



**TESTIMONY OF
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ON
UPDATE ON COAST GUARD ACQUISITION PROGRAMS AND
MISSION BALANCE/EFFECTIVENESS

BEFORE THE
HOUSE TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON COAST GUARD AND MARITIME TRANSPORTATION

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Good morning, Chairman Hunter, Ranking Member Garamendi, and distinguished members of the subcommittee. We appreciate the opportunity to testify today and thank you for your enduring support of the United States Coast Guard.

As the world's premier, multi-mission, maritime service, the Coast Guard offers a unique and enduring value to the nation. The only branch of the U.S. Armed Forces within the Department of Homeland Security (DHS), a federal law enforcement agency, a regulatory body, a first responder, and a member of the U.S. Intelligence Community—the Coast Guard is uniquely positioned to help secure the maritime border, combat transnational criminal organizations (TCOs), facilitate and safeguard commerce on America's waterways, and protect our nation's interests in the Polar Regions.

The Department's efforts to secure our borders and execute the Administration's direction "to deploy all lawful means to secure the Nation's southern border"¹ relies on the Coast Guard to support this comprehensive security strategy. The Coast Guard protects the U.S. maritime border—not just by operating in U.S. territorial waters, but by extending out our nation's borders by conducting operations off the coasts of South and Central America. Employing an interdiction package consisting of air and surface assets, specialized personnel, and broad authorities, the Coast Guard is positioned to disrupt illicit trafficking ventures and threats to our nation far from our shores, and where they are most vulnerable—at sea.

Leveraging nearly 30 multilateral and bilateral agreements and working with a host of U.S. and foreign government organizations, the Coast Guard's long-term counter-TCO efforts promote stability and strengthen the rule of law throughout the Western Hemisphere. Improved governance and regional stability decreases TCO-driven violent crime and increases economic opportunities—factors that will result in a reduction in illegal immigration into our nation.

¹ Executive Order on Border Security and Immigration Enforcement Improvements, 25 January 2017.

Working with U.S. Government interagency partners, the Coast Guard seized 223 metric tons of cocaine and detained and transferred 606 smugglers for criminal prosecution in FY 2017. Beyond the important task of removing cocaine from the illicit trafficking system that delivers drugs to U.S. streets, prosecuting smugglers facilitates a deeper understanding of TCOs and helps bolster a unified, all-of-government approach to dismantle these organizations.

The Coast Guard is at all times an Armed Service² that advances national security objectives in ways no other military service can. Our combination of broad authorities and complementary capabilities squarely align with the President's national security and economic prosperity priorities. Appropriately positioned in DHS, the Coast Guard is also an important part of the modern Joint Force³ and offers trusted access to advance mutual interests and preserve U.S. security and prosperity.

As one of the five Armed Forces, the Coast Guard serves as a force multiplier for the Department of Defense (DOD) and deploys world-wide to execute our statutory defense operations mission in support of national security priorities. On any given day, 11 cutters, two maritime patrol aircraft, five helicopters, two specialized boarding teams, and an entire Port Security Unit are supporting all geographic DOD Combatant Commanders, as well as U.S. Cyber Command, on all seven continents. In the Middle East, our squadron of six patrol boats and crews continue to police the waters of the Northern Arabian Gulf in close cooperation with the U.S. Navy, promoting regional peace and stability. Likewise, as one of the principal Federal agencies performing detection and monitoring in the southern maritime transit zone, the Coast Guard provides more than 4,000 hours of maritime patrol aircraft support and 2,000 major cutter days to U.S. Southern Command each year.

We are also the nation's "maritime first responder." Our bias for action, and ability to rapidly surge resources in response to emerging threats, as most recently demonstrated during last fall's devastating hurricane season, are hallmark traits of our Service. Over a five-week period, Hurricanes HARVEY, IRMA, MARIA, and NATE impacted over 2,540 miles of shoreline and Coast Guard men and women in helicopters, boats, cutters, vehicles and on foot rescued over 11,300 people. In addition to vital search and rescue operations, the Coast Guard also facilitated the rapid reopening of affected portions of the country's Marine Transportation System (MTS), opening critical ports and waterways for relief supplies and minimizing impacts to the flow of commerce.

Coast Guard mission readiness relies on the ability to simultaneously execute our full suite of missions, while also being ready to respond to contingencies. Your Coast Guard prides itself on being *Semper Paratus*—Always Ready—and predictable and sufficient resources are necessary to maintain Service readiness in the future. Prudence demands we continue investing in a modernized Coast Guard. Indeed, recapitalization remains a top priority, and today's efforts will shape your Coast Guard and impact national security for decades. Your support has helped us make tremendous progress, and it is critical we build upon our successes to field assets that meet cost, performance, and schedule milestones.

² 14 U.S.C. § 1; 10 U.S.C. § 101

³ In addition to the Coast Guard's status as an Armed Force (10 U.S.C. § 101), see also Memorandum of Agreement Between the Department of Defense and the Department of Homeland Security on the Use of Coast Guard Capabilities and Resources in Support of the National Military Strategy, 02 May 2008, as amended 18 May 2010.

With the support of the Administration and Congress, we are making significant progress toward building new Polar icebreakers. This past March, we released a request for proposal (RFP) as a full and open competition, setting the stage for award of a Detail Design and Construction (DD&C) contract in FY 2019 for the construction of up to three heavy Polar icebreakers. We are as close as we have ever been to recapitalizing our Polar icebreaking fleet; continued investment now is vital to solidify our standing as an Arctic nation and affirms the Coast Guard's role in providing assured, year-round access to the Polar Regions for decades to come.

Later this year, we will start to cut steel on the first Offshore Patrol Cutter (OPC). The OPC will provide the tools to effectively enforce Federal laws, secure our maritime borders, disrupt TCOs, and respond to 21st century threats. Continued progress on this acquisition is absolutely vital to recapitalizing our aging fleet of Medium Endurance Cutters (MECs), some of which have already been in service for over a half century. We are in advanced planning to extend the service life of a portion of our MEC fleet as a bridge until OPCs are delivered, beginning in 2021. In concert with the extended range and capability of the National Security Cutter (NSC) and the enhanced coastal patrol capability of the Fast Response Cutter (FRC), OPCs will be the backbone of the Coast Guard's strategy to project and maintain offshore presence.

We continue to deliver the fleet of new FRCs on budget and on schedule. Later this summer we plan to exercise the second option under the Phase II contract to begin production of six more FRCs. The FY 2018 appropriation included funding for two additional FRCs, beyond our domestic program of record of 58 hulls, to initiate the recapitalization of our six patrol boats supporting enduring U.S. Central Command missions in southwest Asia.

The Service continues efforts to accelerate recapitalization of our long-overlooked fleet of 35 river, construction, and inland buoy tenders, with an average age of over 52 years. Replacing this aging fleet with Waterways Commerce Cutters (WCC), for a modest cost, is critical to sustaining the overall safety of our nation's MTS, which contributes \$4.6 trillion annually to our Gross Domestic Product.

We are also making progress with fielding unmanned aircraft systems, and are working towards awarding a service contract to operate small Unmanned Aircraft Systems (sUAS) on our NSC fleet. During the proof of concept testing aboard STRATTON, sUAS capabilities enhanced effectiveness of the cutter by providing real-time surveillance and detection imagery while assisting the embarked helicopter and law enforcement teams with interdiction operations. Further, we are exploring options for a land-based UAS program to enhance intelligence, surveillance, and reconnaissance (ISR), improve maritime domain awareness, and increase cued intelligence that our surface assets rely on to close illicit pathways in the maritime transit zone. While long-term requirements are still being finalized, we are moving quickly to field this much-needed capability.

The Coast Guard is also currently seeking statutory authority, along with a number of other DHS Operational Components, to acquire and operate capabilities to counter illicit use of UAS when such use threatens the security of the United States. Although the Coast Guard already possesses limited authority to counter UAS's under DOD authority, the additional authority that would be provided in this new authorization will enable the Coast Guard to more effectively conduct its broad range of homeland security missions.

In concert with efforts to acquire new assets, we are focused on improving the existing fleet of cutters and aircraft through sustainment programs. The current work being conducted at the Coast Guard Yard in Curtis Bay, Maryland, includes a Service Life Extension Project (SLEP) to enhance mission readiness and extend the service life of icebreaking tugs by approximately 15 years. We are also continuing the Midlife Maintenance Availability (MMA) on sea-going buoy tenders to address obsolescence of critical ship components and engineering systems. The work on these two platforms is vital to sustaining current mission performance and essential to maritime commerce.

In addition to vessel sustainment projects, work continues at the Aviation Logistics Center in Elizabeth City, North Carolina, where centralized, world-class depot maintenance has been crucial to sustaining the mission performance of our rotary and fixed-wing aviation assets. The Coast Guard has initiated efforts to extend the service life of our aging helicopter fleet until the mid-2030s, when we plan to recapitalize these assets in conjunction with DOD's Future Vertical Lift program.

We are also mindful of the condition of our aging shore infrastructure and the adverse effects it has on readiness across all mission areas. The Coast Guard currently has a \$1.6 billion shore infrastructure construction backlog that includes piers, sectors, stations, aviation facilities, base facilities, training centers, and military housing units. We appreciate the tremendous support of Congress for supplemental funding appropriated in FY 2018 to rebuild our damaged shore infrastructure to resilient, modern-day standards after a series of devastating hurricanes. Continued investment in shore infrastructure is vital to modernizing the Coast Guard and equipping our workforce with the facilities they require to meet mission.

While readiness and modernization investments improve current mission performance, our Service's greatest strength is undoubtedly our people. We are incredibly proud of our 48,000 Active Duty and Reserve members, 8,500 civilians, and over 27,000 volunteer members of the Coast Guard Auxiliary. Coast Guard operations require a resilient, capable workforce that draws upon the broad range of skills, talents, and experiences found in the American population. Together with modern platforms, our proficient, diverse, and adaptable workforce maximizes the Coast Guard's capacity to respond effectively to an increasingly complex operating environment.

History has proven that a ready, relevant, and responsive Coast Guard is an indispensable instrument of national security. With the continued support of the Administration and Congress, we will preserve momentum for our existing acquisition programs and employ risk-based decisions to balance readiness, modernization, and force structure with the evolving demands of the 21st century. Thank you for the opportunity to testify before you today and for all that you do for the men and women of the Coast Guard. We look forward to your questions.