

U. S. Department of  
Homeland Security

United States  
Coast Guard



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**TESTIMONY OF  
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**ON  
“IMPLEMENTATION OF COAST GUARD PROGRAMS”**

**BEFORE THE  
HOUSE COAST GUARD AND MARITIME TRANSPORTATION SUBCOMMITTEE**

**MARCH 7, 2018**

**Introduction**

Good morning Mr. Chairman and distinguished Members of the Subcommittee. It is my pleasure to be here today to discuss the implementation of key Coast Guard programs, most notably those that have recently undergone a Government Accountability Office evaluation.

First, let me thank you for the outstanding support this subcommittee has given the Coast Guard, especially as it relates to the supplemental funding for hurricane response activities. This critical infusion allows the Service to not only rebuild damaged and destroyed facilities, but also provides the ability to build to modern resiliency standards and ensure the best chance of withstanding future disasters. The Coast Guard is an integral part of the communities these facilities serve, and is committed to continuing to execute its missions in these areas. Your support is helping make this possible.

The U.S. Coast Guard is the world’s premier military, multi-mission, maritime service responsible for the safety, security and stewardship of U.S. waters and hundreds of miles seaward. At all times, a military service and branch of the U.S. Armed Forces, a federal law enforcement agency, a regulatory body, a first responder, and a member of the U.S. Intelligence Community, the Coast Guard stands the watch and serves a nation whose economic prosperity and national security are inextricably linked to broad maritime interests.

The Coast Guard plays a critical role in maritime border security, by protecting and defending more than 100,000 miles of U.S. coastline and inland waterways comprising the Maritime Transportation System, saving thousands of lives per year, and safeguarding the world’s largest Exclusive Economic Zone (EEZ), encompassing 4.5 million square miles of ocean. Securing the Nation’s maritime borders and reducing risk to its ports and infrastructure requires a layered, multi-faceted approach.

Because of the Coast Guard's unique authorities, capabilities, competencies, and partnerships, the Service is well-positioned to undertake such an approach and meet a broad range of maritime border security requirements. This layered approach allows the Coast Guard to detect, deter, and counter threats as early and as far from the U.S. shores as possible. Indeed, the Coast Guard is fully engaged in answering the call and balancing a multitude of dynamic maritime risks facing our Nation.

### **Strategic Focus and Resource Allocation**

The Coast Guard safeguards the Nation's maritime interests in its territorial waters, on the high seas, and abroad. To ensure alignment with national strategies and best position the Service to address myriad complex challenges, the Service developed Western Hemisphere, Arctic, energy, and cyber strategies. Each year, the Coast Guard conducts a strategic review as part of the annual program plan development process to determine areas of focus for improved performance, what initiatives are needed to better attain operational goals, and what effect they may have on the aggressive, but achievable, targets promulgated for each five-year planning horizon. By using these strategies and plans as guideposts, leveraging the intelligence community, and employing a risk-based approach to direct resources where they are most needed, the Coast Guard is able to mitigate maritime threats with greater precision and effect.

This strategic allocation of resources, bearing in mind specific asset capabilities and capacities, is critical to the Coast Guard's ability to operate in dynamic, vast, and diverse areas of responsibility. The Coast Guard has adopted the Standard Operational Planning Process (SOPP) as a deliberate planning system to communicate strategic intent and influence mission execution based on program planning. The system, after considering all of the competing demands for Coast Guard resources, operational risk, and platform availability, allows Coast Guard operational commanders to designate mission priorities and distribute available asset resource hours optimally across Coast Guard missions.

Delegating the tactical control of assets to operational commanders is central to the Coast Guard's success, providing the Service with the capability and flexibility to perform day-to-day operations while also remaining ready to respond to major national contingencies. This approach aligns resources with strategic priorities while allowing operational commanders sufficient flexibility to manage risk, leverage partnerships, and make trade-offs in responsible ways that make sense for their areas of operations. Feedback loops are integrated into the system, and the Coast Guard has established asset allocation processes to ensure mission accomplishment and metrics to measure outcomes.

The Coast Guard's responses to Hurricanes Harvey, Maria, Irma, and Nate demonstrated the value of its versatility and sense of on-scene initiative, as it mobilized over 2,000 active duty members, 800 reservists, and 150 civilians to directly assist more than 11,000 people, reopen critical waterways, and mitigate damage to the environment.

In addition to this impressive hurricane response, in fiscal year 2017, the over 40,000 active duty members, 7,000 reservists, 9,400 civilian employees, and 25,000 volunteer members of the Coast Guard made great achievements in service to the Nation.

The Coast Guard prosecuted over 16,000 search and rescue cases, saving 4,228 lives, assisting 22,000 more, and preserving more than \$76 million in property from loss. Coast Guard men and women also responded to 12,270 pollution incident reports, mitigating damage to sensitive natural resources.

Frontline Coast Guard operators and assets completed over 5,300 security inspections of maritime facilities, 4,468 small vessel security boardings, and 635 boardings of “high-interest” vessels. At the same time, Coast Guard Patrol Forces Southwest Asia, consisting of six patrol boats and 250 personnel, provided near-continuous presence in the Arabian Gulf supporting maritime security operations while providing critical training and capacity building in the region.

Coast Guard marine safety personnel completed 5,300 security-related inspections at Maritime Transportation Security Act regulated facilities, while conducting approximately 39,000 vessel and 16,000 facility inspections. Concurrently, they added more than 5,800 towing vessels to the inspected fleet as the result of requirements set out in the Coast Guard and Maritime Transportation Act of 2004.

The Coast Guard boarded 5,518 domestic fishing vessels to ensure critical fish stocks remain available for future generations. The Service also patrolled the largest Exclusive Economic Zone in the world, supporting the Nation’s sovereign interests and suppressing illegal foreign fishing.

The Coast Guard supports more than \$4.6 trillion of economic activity vital to our Nation’s economic well-being, and it does so by facilitating the movement of people and goods through the Nation’s waterways. The Coast Guard maintains the world’s largest aids to navigation system, servicing nearly 30,000 aids and responding to over 7,700 discrepancies while reviewing 3,600 marine event permit applications and completing over 10,000 waterways activities. The Coast Guard identified and tracked more than 1,000 icebergs threatening ship traffic in the North Atlantic, and dedicated 5,300 operational hours to enable movement of commerce worth over \$1.5 billion through ice impeded waters of the Great Lakes and Eastern Seaboard.”

## **Strategic Challenges**

### *Maritime Border Security*

The Coast Guard is pivotal to securing our Nation’s maritime border. Persistent threats include illegal migration, human trafficking, and the flow of illicit drugs. Transnational Criminal Organizations (TCOs) use networks to commit these dangerous crimes. TCO networks are driven by immense profits from drug trafficking and other illicit activity, and their indiscriminate use of violence weakens regional governments in Central America, stymies legitimate economic activity and development, terrorizes peaceful citizens, and fuels migrant flows.

Coast Guard patrol assets in the maritime approaches to the border get results by employing timely intelligence from an expanding network of partners. The new National Security Cutters (NSCs), Fast Response Cutters (FRCs), and legacy cutter and aircraft fleets achieved impressive operational successes in fiscal year 2017. Coast Guard crews interdicted 2,512 undocumented migrants, and seized a record 223 metric tons of cocaine, 31,190 pounds of marijuana, 6 kilograms of heroin and other opiates, and 168 kilograms of methamphetamines, worth \$6.6 billion

wholesale. Despite this impressive performance, the Service missed its target for cocaine removal by 3 percent. Critical acquisitions like the Offshore Patrol Cutter (OPC), a more capable and reliable replacement for our outdated Medium Endurance Cutters (MEC), are essential to long-term success in securing America's maritime borders.

### *Polar Regions*

As sea lanes in the Arctic open and access to natural resources increases, the Coast Guard is promoting safe and responsible activity within this vital region. In concert with partner nations in the Arctic, the Service continues to solidify maritime governance regimes, strengthen prevention and response capabilities and capacities, and increase domain awareness in this vast and rapidly changing region.

The Coast Guard's enduring success in the polar regions hinges upon assured access and support for U.S. sovereign interests. The Nation's credibility and ability to protect its interests cannot be guaranteed with an aging national icebreaker fleet and it must be recapitalized. The support of the Administration and Congress to procure new heavy polar icebreakers is critical for U.S. national security.

### *Cyber Domain*

Cybersecurity is not only a vital component of economic and national security, but it is also critical to the Coast Guard's ability to fulfill its statutory responsibilities. In addition to safeguarding its own networks from malicious cyber activity, the Coast Guard is developing regulatory approaches and guidance for industry that will instill stronger cybersecurity protocols in the Nation's critical Maritime Transportation System infrastructure. For example, Coast Guard-led Area Maritime Security Committees (AMSC) are incorporating cybersecurity subcommittees into their current practices.

Success is also dependent upon building, developing, and retaining an appropriate cyber skill set in the Service's workforce. Given the growing global demand for cyber professionals, the Coast Guard will be challenged to compete for this highly specialized and uniquely qualified staff.

### *Maritime Safety, Security, and Stewardship*

The prosperity of the Nation is inextricably linked to a safe and efficient Maritime Transportation System. Increased recreational and commercial waterway usage, compounded by growing domestic natural gas extraction and transport, deeper U.S. ports, and the expansion of the Panama and Suez Canals, has placed growing pressure on the Maritime Transportation System. Continued uncertainty and volatility in the domestic energy sector requires dynamic planning efforts on the part of the Coast Guard and its partners to effectively regulate existing and emerging technologies and ensure the safety, security, and environmental stewardship of the Nation's waterways.

### *Living Marine Resources*

Fishery resources are a critical source of sustenance in a world with an ever-increasing population. The Coast Guard's role in the enforcement of laws and regulations that preserve living marine resources is a fundamental and significant mission. It involves two interwoven missions: preventing illegal catch from over-depleting fish stocks, and providing for the safety of the mariners and vessels who fish U.S. waters and perform one of the Nation's most hazardous occupations.

Like maritime border security, significant assets are needed to ensure compliance with fishery laws. Since the majority of fishery activities are beyond the operational range of boats or even smaller cutters, programs like the OPC are critical to providing the appropriate platforms to detect and board vessels and verify compliance. The dispersed and far-reaching nature of this mission resulted in the Coast Guard achieving only 23 percent of its fiscal year 2017 target number of compliance boardings for fishery enforcement.

In addition to protecting the fish stocks, the Coast Guard is charged with protecting the mariners that harvest them. Over the years, the Coast Guard has increased its oversight of fishing vessels through new authorities delegated by Congress. Currently, the Service is seeking ways to improve the range and quality of data it maintains on active fishing vessels and their key characteristics. Additionally, it is exploring alternatives to address new mandates, such as those requiring certain fishing vessels to be classed. The Coast Guard looks forward to working with Congress as it strives to meet new requirements and facilitate legislative intent in this area.

### **Measuring Success**

As the Coast Guard pursues its strategic goals across all missions, aggressive and achievable indicators of mission success are more critical than ever. The Coast Guard was one of the first agencies to adopt the requirements of the Government Performance and Results Act when it was first enacted in 1993, and the Service is committed to continued refinement and expansion of its portfolio of strategic and management metrics to ensure that benchmarks for performance are clearly defined. These metrics are developed in consultation with the Department of Homeland Security and Office of Management and Budget, and they undergo a rigorous vetting process. Only some activities the Coast Guard performs are represented by strategic or management metrics. These key measures are complemented by an extensive array of operational measures that assist Coast Guard leadership at all levels in making informed decisions related to the utilization of assets and personnel across the entire spectrum of Coast Guard mission implementation.

Annually, Coast Guard strategic measures are reported in the Department of Homeland Security's Annual Performance Report and made available to the public. Additionally, the Coast Guard prepares its own Annual Performance Report, which contains the results of all strategic, management, and key operational measures. In alignment with a recent GAO audit recommendation, the Coast Guard will make the Annual Performance Report for fiscal year 2017 publicly available.

## **Conclusion**

A responsive, capable, and agile Coast Guard is an indispensable instrument of national security and, in many cases, the first line of defense for America's vast maritime borders. To ensure the Coast Guard is equipped to address the demands of a rapidly evolving operational environment, the Service, with the continued strong support of the Administration and Congress, will maintain momentum for ongoing asset recapitalization programs while embracing decisions based on the principles of strategic management.

The progress the Coast Guard has made in critical recapitalization efforts is tremendous. However, the Service's greatest strength is undoubtedly its people, and Coast Guard operations require a resilient, capable workforce that draws upon the broad range of skills, talents, and experiences found in the American population. Recognizing that operational platforms are hollow without a capable and proficient workforce, the Service will continue emphasis on talent management by implementing its Human Capital Strategy and its Diversity and Inclusion Strategic Plan. Together, modern platforms and a strong, resilient workforce will ensure the Coast Guard is prepared to meet future challenges.

While many challenges still lie ahead, with the continued support of the Administration and Congress, the Coast Guard's future is bright and it will continue to live up to its motto to be Semper Paratus – Always Ready. Thank you for the opportunity to testify before you today and for all you do for the men and women of the Coast Guard. I look forward to answering your questions.