. Even these listings, prepared with the assistance of interested
      SYSCOMs, bureaus, and offices must be regarded as guides and not absolute. Authority to
      deviate from this list is determined by OPNAV N9I.

   b. Once a ship has been turned over to COMNAVSEASYSCOM INACTSHIPOFF, or a
      nuclear-powered vessel has been turned over to a naval shipyard, the equipment, controlled
      equipage, and repair parts that are authorized for removal will be replaced in the case of
      reactivation, unless the vessel is designated for disposal, or unless replacement is waived by
      OPNAV N9I and recorded in the ship’s inactivation plan.

2. Cannibalizations. Removal will be conducted commensurate with reference (k). Removal
   requests will be supported to the maximum extent possible from non-retention assets and will
   support casualty report requirements only. NAVSUPSYSCOM Weapon Systems Support
   manages cannibalization requests.

   a. Paybacks are required within 12 months for components removed from retention assets
      unless waived by OPNAV N9I. Paybacks are not required for vessels designated as a non-
      retention asset.

   b. For donation hold assets, cannibalization without replacement is authorized provided
      equipment removal does not disturb the cosmetic appearance of the ship, in which case a
      cosmetic carcass may be substituted in lieu of a payback in kind. COMNAVSEASYSCOM is
      the approval authority for these actions.

3. Equipment Removal

   a. Commensurate with reference (i), ships designated for transfer to a foreign government
      must not be stripped except as specifically authorized by OPNAV N9I, in coordination with
      COMNAVSEASYSCOM and Navy IPO. See chapter 6 and reference (i) for additional guidance
      on equipment removals from ships designated as potential FMS assets.

   b. The priority for ship equipment removals will be established by
      COMNAVSEASYSCOM; however, TYCOM will have priority when there is an immediate
      cannibalization request from COMUSFLTFORCOM or COMPACFLT. In addition to
      storeroom and operating space items, each system and equipment life-cycle IM, in consultation
      with appropriate COMNAVSEASYSCOM code, will carefully screen all installed assets for
      insurance items and prioritize the items that have the highest risk and longest lead time for
repair. The COMNAVSEASYSCOM INACTSHIPMAINTO, in coordination with OPNAV ship resource and platform sponsors, will take actions to have identified items from the prioritized list removed and refurbished and certified as ready for issue and then placed in proper storage for potential use.

c. Equipment removed during a ship’s inactivation availability will be authorized by TYCOM in coordination with COMNAVSEASYSCOM and the in-service engineering agent or activity, or IM.

d. During inactive ship storage with COMNAVSEASYSCOM, all equipment removals are managed by COMNAVSEASYSCOM. Paybacks are required within 12 months for components removed from retention and foreign transfer designated assets unless waived by OPNAV N9I. Paybacks are not required for vessels designated as a non-retention asset. Equipment removals should be coordinated with the OPNAV ship resource and platform sponsor.

e. During disposal preparation, all equipment not affecting safe storage or personnel safety is available for removal. All equipment removals are managed by COMNAVSEASYSCOM INACTSHIPMAINTO Equipment Removal System. Activities removing installed equipment will execute all planning in Equipment Removal System. Once the items are removed, the requesting activity will provide the COMNAVSEASYSCOM INACTSHIPMAINTO with the national item identification number, quantity requested, location, and point of contact details in the event the removed items are needed to support a future requirement (e.g., diminished manufacturing sources and material shortage case).

4. Priority for Stripped Ship Material. With the exception of ships designated for FMS transfer, priorities, listed in subparagraphs 4a through 4g below, for material stripped from ships will be observed.

a. The curator of the Navy will have first priority to remove designated items of historical interest. Such items will normally be removed during the inactivation availability.

b. IMs have first priority on the removal of installed equipment, controlled equipage, and repair parts (including storeroom items, maintenance assist modules (MAM), and ready service spares) for which a known or anticipated requirement exists.

c. TYCOM will direct redistribution of all general use consumables and non-controlled equipage to other fleet units. Installed equipment, controlled equipage, and repair parts not designated by IM for turn-in prior to decommissioning may be redistributed by the fleet commanders for immediate use or to fill allowance deficiencies.

d. COMNAVSEASYSCOM INACTSHIPMAINTO has priority, after active fleet and Navy Reserve Force ship requirements are met, to remove materials or equipment to fill allowance deficiencies in selected reserve maintenance category B ships.
e. The fleet commanders (COMUSFLTFORCOM and COMPACFLT), using their CNO designation as area coordinators, may authorize naval activities within their geographical area to remove material or equipment. After higher priority requirements have been met, fleet commanders may issue material in this order of priority:

(1) Naval activities.

(2) Naval Reserve and Fleet Reserve activities.

(3) USCG activities and other government agencies.

f. Prior to ship disposal and after all other equipment stripping requirements are satisfied, stricken ships at COMNAVSEASYSCOM INACTSHIPMAINTO facilities may be open to existing naval ship museum organizations to support the restoration of existing museum ships. Material donation transfers are to be documented with a DD Form 1149 Requisition and Invoice and Shipping Document.

g. COMNAVSEASYSCOM will approve any extensions in ship disposal schedules necessary for the removal of equipment and material necessary to support the active fleet.

5. Stripping Procedures

a. Stripping and the transfer of custody of decommissioned and stricken ships will use the guidelines in subparagraphs 5a(1) through 5a(3) below.

(1) Stripping in advance of the ship’s retirement or strike date will commence only when specifically authorized by the TYCOM. Modifications and limitations to the general stripping policy included in this instruction will be specified in the disposal authorization, if required, dependent on type of disposal selected.

(2) The CO of an active ship will perform the duties of a stripping activity (non-industrial) prior to retirement when advance stripping has been authorized.

(3) COMUSFLTFORCOM, COMPACFLT, or COMNAVSEASYSCOM, when requested by the CNO for ships which have not been delivered to a COMNAVSEASYSCOM INACTSHIPMAINTO, will designate an appropriate custodian to take custody of the individual ship or service craft on, or subsequent to, the retirement date for active ships, or strike date for inactive ships. Such designated activities will remain the custodian until the ship is delivered to a COMNAVSEASYSCOM INACTSHIPMAINTO.

b. All removal actions under inactivation will be subject to the conditions in subparagraphs 5b(1) and 5b(2).
(1) Coordination and control by the designated custodian (COMNAVSEASYSCOM INACTSHIPMAINTO, TYCOM, or other as appropriate).

(2) Removal of material will be accomplished with personnel or funds of the requesting activity except for active ships approved for disposal and authorized to conduct stripping in advance of retirement date.

c. When IMs are exercising their authority to remove material from active ships designated as candidates for strike, they will provide COMUSFLTFORCOM and COMPACFLT commanders, TYCOM, the appropriate COMNAVSEASYSCOM INACTSHIPMAINTO, or other designated stripping activities with lists of installed equipment, repair parts, and items of controlled equipage in critical shortage in the supply system. COMNAVSEASYSCOM is responsible for keeping all IMs advised of the intentions of the CNO to strike a ship from the NVR.

(1) When so advised, the IM will forward a list of required equipment, obsolete items (current or planned), and repair parts to the activities concerned for use as a planning document.

(2) Fleet commanders will not initiate action on these lists until SECNAV approves and CNO announces the strike and authorizes advance stripping. On this announcement, material identified by the IM listings will be turned in to the supply system as expeditiously as resources permit.

(3) Allowable credit for material turned in by fleet personnel to satisfy the specific requirements of the IMs will accrue to the fleet following normal credit procedures.

d. In exercising their redistribution rights, fleet commanders or TYCOMs will send an unclassified naval message to COMNAVSEASYSCOM, and copy to the CNO and the cognizant IM, providing information of the specific material(s) to be removed, and the specific ships to provide and receive the material prior to fleet redistribution of installed equipment. The IM will be allowed 10 days to reply if they desire to exercise their authority to reallocate this material. Fleet commanders or TYCOMs will establish a cut-off date during the period prior to the ship’s decommissioning after which any requests received will be forwarded to the custodian or designated stripping activity.

e. Any installed equipment, which is not classified, not in critical supply, and the removal of which is not economical, will be disposed of with the ship.

f. Classified equipment will be removed or declassified by the custodian commensurate with instructions from the cognizant SYSCOM or IM. Technical assistance or labor required for such action will be furnished by the cognizant SYSCOM or IM at the request of the custodian.
g. COMNAVSEASYSCOM will establish a deadline date for the completion of stripping (non-industrial) for each ship.

h. OPNAV N9I will resolve, commensurate with procedures contained herein, all questions concerning priority requirements of material or equipment to be removed.

6. Reinstallation of Removed Equipment. All equipment removed from inactivating ships is subject to reinstallation if the disposition of the ship is retention asset or is designated for FMS. The reinstallation of the equipment will be funded and completed by the command responsible for the equipment removal.
1. **General.** This chapter sets forth the policy for activation and inactivation of ships to be assigned duty with MSC. Funding associated with MSC ships is in chapter 9, paragraph 4.

2. **Custody.** Custody of ships will be transferred between COMNAVSEASYSCOM and MSC as mutually agreed. MSC ships designated for disposal on inactivation will first be offered to the MARAD for title transfer on arrival at a MARAD NDRF facility.

3. **Activation**
   
   a. The responsibility, on mobilization and under conditions other than mobilization, for the activation of ships assigned to the NDRF and held for MSC use rests with MSC. The ships will be activated, on transfer of custody from MARAD to MSC, through a variety of ways selected by the MSC to fit the circumstances. MSC will be the contracting officer for the activation of ships for which MSC is responsible for the activation.
     
   b. The cost of activation and repairs to ships activated in response to DoD requirements will be borne by MSC and recovered through billings to the customer BSO. Alterations, repairs, etc., that are military in character and directed to be accomplished by CNO, will be financed as directed by the CNO. Items requisitioned to fill deficiencies in equipment allowances and subsistence items will be charged to the account for the ship.
     
   c. Military equipment that is retained on board will be maintained in a preserved status by MSC. When a ship is activated for MSC and is assigned to a fleet component within a period of 1 year after activation, the cost of activation will be borne by the fleet component through billings from MSC.
     
   d. For ships not controlled by MARAD, COMNAVSEASYSCOM will provide MSC with disposition instructions for dehumidification equipment and portable gear removed. Dehumidification equipment installed by MARAD while ships are in the NDRF will be removed and retained by MARAD during activation.

4. **Return.** On return of a ship to inactive status, the cost of the items required to fill deficiencies in the allowance list and to replenish the stock of consumable supplies will be borne by MSC and recovered through billings to the customer BSO. The cost of overhaul prior to inactivation, when authorized, and the cost of inactivation of a ship returned directly to inactive status by MSC will be borne by MSC and recovered through billings to the customer BSO. The cost of overhaul prior to inactivation, if required, and inactivation of a ship that was originally activated for MSC and subsequently transferred to a fleet unit, will be borne by COMNAVSEASYSCOM pursuant to existing directives for the inactivation of ships assigned to the fleet.
5. **Alterations.** Alterations of a military character, directed by the CNO to be done during activation, will be financed as directed by the CNO. Alterations of a non-military character that are accomplished during activation will be funded by MSC and billed to the appropriate BSO.

6. **Disposition**

   a. **Retention Assets.** Naval ships withdrawn from service by MSC for inactivation and designated as out of service, in reserve retention assets will normally be laid up in the Navy’s inactive ship inventory commensurate with a COMNAVSEASYSCOM INACTSHIPOFF inactivation plan. If an MSC out of service, in reserve retention asset is laid up in a MARAD NDRF facility, MARAD’s reserve fleet manual safe stowage requirements apply and COMNAVSEASYSCOM INACTSHIPOFF will be responsible for monitoring and continuing readiness of these ships.

   b. **Disposal Assets.** When an MSC ship is designated for disposal on inactivation, MSC ships will first be offered to MARAD for title transfer. When MARAD accepts, the method of inactivation will be commensurate with MARAD’s Reimbursable Vessel Acceptance Report (MA-496) safe stowage requirements and towed directly to an NDRF facility on completion of MSC inactivation. COMNAVSEASYSCOM will coordinate with MSC to tow such ships directly to an NDRF facility.

   c. **Funding.** Responsibilities for the inactivation of Navy ships under MSC command are found in chapter 9.

7. **Funding for Navy-owned Ships in the NDRF.** The ship’s OPNAV ship resource and platform sponsor, via the cognizant customer BSO, is responsible for funding the inactivation work and the cost for first year lay-up of a vessel at MARAD. The inactivation work can be funded from the applicable appropriation commensurate with fiscal policy. All retention costs will be funded from the 2B2G budget line.
CHAPTER 14
TRAINING POLICY

1. General

   a. On inactivation of a ship or class of ships, the appropriate training support must be reviewed for applicability to other classes of ships. A determination must be made regarding continuation of training as the ships are decommissioned. If training involves inter-Service training organization courses, adherence to inter-Service training organization regulations should be considered.

   b. The Naval Education and Training Security Assistance Field Activity (NETSAFA), in cooperation with COMNAVSEASYSCOM, will conduct a review of those courses and training pipelines that support a particular class of ships or individual systems aboard ships to determine the necessity of maintaining the training, in support of potential reactivation of retention assets or in support of FMS programs.

2. Disposition of Training Courses. In the event training is no longer required, the courses are to be disestablished and resources reprogrammed.

   a. Course material, technical training equipment, and training devices that support ships retained as mobilization assets will be placed in storage by NETSAFA until the ship or last ship of the class is stricken; unless NETSAFA determines that there are less costly training alternatives available in the event of mobilization. In the event reactivation of mobilization assets is ordered, courses are to be reestablished as approved by CNO based on the recommendation of NETSAFA, the TYCOM, COMNAVSEASYSCOM, and Naval Education and Training Command (NETC). Additionally, courses must be reviewed to ensure other ships are not affected by deactivation of training.

   b. Once the last ship of a class is stricken, COMNAVSEASYSCOM, in coordination with NETC, resource and platform sponsors, and TYCOMs, will develop and execute a ship class training transition plan that identifies the most cost-effective training method and a timeline for transitioning the training execution from NETC to COMNAVSEASYSCOM. On transition of training execution from NETC to COMNAVSEASYSCOM, course material, technical training equipment, and training devices will be transferred to NETSAFA.

   c. During negotiations for the transfer of ships to other government agencies or foreign nations, a determination will be made as to whether U.S. Navy training support will be included with the transfer of the ship. Courses that support systems aboard ships that were transferred to other government agencies or foreign nations will not be discontinued until final disposition is determined by NETSAFA.
d. Instructors and support staff for discontinued training will be reassigned based on NETC recommendation to Chief of Naval Personnel.
APPENDIX A
DEFINITIONS AND ACRONYMS

1. **Active Status.** Active status ships or service craft are assigned to the active fleets and to their supporting activities or are ships of MSC, which are titled in the United States or are operated under long-term bareboat charter. Ships and service craft in active status are “in commission” or “in service.”

2. **Battle Force Ships.** Includes aircraft carriers, surface combatants, submarines, amphibious warfare ships, mine warfare ships, MSC’s combat logistic force, and fleet support ships in an active status, commensurate with reference (I).

3. **Cannibalization.** Equipment or parts removal for reutilization in response to a request to satisfy Navy casualty report when such parts are not available for drawdown from the supply system. The act of removing serviceable parts from one item of equipment in order to install them on another item of equipment.

4. **Cold Ship Transfer.** Transfer of title for an inactive ship in storage to a Federal, State, local government, or non-government agency or foreign government from the U.S. Navy.

5. **Custodian.** Organization responsible for the safe storage of decommissioned and inactive vessels that are either awaiting disposal or are to be retained as defined by this instruction. Custodial responsibilities are normally assigned by CNO to COMNAVSEASYSCOM or a fleet commander and are then further delegated to a COMNAVSEASYSCOM INACTSHIPOFF or a TYCOM.


7. **Decommissioning Ceremony.** A ceremony that signifies the official retirement of a ship and honors all of the men and women who gave their time, energy, and, for some, their lives while serving aboard. The decommissioning ceremony does not have to occur coincident to the decommissioning date.

8. **Decommissioning Date.** The date the vessel is no longer considered a commissioned vessel. Transfer of command paperwork is signed and legal authority and liability is surrendered by the ship’s CO.

9. **Dismantlement.** Also referred to as scrapping. The breakdown, abatement, and recycling of a ship.

10. **Equipage.** An item that requires management control afloat due to high unit cost, vulnerability to pilferage, and or being essential to the ship’s mission. It does not encompass
installed mechanical, electrical, ordnance, or electronic components or systems. The allowed quantity of equipage items is determined on an individual ship basis. Examples include: lines, firearms, anchor chain, gas masks, copy machines, etc.

11. **Equipment.** Any functional unit of hull, mechanical, electrical, ordnance, or electronic type material that is identified by a component identification number, numerical control code, allowance parts list, or similar designation, or is operated as a component of a system or subsystem. Examples include: pumps, radars, guns, ovens, etc.

12. **Equipment Removal.** Removal from a ship, incident to its inactivation or its disposal, of installed equipment, on-board allowances of spares, repair parts, consumable material, technical manuals, etc., for which there is a requirement.

13. **Excess.** Any property under the control of any Federal agency that is not required for its needs and the discharge of its responsibility.

14. **Expected Service Life (ESL).** The number of years a naval ship is expected to be in service.

15. **Experimental Use.** Utilization of an inactive naval vessel for research and development, or an acquisition program.

16. **Fleet Commanders.** COMUSFLTFORCOM and COMPACFLT are the Navy's fleet commanders. They are the echelon 2, naval service component commanders responsible for executing reference (b) responsibilities for manning, training, maintaining, and equipping naval forces to support combatant commander and naval component commander requirements.

17. **Fleet Training Exercise.** A Navy exercise involving an inactive vessel which is conducted under such conditions that the vessel is likely to sink or is deliberately sunk for the purpose of training personnel, testing weapons, or studying the survivability of ship structures.

18. **Hot Ship Transfer.** Transfer of ship’s custody from the U.S. Navy to a Federal, State, or local government, non-government agency, or foreign government coincident with the ship’s official retirement.

19. **Inactivation.** The process by which a ship is prepared for retirement.

20. **Inactive Ship Inventory.** The total population of inactive ships and service craft that have been retired and are under the custody or responsibility of COMNAVSEASYSCOM’s Navy Inactive Ships Program.

21. **Inactive Status.** Ships and service craft that are in reserve and not currently required for duty in the active fleets or supporting forces.
22. **Inactive Vessel.** Any ship or service craft that has been retired from active service.

23. **Inactivation Availability.** Period of time after a ship shifts from operational status, prior to its official retirement, during which the inactivation process normally commences.

24. **Insurance Items.** Systems, equipment, or major components required to replace damaged installations when such installed items cannot be readily repaired, or when a replacement procured due to extended repair or acquisition lead time. These items do not have an anticipated demand which justifies system stock.

25. **Logistic Support Asset.** An inactivated vessel used as a primary means of cannibalization and equipment removal for ships. Cannibalizations and equipment removal from such vessels is authorized without replacement.

26. **Maintenance Categories.** Indicates the priority sequence for the level of maintenance to be done.

27. **Maritime Administration (MARAD).** An agency of the U.S. Department of Transportation responsible for the NDRF and the Ready Reserve Force.

28. **Material Inspection.** A periodic inspection conducted to ascertain and report to Congress on the material condition and performance capabilities or limitations of Navy ships and submarines as defined by the Board of INSURV, commensurate with references (f) and (g).

29. **Merchant Convertible.** A vessel that can be modified for economically viable merchant use, as determined by MARAD.

30. **Naval Vessel Register (NVR).** A listing of ships and service craft that comprise the official inventory of the U.S. Navy.

31. **Operational Commander.** Organizational authority responsible for effectively using available resources and for planning the employment of, organizing, directing, coordinating and controlling military forces to do assigned missions.

32. **Office of the Chief of Naval Operations (OPNAV).** The CNO is the principal advisor and naval executive to SECNAV on the conduct of naval activities of the DON. Assistants are the Vice Chief of Naval Operations, the DCNOs, and a number of other ranking officers. These officers and their staffs are collectively known as the “Office of the Chief of Naval Operations.”

33. **OPNAV Ship Resource and Platform Sponsor.** Organization within OPNAV responsible for specific ship types in fulfillment of assigned warfare requirements and programs.
34. Out of Commission, In Reserve. Status of a decommissioned Navy ship being held in reserve for future mobilization purposes.


36. Out of Service. Term used for Navy service craft and non-commissioned ships removed from use by the U.S. Navy.

37. Payback. A replacement of equipment or part removed that is equivalent in form, fit, function, and material condition to the equipment or part removed, so that interoperability of the payback is assured if the ship has to be reactivated. Typically applies to those vessels being retained for future mobilization purposes, foreign military transfer, and as potential memorial and museum assets.

38. Retention Asset. A vessel designated as a potential future mobilization asset.

39. Retirement. The transitioning of a naval ship or craft from active to inactive status by decommissioning or placing out of service.

40. Service Craft. A classification of waterborne craft which comprises the waterborne utilitarian craft not classified as ships or boats, designed to operate in coastal and protected waters, and provide general support to combatant forces and shore establishments. Service craft are designated by type in reference (l) and listed in the Craft and Boat Support System and the NVR. This definition is from reference (a).

41. Ships. A classification of water-borne craft which comprises the oceangoing vessels and craft of the Navy, and such other water-borne craft as may be assigned this classification.

42. Special Status. Ships and service craft in special status will include those units for which the Navy is charged with certain responsibilities by reason of custody or title, but which are not in a commissioned or in-Service status. Ships and service craft in special status are “out of commission, special,” or “out of service, special.”

43. Strike. The declaration by SECNAV or designee that a ship or service craft be removed from the NVR.

44. Survey. Any inspection conducted to document the material condition of a ship prior to inactivating.

45. Target Exercise. A Navy exercise with a vessel, conducted on a not-to-sink basis, for the purpose of training personnel, testing weapons, or studying the survivability of ship structures.
46. **Type Commander (TYCOM).** A member of the COMUSFLTFORCOM or COMPACFLT responsible for supervising personnel, training, logistics, maintenance, and other support to naval ships and units for air, surface, and submarines.

47. **Vessel.** Includes every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water.
### Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADCON</td>
<td>administrative control</td>
</tr>
<tr>
<td>ASN (RD&amp;A)</td>
<td>Assistant Secretary of the Navy for Research, Development, and Acquisition</td>
</tr>
<tr>
<td>BSO</td>
<td>budget submitting office</td>
</tr>
<tr>
<td>CNIC</td>
<td>Commander Navy Installations Command</td>
</tr>
<tr>
<td>CNO</td>
<td>Chief of Naval Operations</td>
</tr>
<tr>
<td>CO</td>
<td>commanding officer</td>
</tr>
<tr>
<td>COMNAVAIRLANT</td>
<td>Commander, Naval Air Forces Atlantic</td>
</tr>
<tr>
<td>COMNAVAIRPAC</td>
<td>Commander, Naval Air Forces Pacific</td>
</tr>
<tr>
<td>COMNAVAIRSYSCOM</td>
<td>Commander, Naval Air Systems Command</td>
</tr>
<tr>
<td>COMNAVSEASYSCOM</td>
<td>Commander, Naval Sea Systems Command</td>
</tr>
<tr>
<td>COMSUBFOR</td>
<td>Commander, Submarine Forces</td>
</tr>
<tr>
<td>COMSUBPAC</td>
<td>Commander, Submarine Forces, Pacific</td>
</tr>
<tr>
<td>COMNAVSUPSYSCOM</td>
<td>Commander, Naval Supply Systems Command</td>
</tr>
<tr>
<td>COMNAVSURFLANT</td>
<td>Commander, Naval Surface Forces, Atlantic</td>
</tr>
<tr>
<td>COMNAVSURFPAC</td>
<td>Commander, Naval Surface Forces, Pacific</td>
</tr>
<tr>
<td>COMNAWWARSYSCOM</td>
<td>Commander, Naval Information Warfare Systems Command</td>
</tr>
<tr>
<td>COMPACFLT</td>
<td>Commander, U.S. Pacific Fleet</td>
</tr>
<tr>
<td>COMUSFLTFORCOM</td>
<td>Commander, U.S. Fleet Forces Command</td>
</tr>
<tr>
<td>DASN</td>
<td>Deputy Assistant Secretary of the Navy</td>
</tr>
<tr>
<td>DCNO</td>
<td>Deputy Chief of Naval Operations</td>
</tr>
<tr>
<td>DNS</td>
<td>Director, Navy Staff</td>
</tr>
<tr>
<td>DON</td>
<td>Department of the Navy</td>
</tr>
<tr>
<td>ESL</td>
<td>expected service life</td>
</tr>
<tr>
<td>FMB</td>
<td>Department of the Navy, Office of Financial Management and</td>
</tr>
<tr>
<td></td>
<td>Budget</td>
</tr>
<tr>
<td>FMS</td>
<td>foreign military sales</td>
</tr>
<tr>
<td>FY</td>
<td>fiscal year</td>
</tr>
<tr>
<td>FYDP</td>
<td>Future Years Defense Program</td>
</tr>
<tr>
<td>IM</td>
<td>inventory manager</td>
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<tr>
<td>INACTSHIPMAINTO</td>
<td>Inactive Ships On-site Maintenance Office</td>
</tr>
<tr>
<td>INACTSHIPOFF</td>
<td>Inactive Ships Management Office</td>
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<tr>
<td>INSURV</td>
<td>Board of Inspection and Survey</td>
</tr>
<tr>
<td>LOA</td>
<td>letter of offer and acceptance</td>
</tr>
<tr>
<td>MAM</td>
<td>maintenance assist modules</td>
</tr>
<tr>
<td>MARAD</td>
<td>Maritime Administration</td>
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<tr>
<td>MSC</td>
<td>Military Sealift Command</td>
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<tr>
<td>Navy IPO</td>
<td>Navy International Programs Office</td>
</tr>
<tr>
<td>NDRF</td>
<td>National Defense Reserve Fleet</td>
</tr>
<tr>
<td>NETC</td>
<td>Naval Education and Training Command</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>-----------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>NETSAFA</td>
<td>Naval Education and Training Security Assistance Field Activity</td>
</tr>
<tr>
<td>OPCON</td>
<td>operational control</td>
</tr>
<tr>
<td>OPNAV</td>
<td>Office of the Chief of Naval Operations</td>
</tr>
<tr>
<td>POM</td>
<td>program objective memorandum</td>
</tr>
<tr>
<td>PPBE</td>
<td>Planning, Programming, Budgeting and Execution</td>
</tr>
<tr>
<td>SECNAV</td>
<td>Secretary of the Navy</td>
</tr>
<tr>
<td>SYSCOM</td>
<td>systems command</td>
</tr>
<tr>
<td>TYCOM</td>
<td>type commander</td>
</tr>
<tr>
<td>USCG</td>
<td>United States Coast Guard</td>
</tr>
<tr>
<td>USMC</td>
<td>United States Marine Corps</td>
</tr>
<tr>
<td>USNS</td>
<td>United States Naval Ship</td>
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### APPENDIX B

**EQUIPMENT REMOVAL DURING DECOMMISSIONING INACTIVATION**

<table>
<thead>
<tr>
<th>TYPE OF MATERIAL</th>
<th>RETENTION</th>
<th>TYPE OF SHIP DISPOSITION</th>
<th>NON-RETENTION</th>
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<tbody>
<tr>
<td></td>
<td>Mobilization</td>
<td>Logistic Support Asset</td>
<td>Foreign Military Sales Hot Transfer</td>
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<tr>
<td>Bench stocks</td>
<td>C</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>Storeroom consumables</td>
<td>C</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>All repair parts, spares, and maintenance assist module (MAM)</td>
<td>A</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>Installed combat systems</td>
<td>C</td>
<td>C</td>
<td>F</td>
</tr>
<tr>
<td>Installed command, control, communications, computers, and intelligence systems</td>
<td>C</td>
<td>C</td>
<td>F</td>
</tr>
<tr>
<td>Installed hull, mechanical &amp; electrical (HM&amp;E) systems</td>
<td>A</td>
<td>C</td>
<td>F</td>
</tr>
<tr>
<td>Test equipment</td>
<td>A</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>Item manager controlled equipment</td>
<td>B</td>
<td>B</td>
<td>D</td>
</tr>
<tr>
<td>Medical/dental supplies</td>
<td>C</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>Curator interest items</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Welfare and recreation equipment</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Cash registers</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Merchandise in ship’s store and in clothing and small stores</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Resale system-owned equipment</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Radiac equipment</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Biological warfare and or chemical warfare protective clothing</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Chemical and biological agent detection equipment</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Dosimeters</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Night vision devices</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Non-commercial satellite communication equipment</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Special purpose test equipment for electronic equipment that will not transfer with the vessel</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Sonobuoys and sonobuoy data links</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Micro-miniature repair stations</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Field calibration equipment</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Site television system</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Record message traffic processing equipment</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>Material that provides low observable capability</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>All biometric collection equipment and its peripherals</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>All body armor systems</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Laser range finders</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Non-lethal weapons</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
</tbody>
</table>

Note: This table is provided for planning purposes. For specific guidance on disposition of other than installed equipment for foreign military systems transfers, see reference (i). Additional guidance on the removal of equipment from inactivating ships is in chapter 12.

1. A – Retain aboard (except for non-transferable technology items on vessels designated for foreign transfer). Special consideration will be given to ensure that non-transferable technology is removed or sanitized prior to inactivation.
2. B – Offload for return to supply system or IM. Except for FMS hold ships, excess material not required by the supply system or IM will be offloaded to the Defense Reutilization and Marketing Office. Navy Tactical Command Support System equipment is redistributed by COMNAVWARSYSCOM Headquarters.

3. C – TYCOM redistributes; remaining material will be offloaded for return to supply system. Excess material not required by the supply system will be offloaded to Defense Reutilization and Marketing Office. All general use items may be removed and redistributed. For curator interest items, TYCOM will comply with chapter 11. For mobilization assets, COMNAVSEASYSCOM will be responsible for subsequent payback if the vessel is mobilized.

4. D – (See reference (i) for specific guidance on ships designated for foreign military transfer).

5. E – Life-cycle IM will determine if items are required to fill insurance item inventory shortfalls and take actions to remove if needed.

6. F – OPNAV N91 retains discretion as to the disposition. Guidance will be issued on a case-by-case basis. (See chapter 6 for specific guidance).
APPENDIX C
CONVENTIONAL SHIP INACTIVATION TIMELINE

Conventional Ship Inactivation Timeline

*NAVSEA = NAVSEASYCOKM  **CMAV = Continuous maintenance availability
Conventionally-Powered Naval Vessel Lifecycle
Active Fleet Operations

*OCIR = out of commission, in reserve; **OSIR = out of service, in reserve
Nuclear-Powered Vessel Lifecycle
Active Fleet Operations

Operational Requirement

Concept Studies, Design, Construction

Commissioning

33-50 Years (ESL)

Inactivation

In Commission, In Reserve

Decommission and Strike from Naval Vessel Register

Disposal by Recycling

Inactivation Planning Begins
APPENDIX E
SHIP DISPOSITION DECISION FLOW CHART

SID*

Recommendation to Inactivate

Military Sealift Command (MSC)

Retention Asset

Non-Retention Asset

Survey

Strike

OCIR**
OSIR***

Logistic Support Asset

Fleet Training
Exercise/Experimental Use

Disposal

Foreign Military Lease****

*SID = Ship inactivation decision
**OCIR = out of commission, in reserve
***OSIR = out of service, in reserve
****Option that requires specific congressional action

Combattant

Non-Combattant

Other DoD Requirements

Memorial/Donation

Foreign Military Sales

Other disposal options
For Amphibs only:
MARAD (>1500 tons and Merchant Convertible)
Artificial Reef
Dismantlement

Other disposal options
MARAD (>1500 tons and Merchant Convertible)
General Services Administration (<1500 tons)
Artificial Reef
Dismantlement

Other DoD Government Agency Requirements

Memorial/Donation

Foreign Military Sales