



**TESTIMONY OF
REAR ADMIRAL MICHAEL J. HAYCOCK
ASSISTANT COMMANDANT FOR ACQUISITION AND CHIEF ACQUISITION OFFICER**

**ON
BUILDING A 21ST CENTURY INFRASTRUCTURE FOR AMERICA:
COAST GUARD SEA, LAND, AND AIR CAPABILITIES – PART II**

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

JULY 25, 2017

Good morning Mr. Chairman and distinguished members of the Subcommittee. I appreciate the opportunity to testify today, and thank you for your enduring support of the United States Coast Guard.

As the service's Chief Acquisition Officer, I especially appreciate the unwavering support of this Subcommittee to address our most pressing recapitalization needs. The Coast Guard is working closely with the Department of Homeland Security (DHS) and Congress to efficiently and effectively execute our existing acquisition programs and is employing risk-informed decisions to balance readiness, modernization, and force structure with the evolving demands of the 21st century.

Coast Guard personnel and assets must be ready to simultaneously execute our full suite of missions, sustain requested support to Combatant Commanders, and respond to contingencies when they arise. Your Coast Guard prides itself on being *Semper Paratus* – Always Ready. Prudence demands that we continue investing in a modernized Coast Guard. Indeed, recapitalization remains our highest priority, and today's efforts will shape the 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. I am excited and encouraged by our progress to date.

The Coast Guard is in the midst of recapitalizing the service's surface, aviation and command and control capabilities through more than 20 major and non-major acquisition programs. These efforts are supported by a framework of governance and policies developed by DHS and the Coast Guard; are in line with best practices identified by our federal partners, including the Department of Defense and the U.S. Navy; and are constantly evolving based upon lessons learned.

Over the past year, we have made great progress in delivering enhanced capabilities to operational commanders in the field. In 2016, we awarded a contract to complete build out of our fleet of 58 Fast Response Cutters (FRC) at an affordable price, and just last month we exercised an option to begin production of six FRCs (Sentinel class hulls 39-44). We recently commissioned the 23rd FRC on July 4th and appreciate this Subcommittee's continued support for the program.

In September, we reached a major milestone with the award of a Detail Design and Construction contract for the Offshore Patrol Cutter (OPC). These cutters will eventually comprise 70 percent of Coast Guard surface presence in the offshore zone. OPCs will provide the tools to enforce federal laws more effectively, secure our maritime borders by interdicting threats before they arrive on our shores, disrupt transnational criminal organizations, and respond to 21st-century threats. We will be ordering long lead time material for the first OPC in the next few months to support delivery of the lead hull in 2021.

We have also generated momentum to build new polar icebreakers. A little over one year ago, we made the commitment to partner with the Navy to establish an Integrated Program Office to acquire new heavy polar icebreakers. This approach leverages the expertise of both organizations and is delivering results. The benefits of this partnership were evident in the decision to award multiple Industry Studies contracts, a concept the Navy has utilized in previous shipbuilding acquisitions to drive affordability and reduce schedule and technical risk. We are receiving deliverables from Industry Study teams, which will help us to refine the specification to support delivery of the first heavy icebreaker in late fiscal year 2023. I am happy to report we remain on schedule to release a request for proposal for Detail Design and Construction in fiscal year 2018.

In 2018, we also will evaluate materiel and non-materiel options to replace the capabilities provided by the current fleet of inland tenders and barges commissioned between 1944 and 1990. Given the age and functionality of this fleet, requested funding supports initial Program Management Office exploratory activities to replace this vital capability, including the potential for commercial services and alternative crewing options, as well as recapitalization alternatives.

We are also making progress with unmanned aerial systems. A recent small Unmanned Aircraft System (sUAS) proof of concept aboard a National Security Cutter (NSC) conducted actual interdiction operations, which enhanced the overall effectiveness of the cutter. In its inaugural deployment, the sUAS operated from Coast Guard Cutter STRATTON logged 280 flight hours, provided real-time surveillance and detection imagery for the cutter, and assisted the embarked helicopter and law enforcement teams with the interdiction or disruption of four go-fast vessels carrying more than 5,000 pounds of contraband. A second deployment is currently underway and will provide invaluable information on sensor capabilities and impacts to the host cutter's operational capabilities as we develop a request for proposal for sUAS capabilities across the entire NSC fleet. This cutter-based system will be a tactical game changer for the Coast Guard, complementing our embarked helicopters and cutter boats by equipping our cutters with additional intelligence, surveillance and reconnaissance capabilities.

On the aviation side, we are nearing completion of the C-27J reactivation process and are expecting acceptance of the 14th and final C-27J from the Air Force next month. We are also moving forward with development of mission system suites that integrate command and control and sensor information for HC-130J, HC-144 and C-27J operators.

The enhancements will be based on the Minotaur mission system architecture currently being used by the Department of Defense and DHS and will greatly improve our ability to maintain maritime domain awareness and process/distribute data in real time.

As vigilant stewards of the taxpayers' investment, the Coast Guard is maximizing the capability of our existing fleet of cutters and aircraft through a series of sustainment and enhancement programs. The current work being conducted at the Coast Guard Yard in Curtis Bay, Maryland, includes a Service Life Extension Project to enhance mission readiness and extend the service life of the 140-foot icebreaking tug class by approximately 15 years. These multi-mission assets are key components of the service's efforts to mitigate wintertime flooding and facilitate safe navigation for critical cargos on the Great Lakes and several rivers and harbors in the Northeast. Also, last year, the Coast Guard initiated a Midlife Maintenance Availability on 225-foot sea-going buoy tenders that will address obsolescence of critical ship components and engineering systems. The work on these two platforms is vital to sustaining current mission performance in support of maritime commerce. Similarly in the aviation domain, we are continuing efforts to extend the service life and improve the operational effectiveness of our rotary-wing and fixed-wing aircraft at the Coast Guard's world class depot maintenance facility, the Aviation Logistics Center, located in Elizabeth City, North Carolina.

The Coast Guard is continuing deployment of new and updated C4ISR systems on our assets and at our shore facilities around the country. Rescue 21 and Nationwide Automatic Identification System capabilities are deployed in coastal areas nationwide, and work to expand these systems along the Western Rivers and Alaska are nearing completion. These systems are critical to the Coast Guard's efforts to save lives and enhance maritime awareness in our ports and on inland and coastal waterways. We are also proceeding with installation of enhanced C4ISR systems on board our surface and aviation assets, including deployment of the Sea Commander suite on our NSCs and SeaWatch on our FRCs. This equipment and software provide situational awareness, data processing and information awareness tools required to modernize and recapitalize our shore sites, surface and aviation assets.

While my focus is on executing our acquisition programs, the service is also mindful of our collective need to ensure that the facilities that receive these new assets and the people that will operate and maintain them are properly equipped and trained to meet mission demands. While readiness and modernization investments improve current mission performance, the right force is central to success. The service is incredibly proud of its 88,000 active duty, reserve, civil service, and auxiliary members. Funding 21st-century Coast Guard platforms, infrastructure, and personnel is a smart investment, even in this challenging fiscal environment. Investments in Coast Guard personnel are especially important, as our greatest strength will always be our people. Coast Guard operations require a capable, proficient, and resilient workforce that draws upon the broad range of skills, talents, and experiences found in the American population. Together, modern platforms and a strong, resilient workforce will maximize the Coast Guard's capacity to meet future challenges.

History has proven that a responsive, capable, and agile Coast Guard is an indispensable instrument of national security. Your continued oversight and direction have been critical to our success and with your continued support, we – your Coast Guard – will continue to live up to our motto. We will 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 your questions.