

**Statement of
The Honorable James L. Oberstar
Hearing On
“Coast Guard Budget and Authorization for Fiscal Year 2009”
February 26, 2008**

Mr. Chairman, thank you for scheduling today's hearing on the Coast Guard's budget and authorization for fiscal year 2009. We are still working on the authorization bill for fiscal year 2008. I applaud you, Mr. Chairman, for the Coast Guard hearings you held last year to include Deepwater, Marine Safety and Administrative Law Judges.

I would also like to commend the Coast Guard for their record year in 2007. Last year, they celebrated one million lives saved since their inception in 1790. They also seized over 350,000 pounds of cocaine with a street value of over \$4.7 billion, setting a new maritime drug interdiction record.

The Coast Guard has experienced tremendous growth in the past 7 years. In FY 2000, their operating expense budget was \$2.7 billion; today it's \$5.5 billion. In FY 2002, the Coast Guard's capital budget was \$389 million. In FY 2007, it was \$1.3 billion. For Fiscal Year 2009, in the President's Budget, they are requesting \$8.8 billion.

The Committee continues to be concerned about the decline in resources for traditional missions of the Coast Guard including, aids-to-navigation, icebreaking, marine environmental protection, drug interdiction, migrant interdiction, defense readiness and protection of living resources. The amounts requested for these programs for FY 2009 are all lower than the amounts that were appropriated in FY 2008. Although the amounts for the remaining missions of search and rescue, marine safety and ports, waterways and coastal security were increased for FY 2009, the Committee remains concerned that the increases are not enough.

There are challenges before us. We must ensure that the Coast Guard has the resources, the tools, and the direction from Congress so that they can effectively carry out all of their missions for the American people.

MARAD has also achieved impressive results in the past year. Since last October, Mr. Connaughton has signed agreements with several shipping companies to provide training opportunities for American maritime academy cadets onboard their U.S. and international vessels. He has also been working with foreign LNG companies to employ U.S. mariners on LNG vessels that will serve the United States and working with them to register their new vessels under the U.S. flag. These initiatives will boost the economy and ensure the U.S. will remain competitive within the international maritime realm.

Last year, Congress directed MARAD to develop a Short Sea Transportation program, to identify short sea transportation routes, and to make U.S.-flag vessels engaged in short sea transportation eligible for participation in the Capital Construction Fund (CCF) program. I am anxious to hear from Mr. Connaughton his plans for successfully implementing this new program.

I look forward to working with you and Ranking Members Mica and LaTourette and to develop a bipartisan Coast Guard Authorization Act of 2008 that can be supported by the Full House. Thank you.