



**TESTIMONY OF  
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ON  
BUILDING A 21<sup>ST</sup> CENTURY INFRASTRUCTURE FOR AMERICA:  
COAST GUARD STAKEHOLDERS' PERSPECTIVES AND JONES ACT FLEET  
CAPABILITIES  
BEFORE THE  
HOUSE TRANSPORTATION AND INFRASTRUCTURE  
SUBCOMMITTEE ON COAST GUARD AND MARITIME TRANSPORTATION  
OCTOBER 3, 2017**

Good morning, Mr. Chairman and distinguished members of the Subcommittee. We appreciate the opportunity to testify today and thank you for your steadfast 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 positioned to help secure the maritime border, combat transnational criminal organizations (TCO), and safeguard commerce on America's waterways. Moreover, we play an important part of the modern Joint Force<sup>1</sup> and act as a force multiplier for the Department of Defense (DoD). We are proud of our enduring defense contributions to Combatant Commanders around the globe. Indeed, the Coast Guard's combination of broad authorities and complementary capabilities squarely align with the President's national security and economic prosperity priorities. We are proud of the return on investment your Coast Guard delivers on an annual basis.

Most recently, the Coast Guard provided response efforts to Hurricane Harvey wherein our air crews and action teams from around the nation assisted in rescue efforts and saved or assisted more than 11,000 people from flooded homes and streets.<sup>2</sup> The Coast Guard continues to work with federal, state, and local agencies in rescue operations and remains focused on the safety of personnel, protecting and positioning Coast Guard assets, search and rescue, and reconstitution.

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<sup>1</sup> 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.

<sup>2</sup> Response efforts as of September 1, 2017.

As a force multiplier and defender of the border, the U.S. Coast Guard has performed increasingly complex missions in the most challenging marine environments. We protect those on the sea, protect the Nation from threats delivered by the sea, and protect the sea itself. Across the Coast Guard's diverse mission set, on all our platforms and in every location, it is our people who get the job done.

Grounded in the Coast Guard's core values of honor, respect, and devotion to duty, more than 80,000 talented men and women perform and support Coast Guard missions day and night, at home and abroad. As missions evolve, the Coast Guard must continually address externally driven workforce challenges. In fact, just as our Commandant formalized operational strategies to chart the Service's course in the Arctic, West Hemisphere, and Cyber realms, so too have we formally plotted the Service's course with our Human Capital Strategy<sup>3</sup>. That long-term human capital focus will ensure that we tackle an increasingly competitive labor market, generational and demographic changes, and new personnel processes across the Federal Government. Moreover, the cost of human capital is also driving the demand for new and innovative human capital management approaches. Personnel costs, in the form of military and civilian pay and allowances, consume approximately 60 percent of the Coast Guard operating base. Our human capital system must be agile, flexible, and adaptive to successfully recruit, train, and retain the workforce of tomorrow. Without question, our ultimate goal is to provide the right people, with the right competencies and experience, to the right place, at the right time in order to accomplish Coast Guard missions and serve the nation.

Many organizations assert that people are their most important resource, but for the U.S. Coast Guard, this part of our culture is the key to the Service's success. Our cutters, boats, aircraft, facilities, and supporting systems play a critical role in mission accomplishment; however, our people deliver success. Developing and maintaining that important resource requires three strategic priorities: meeting the *mission* needs, meeting the *Service* needs, and meeting *people* needs.

To meet mission needs, we must ensure the Coast Guard has a force that can meet steady-state demands while simultaneously maintaining surge capacity for incidents of national significance. These incidents include hurricanes, mass migration, pollution, and other major surge operations. Our Service's recent response to Hurricane Harvey is just one example of our members responding to the Nation's call. To meet service needs, we must foster positive, cohesive, inclusive, and respectful workplace environments that value each element of the Coast Guard workforce—active duty, reserve, civil service, and auxiliary. Recruiting, retaining, and rewarding excellence are essential to meeting this need. Finally, to meet people needs we must cultivate the resiliency of our members and their families and nurture the professional development of our workforce. Morale, well-being, and recreation (MWR) programs; employee assistance services; religious support services; work-life arrangements; and other support services all contribute to this process. Our enduring commitment to the needs of our people sets us apart from other organizations – building the Coast Guard's reputation as a positive organization, a Service of choice in the Armed Forces, and an employer of choice within the Federal government.

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<sup>3</sup> United States Coast Guard Human Capital Strategy published January 2016.

Shore facilities support all Coast Guard operations and personnel, as well as provide required infrastructure to support the needs of the Service's operational communities. Investments in shore infrastructure are critical to modernizing the Coast Guard and equipping our workforce with the facilities required to meet mission. In some cases, aging infrastructure adversely affects operational efficiency and readiness across mission areas.

The Coast Guard currently has a \$1.6 billion shore infrastructure construction backlog comprised of over 95 projects that include piers, Sectors, stations, aviation facilities, Base facilities, training centers, and housing facilities. The Coast Guard has made difficult decisions to postpone necessary facility construction projects in order to recapitalize our aging surface and air fleets. In June, the Coast Guard submitted its FY2018 Unfunded Priorities List, which included over \$430 million to address critical shore infrastructure requirements. This included \$77 million in damaged critical waterfront and station infrastructure that remains unrepaired as a result of Hurricane Matthew in 2016.

Despite these shortfalls, your support has helped us make tremendous progress, and it is critical we build upon our successes. We are excited and encouraged by our progress to date. In 2016, the Coast Guard executed over \$77 million in recapitalization projects, which are crucial for longer-term mission sustainment. Examples of these projects include construction efforts at Stations Sandy Hook, Manasquan, and New York which provided critical infrastructure upgrades to boat maintenance facilities and multi-mission spaces. New family housing was added to the Coast Guard inventory in Astoria, Oregon and Kodiak, Alaska to alleviate a critical housing shortfall in areas where adequate housing is normally unavailable.

In addition to our physical infrastructure, the success of our workforce is dependent on the connectivity built into our network and cyber infrastructure. Our achievements depend on connectivity internal to the Coast Guard, between units and members, as well as connectivity with the American public. The events of Hurricane Harvey have highlighted the critical nature of this infrastructure relationship. Our ability to communicate with one another during the response proved critical and the mission of search and rescue hinged on the ability to hear the distress call.

We also find ourselves challenging the model of how we communicate with the American public as technology rapidly advances. Social media became an essential tool during the recent recovery as telephone lines became overwhelmed. Having the ability to rapidly adjust to new technology and balance the risk presented in the cyber domain requires the underlying Coast Guard network and cyber infrastructure to flex in a way that it was previously unable.

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 rooted on a sound, robust infrastructure 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. With the continued support of the Administration and Congress, the 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. We look forward to your questions.