

**Statement of
The Honorable James L. Oberstar
Subcommittee on the Coast Guard and Maritime Transportation
Hearing on
“Fiscal Year 2010 Budget Requests for the United States Coast
Guard, United States Maritime Administration and Federal
Maritime Commission”
May 13, 2009**

Mr. Chairman, thank you for scheduling today's hearing on the Coast Guard, Maritime Administration and Federal Maritime Commission's budget and authorization for fiscal year 2010. I applaud you Mr. Chairman for the hearings you have already held during our 111th session of Congress to include the first congressional hearing on Piracy, Coast Guard Drug and Migrants, and Civil Rights Services and Diversity Initiatives in the Coast Guard.

The fiscal year 2010 President's Budget, requests \$9.67 billion for the Coast Guard which is 4 percent more than what was enacted in fiscal year 2009. The Coast Guard had a phenomenal year in 2008 exceeding the drug seizure record they set in 2007. Last year, the Coast Guard removed over 367,000 pounds of cocaine, over 17,000 pounds more than what they removed in 2007.

I would like to commend the Coast Guard for their dedication to improving their marine safety program, particularly with the release of the Marine Safety Performance Plan last December. Also, I appreciate the growth in the number of marine safety personnel with its request of 75 marine inspectors and investigators for fiscal year 2010.

The Committee continues to be concerned about its performance in non-homeland security missions. According to the Department of Homeland Security Inspector General's report dated December 17, 2008, the Coast Guard only met two of their six targets in non-homeland security missions in fiscal years 2006 and 2007. However, their homeland security mission's performance improved significantly between fiscal years 2001 and 2007. While the homeland security mission is vital and important, there has to be an emphasis on mission balance.

The committee is concerned that the Coast Guard does not have adequate funding and resources including people, planes, cutters, small boats, etc to meet the increasing demand of protecting the safety and security of the American people. The President's Budget request is appreciated, but the Coast Guard needs more people to effectively carry out their job.

The President's Budget requests \$345.5 million for the Maritime Administration which is \$32.1 million more than the 2009 enacted level. This money will fund its operations and training, ship disposal program, maritime security program and the administration of its guaranteed loan program. I'm disappointed to see the Title XI Loan Guarantee Program was not funded in this budget request. This program supports building ships in U.S. shipyards using American workers.

I'm interested to see how MARAD will disperse the \$98 million it received in the 2009 American Recovery and Reinvestment Act for the small shipyard program. This funding should generate and preserve jobs in the shipyard industry by providing funds to build ships in U.S. shipyards.

The President's budget requests \$25 million for the Federal Maritime Commission to cover the costs of its operations, formal proceedings, inspector general and administrative costs. Right now the Commission is operated by three of five Commissioners and this number will decrease to two when Commissioner Creel leaves in June as his term expires.

I applaud the FMC's efforts and their increased number of public meetings over the past year. I would also like to applaud the positive results of their 2008 Federal Human Capital Survey where their employee satisfaction increased 20% since the survey conducted in 2006. While these results are promising, the Committee continues to be concerned about the management and leadership at the Commission.

I want to thank the Commandant and Master Chief Petty Officer of the Coast Guard, the Commissioners of the FMC and Chief Financial Officer of MARAD for being here today and look forward to your testimony. Chairman Cummings, I look forward to working with you and Ranking Members Mica and LoBiondo during this hearing.

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