



**TESTIMONY OF
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ON
COAST GUARD VESSEL RECAPITALIZATION
BEFORE THE
SENATE COMMERCE, SCIENCE, AND TRANSPORTATION
SUBCOMMITTEE ON OCEANS, ATMOSPHERE, FISHERIES AND COAST GUARD
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Good morning Chairman Sullivan, Ranking Member Baldwin, 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.

The Coast Guard offers unique and enduring value to the nation. A branch of the Armed Forces at all times, our combination of broad authorities and complementary capabilities squarely align with the President's national security and economic prosperity priorities. The Coast Guard is also a federal law enforcement agency, a regulatory body, a first responder, and a member of the U.S. Intelligence Community, which uniquely position the Service to help secure the maritime border, combat transnational criminal organizations (TCOs), facilitate and safeguard commerce on America's waterways, and protect our national interests in the Polar Regions.

Coast Guard assets and capabilities serve as a force multiplier for the Department of Defense (DoD) and deploy worldwide to execute statutory defense operations 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 DoD Combatant Commanders, as well as U.S. Cyber Command, on all seven continents. A squadron of six Coast Guard patrol boats and crews continue to patrol 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.

The Coast Guard is 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 this year's devastating hurricane season, are hallmark traits of our Service. Since the landfall of Hurricane Florence, Coast Guard men and women in helicopters, boats, cutters, vehicles and on foot have rescued over 1,100 people. This follows on the heels of last year's historic hurricane season.

Coast Guard mission readiness requires an ability to execute our full suite of missions in the present while simultaneously making the investments necessary to meet mission demands in the future.

Prudence demands we continue investing in a modernized Coast Guard. Recapitalization remains a top priority for the Commandant, and your support has helped us make tremendous progress.

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 the Department of Homeland Security 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.

With the support of the Administration and Congress, we are making significant progress toward building new Polar Security Cutters. 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 Security Cutters. We are as close as we have ever been to recapitalizing our Polar icebreaking fleet; continued investment now is vital to solidifying our standing as an Arctic nation and affirms the Coast Guard's role in providing assured access to the Polar Regions for decades to come.



Last month, the Coast Guard exercised a contract option to begin production of the lead Offshore Patrol Cutter (OPC) and order long lead time materials for the second OPC. This marked a critical milestone for the program and keeps us on schedule to deliver the first OPC in 2021. 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 bridging strategy until OPCs are delivered. 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.

The Service continues efforts to accelerate recapitalization of our 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 investment, is critical to sustaining the overall safety of our nation's Marine Transportation System, which contributes \$4.6 trillion annually to our Gross Domestic Product.



While the aforementioned programs are in the relatively early stages of the acquisition life cycle, the Coast Guard continues to acquire critical cutters and boats at full rate production levels. The service recently accepted delivery of the service's seventh NSC (U.S. Coast Guard Cutter KIMBALL) and issued a contract for long lead time materials for the eleventh NSC. The NSC is capable of operating independently in the most challenging environments including the vast expanses of the Eastern Pacific Ocean where NSCs have led the

Coast Guard's efforts to interdict dangerous narcotics before they can make it to U.S. shores.

We continue to deliver the fleet of new FRCs on budget and on schedule. In August, the Coast Guard exercised the second option under the Phase II contract to begin production of six more FRCs. With this action, the Coast Guard has ordered 50 FRCs to date, including two FRCs to initiate the recapitalization of our six patrol boats supporting enduring U.S. Central Command missions in southwest Asia.



In concert with efforts to acquire new assets, we are focused on maintaining 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.

Recently, the Coast Guard Yard's experience and expertise was put to use to complete a dockside renovation of the NOAA ship Ferdinand R. Hassler on time and under budget. This work was the latest project conducted under a five-year memorandum of understanding between the Coast Guard and NOAA that was signed in 2014.



In addition to vessel acquisition and sustainment projects, work continues to sustain the mission performance of our rotary and fixed-wing aviation assets and to address the condition of our aging shore infrastructure. These efforts are key to the Coast Guard's continued readiness across all mission areas.

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. I look forward to your questions.