



**TESTIMONY OF
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**ON
“COAST GUARD READINESS”**

**BEFORE THE
HOUSE APPROPRIATIONS
SUBCOMMITTEE ON HOMELAND SECURITY**

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Introduction

Chairwoman Roybal-Allard, Ranking Member Fleischmann, 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 evidenced in the Fiscal Year (FY) 2021 Consolidated Appropriations Act. The funding provided sustains critical momentum for Coast Guard surface and aviation fleet recapitalization, injects much needed funding to improve our aging shore and information technology infrastructure, and makes essential investments in our workforce.

While I must defer discussion of the FY 2022 budget details until after the President transmits the full budget to Congress, I will use this opportunity to discuss the current state of the Coast Guard and my sustained focus on Service readiness.

Demand for Coast Guard services remains unprecedented and this past year has challenged the Service as never before. Amidst the global pandemic, Coast Guardsmen, like so many individuals across the Nation, have managed childcare, online schooling, and in some cases care for elderly family members while standing the watch and executing their professional duties.

Undoubtedly, the greatest burden fell on our deployed forces as COVID protocols and restrictions made already demanding in-port training and cutter maintenance periods all the more challenging. Additionally, to keep crews healthy and COVID free, cutters and other deployed personnel operated without port calls or shore-side liberty, making demanding operations even more arduous. However, despite these challenges, your Coast Guard answered the call and delivered mission excellence.

A year ago, in the early stages of the coronavirus pandemic, the Coast Guard, working in close coordination with the Centers for Disease Control and other federal, state, and local municipal interests, facilitated the safe debarkation of over 250,000 passengers and 70,000 crew from cruise ships, including vessels that had been turned away by other nations. Last spring, the Service mobilized 500 Reservists in support of COVID-19 response efforts, and today, Reservists are deployed across the country in support of the Federal Emergency Management Agency's nationwide vaccination roll-out. Throughout the pandemic, the Coast Guard deftly managed COVID impacts and risk across the U.S. Marine Transportation System (MTS), ensuring the continued flow of goods vital to our Nation's economy.

As we adapted to the unique challenges of the pandemic in the past year, Coast Guard forces responded to new threats in the cyber domain, interdicted 130 foreign vessels engaged in illegal fishing in the U.S. Exclusive Economic Zone, conducted 16,000 search and rescue cases, and responded to the most active Atlantic Basin hurricane season on record with 30 named storms, 12 making landfall in the contiguous United States, and six of those landfalls at hurricane strength.

Similarly, in a maritime environment that is increasingly complex, the Coast Guard continued to provide the trusted access, broad authorities, and unique capabilities essential to advancing U.S. interests around the globe. This year, for the first time in nearly 40-years, a Coast Guard heavy icebreaker – the 44-year-old POLAR STAR – deployed to the Arctic in the winter, overcoming treacherous environmental conditions and engineering casualties to project U.S. sovereignty and conduct vital scientific research. Coast Guard cutters on patrol in the Eastern Pacific and Caribbean Basin interdicted 158 metric tons of illegal contraband worth \$5.6 billion, reducing Transnational Criminal Organizations’ illicit profits, as well the “push factors” that trigger illegal migration and fuel violence and instability across Central America. National Security Cutters (NSCs) STONE, BERTHOLF and KIMBALL, and Fast Response Cutters (FRCs) OLIVER BERRY and JOSEPH GERCZAK worked with strategic partners in Oceania and Latin America to combat the threat of Illegal, Unreported, and Unregulated (IUU) fishing. IUU fishing creates ecological damage to the marine environment, jeopardizes food access and sustainable fisheries, threatens the economies of fragile coastal states, and undermines the global maritime rules-based international order. Earlier this month, two of the Service’s newest FRCs, CHARLES MOULTHROPE and ROBERT GOLDMAN, began their trans-Atlantic voyage to their new homeport in Manama, Bahrain. These vessels will replace two of the legacy 110-foot patrol boats stationed at Coast Guard Patrol Forces Southwest Asia, where they provide support to the U.S. Navy’s Fifth Fleet operations in the Arabian Gulf.

As Service Chief, I am extraordinarily proud of our workforce, and I am incredibly grateful to Congress for your enduring support of the Coast Guard. It is a transformational time for our Service, and we must maintain momentum restoring readiness and making strategic investments in the Coast Guard the Nation needs. With the support of both the Congress and the Administration, we must continue recapitalization of our surface and aviation assets, revitalization of our aging shore infrastructure, and strategic investment in modern technologies to recruit, train, and retain a new generation of Americans who better reflect the demographics of the public we serve. In short, we must continue to transform from a 20th century Coast Guard into a 21st century Service – one that stands ready to operate in an increasingly complex, inter-connected, and technologically advanced maritime domain.

Surface Readiness

With the support of the Administration and Congress, we continue efforts to acquire the Nation’s first new heavy polar icebreakers in almost half a century. The \$555 million provided in the FY 2021 Consolidated Appropriations Act funds construction of the second Polar Security Cutter, and funding for the third cutter in this class will be requested in the out years. When fully operational, these Polar Security Cutters will provide the global reach and icebreaking capability necessary to ensure sustained operations in the Polar or High Latitude Regions, access which is critical to projecting U.S. sovereignty and protecting our national interests, countering malign actors, and responding to new mission demands created by climate change.

Further, the FY 2021 Coast Guard appropriation included \$546 million for the Offshore Patrol Cutter (OPC), the Service’s highest acquisition priority. Continued progress on the OPC program

is absolutely vital to recapitalizing the capability provided by our legacy fleet of 210-foot and 270-foot Medium Endurance Cutters (MECs). While these legacy fleet workhorses have served the Nation with distinction, in some cases for more than 55 years, the MEC fleet is becoming more difficult and expensive to maintain, and we continue to see degradations in operational availability. Despite the extraordinary efforts of our men and women, over the last two years alone, our MEC fleet has lost nearly 500 annual patrol days due to unplanned maintenance and repairs, the equivalent of 11 percent of annual MEC fleet capacity. Replacing these aging assets with OPCs is a Service imperative, and absolutely essential for the Coast Guard to effectively carry out its missions in the future.

I am also pleased to report that we are making progress on the recapitalization of our inland tender fleet – some of which have been in service since the 1940s. These cutters have the herculean responsibility of maintaining both fixed and floating aids to navigation on the U.S. MTS – the 25,000 miles of rivers and navigable channels that support \$5.4 trillion in annual commerce and 31 million jobs. The MTS is the lifeblood of the U.S. economy, supporting 26 percent of our Nation’s Gross Domestic Product (GDP). However, this aging fleet is plagued with increasing maintenance costs due to unplanned casualties, and their configuration cannot support mixed gender crews. The \$25 million provided in the FY 2021 appropriation will help us maintain momentum on our Waterways Commerce Cutter (WCC) acquisition. These cutters – which will replace our legacy inland tender fleet – will feature a modern design, including propulsion and crew habitability, and will enable gender equity in this segment of our cutter forces community for the first time in history. The Coast Guard anticipates awarding a detail design and construction contract for the WCC in FY 2022, with delivery of the first ship scheduled for FY 2024.

Aviation Readiness

As Atlantic Forces Commander and now Commandant, I have become increasingly concerned about our ability to sustain operations with our legacy rotary wing fleet. Our current fleet includes 98 MH-65 Dolphin and 48 MH-60 Jayhawk helicopters. Both helicopters are undergoing essential Service Life Extension Programs (SLEP) to push current capabilities into the mid-2030s. However, the rapidly declining availability of MH-65 parts is revealing that SLEP alone will no longer ensure MH-65 readiness that far into the future.

Even with a healthy supply chain, the MH-65 fleet will exceed its service life well before 2040. Conversely, the DoD operates more than 4,000 H-60s and is poised to continue H-60 operations until Future Vertical Lift technologies are fully deployed. Combined with the rapid growth in use of the H-60 variant in the civil aviation sector, the domestic H-60 supply chain will remain viable well past 2040.

So, while completion of the MH-65 and MH-60 SLEP remains an imperative to maintaining current capability, the Coast Guard must immediately begin transitioning towards a single-airframe rotary wing fleet comprised of MH-60 helicopters.

With investment, the Coast Guard can assemble MH-60s and increase the MH-60 program of record at our Aviation Logistics Center, using proven production processes for converting and assembling either relatively low hour former Navy hulls in what we call the “sundowner” program, or new hulls from the Original Equipment Manufacturer. Transition to an all MH-60 fleet improves mission effectiveness due to the Jayhawk’s greater range, endurance, and power-to-weight ratios, and would serve to streamline the Service’s training and logistics systems, while providing for a smaller total fleet inventory.

The FY 2021 appropriation contains \$29 million to enable the Service to convert Air Station Borinquen, Puerto Rico from MH-65 to MH-60 helicopters this summer, a critical first step towards this rotary wing fleet transition.

We are also incredibly thankful for the \$110 million contained in the FY 2021 appropriation for the purchase of our eighteenth HC-130J long range surveillance aircraft and mission systems. This aircraft continues the modernization of our fixed-wing aviation assets. The HC-130J is far more capable and modern than the HC-130H it replaces, with increased range and fuel efficiency, state-of-the-market avionics, including all-glass cockpit displays, improved navigation equipment, and the Minotaur mission system suite. Minotaur promotes interoperability between the Coast Guard, Navy, Marine Corps, and Customs and Border Protection (CBP), and allows for real-time sharing of critical mission-related data, enhancing maritime domain awareness between assets and organizations. This and further investment in the HC-130J will directly support the Coast Guard’s capability to safeguard life at sea, secure the U.S. border and approaches, disrupt and dismantle TCOs, and respond to contingencies.

Infrastructure Readiness

I am particularly 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 \$2 billion shore infrastructure recapitalization backlog that includes cutter piers; sectors, stations, aviation and base facilities; training centers; and military housing units. Additionally, struggling to keep pace with needed recapitalization rates, the Coast Guard is also accruing a backlog of nearly \$1 billion in deferred, depot-level shore infrastructure maintenance projects. At the same time, as we bring new cutters and aircraft online, we have a need to construct new or to upgrade existing infrastructure to homeport these assets and support our crews. Of note, construction is underway on the first Offshore Patrol Cutter homeport in San Pedro, California, and we continue to plan for major homeport infrastructure investments in Kodiak, Alaska; Charleston, South Carolina; Newport, Rhode Island; and Seattle, Washington. We expect substantial growth in Coast Guard assets and personnel in these locations in the coming years.

We greatly appreciate the more than \$363 million provided by Congress in FY 2021 to support critical shore facility investments in Alaska, Florida, Hawaii, Maine, Maryland, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, and Washington. Sustaining this momentum going forward is essential to providing our Coast Guard men and women with the modern facilities necessary to support 21st century Coast Guard operations.

While these investments enhance the resilience of our infrastructure portfolio, we still have more work to do as our facilities face new threats from natural hazards and the impacts of climate change. We are in the midst of a multi-year, multi-phase effort to assess the vulnerability of our shore infrastructure to hazards, including seismic risk, hurricanes, and sea-level rise. These shore infrastructure vulnerability assessments will help us better understand the risks to our infrastructure and how we can best protect our investments from future damage.

As we consider investments in our aging infrastructure, we are also conscious of the need to address environmental remediation issues and divest of properties we no longer need. Given the Coast Guard's \$130 million backlog in Environmental Compliance and Restoration (EC&R) projects, we appreciate Congress' support of \$2.5 million in additional EC&R funding in the FY 2021 appropriation to carry out environmental remediation activities at Coast Guard housing sites, and the additional \$5 million to evaluate potential impacts of emerging contaminants – specifically, per- and poly-fluoroalkyl substances, also known as PFAS – at Coast Guard facilities. The Service is committed to pursuing preliminary assessments and site investigations – modeling processes established in the Comprehensive Environmental Response, Liability, and Compensation Act (CERCLA) – to determine the extent of PFAS contamination at Coast Guard facilities and to respond appropriately.

Technological Readiness

In February 2020, I announced the start of a Coast Guard “Technology Revolution” – a “Whole of Service” effort to ensure that our dedicated workforce is supported by a reliable, mobile, and integrated information system. With your support in the 2020 Coronavirus, Aid, Relief, and Economic Security (CARES) Act, the Coast Guard was able to make over \$85 million in investments towards crucial modernization efforts, from hardware and network upgrades that facilitated remote work and telehealth capabilities, to modern data analytics tools whose versatility helped Coast Guard leaders mitigate the unprecedented challenges of the COVID-19 pandemic with accurate and up-to-date personnel protective equipment and vaccine tracking and distribution.

Furthermore, with the more than \$100 million provided in the FY 2021 appropriation, we will continue investments in software modernization and network defense, replacement of obsolete hardware, and we will begin the transition to an enterprise big data platform. We will also significantly improve connectivity for our men and women at sea, facilitating uninterrupted administrative functions while underway, and providing improved work-life balance and an increase to both their personal and professional developmental opportunities.

To have a truly 21st Century Coast Guard, we must build off this momentum and accelerate our efforts. We must continue to make critical investments in our network, hardware, and software – including tools that improve the efficiency and effectiveness of our operators in the field. Our personnel need mobile solutions where they will have the most impact, whether that's a recruiter with a portable toolkit or a marine inspector verifying the safety of commercial vessels entering our ports. Mobile and reliable capabilities require a modern information technology backbone, and we must leverage redundant broadband networks, Wi-Fi, and resilient architecture through last mile delivery to our operational units to ensure no single point of failure. Mobile tools and modern infrastructure will also provide the Coast Guard with the opportunity to leverage enterprise data. A big data platform, combined with tailored analytical capabilities like Artificial Intelligence and Machine Learning, will allow the Coast Guard to harness data at scale, improving the effectiveness of our operations and the efficiency of our organization.

The Coast Guard's "Technology Revolution" initiatives must also enhance our support of the U.S. maritime industry – particularly our merchant mariner licensing and documentation processes. The security and integrity of U.S. mariner credentialing depends upon a world-class, data-driven credentialing system; however, the current antiquated program is unreliable and obsolete. Each year, the Coast Guard's National Maritime Center issues approximately 125,000 credentials, endorsements, and medical certificates; however, these efforts are impeded by a system that is outdated and has deficiencies with records management, quality control, examination tracking, and data verification. I am grateful for the \$12 million Congress appropriated between FY 2020 and FY 2021 to start the modernization of our legacy merchant mariner credentialing and vessel documentation systems. We must build on the momentum generated by this funding to develop and deploy a world-class credentialing and vessel documentation system for our Nation's maritime industry.

In addition to improvements in Coast Guard IT systems, we must also focus on the growing vulnerability of the nation's MTS to cyber threats. With \$5.4 trillion in economic activity flowing through our ports, waterways, and inland rivers, the U.S. MTS must be resilient in the face of modern threats. As the lead federal agency for maritime cybersecurity, the Coast Guard is actively working with federal, state, local, and industry stakeholders to help protect the MTS from cyber incidents and respond, when events occur.

The FY 2021 appropriation included over \$30 million for defensive cyber capabilities to facilitate a more resilient MTS and better defend Coast Guard networks. This places Coast Guard cyber experts at critical ports of entry, resources a second Cyber Protection Team to deter, prevent, and respond to malicious cyber activity targeting the MTS, and helps start to address some of the most critical cyber vulnerabilities in our own information systems. In the face of increasingly sophisticated adversaries, the Coast Guard must rapidly build upon these initiatives and continue to develop the competencies and capabilities to effectively operate in the cyber domain.

Personnel Readiness

At the core of Coast Guard mission success resides our extraordinary people – a diverse workforce of over 56,000 Active Duty, Reserve, and Civilian personnel, supported by 25,000 Coast Guard Auxiliary volunteers. The Coast Guard entrusts and empowers its personnel at every level to lead with a bias for action – taking on-scene initiative and bringing solutions to complex problems. While extremely valuable in executing the Service's missions, these traits may also serve to veil the true impacts of the Coast Guard's readiness challenges. As Coast Guard men and women take it upon themselves to accomplish the mission at all costs, the thousands of added hours required to overcome asset, technology, and infrastructure readiness issues drive workforce fatigue, and come at the expense of training and critical skills retention.

I am incredibly thankful for the FY 2021 appropriation that included \$164 million in pay and benefits increases for our workforce, as well as additional funding to continue our critically important transition to electronic health records and to bolster our childcare subsidy program. FY 2021 funds also support accelerating the modernization of our training system, investing in critical course development; the hiring of additional recruiters; and substantial investments in family housing projects in Kodiak, Alaska and Staten Island, New York. Additionally, this funding enables the Coast Guard to provide increased resources to support workforce mental health needs, enabling the Service to continue efforts started as part of our multi-faceted response to the coronavirus pandemic.

With your support in the 2020 CARES Act, we were able to mobilize Coast Guard reservists to staff Permanent Change of Station assistance teams. These teams facilitated the safe transfer of over 13,000 Coast Guard members and their families during the coronavirus pandemic, ensuring members were aware of local risks and safety measures as they moved their families to new duty stations. Perhaps most importantly, through language contained in the FY 2021 National Defense Authorization Act, the Coast Guard Military Retirement and Survivor Benefit Plan liabilities will permanently transfer to the DoD Military Retirement Fund. The Coast Guard is working in lock-step with DoD to transition the payment of obligations no later than October 1, 2022. This historic provision provides parity with the other Armed Forces and will guarantee that our retirees are paid in the event of a future government shutdown.

Going forward, I remain committed to providing our dedicated and talented workforce with the tools, resources, and policies that will enable them to professionally thrive and personally grow. As the Coast Guard brings new assets online, it becomes increasingly critical that we remain focused on our personnel. In order to attract new Coast Guard members into a sea going career, and retain them in that career path, the Service must have the available resources to not only invest in sea-duty retention pay and other bonuses, but must also be able to make critical investments in areas such as cutter underway connectivity, shore-side maintenance support, and new training and educational opportunities. Likewise, we must continue to pursue policies and practices that enable the Service to recruit and retain a workforce increasingly representative of the American public we serve. We remain committed to creating an environment that not only attracts the best of our Nation's diverse talent, but also provides an inclusive environment and rich experience that positions the Coast Guard to be an employer of choice in a highly competitive marketplace for talent.

Conclusion

The Coast Guard is in the midst of the largest recapitalization effort in its history – an effort critical to building the Coast Guard the Nation needs to meet increasingly complex national security threats, and to advance America's economic prosperity. New assets alone are insufficient to sustain a mission-ready Coast Guard. Service readiness also requires investments in people, infrastructure, and technology. We must also maintain momentum on these critical fronts.

With the continued support of both the Administration and Congress, your Coast Guard will live up to our motto – *Semper Paratus* – Always Ready. Thank you for your enduring support of the men and women of the Coast Guard, and for the opportunity to testify here today.