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TESTIMONY OF
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DEPUTY COMMANDANT FOR MISSION SUPPORT
ON

"RECAPITALIZATION OF THE UNITED STATES COAST GUARD"

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

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INTRODUCTION

Good morning, Chairman Webster, Ranking Member Carbajal, and distinguished members of the Subcommittee. Thank you for your continued oversight and strong support of the Coast Guard. I am honored to appear before you today to update you on our ongoing efforts to recapitalize our aging surface and aviation fleets; Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance (C5ISR) systems; and shore infrastructure.

Our Commandant speaks regularly about the need to adapt to the ever-increasing pace of change. To keep up with the changing world around us, we must provide our total workforce with modern assets, systems, and infrastructure to support mission execution. In line with this direction, the Service needs continued Congressional support to invest in a multibillion-dollar portfolio of acquisition programs that will deliver the right capabilities for the Service. At the same time, the Coast Guard continues to prioritize investments in shore infrastructure, where every mission begins and ends: the facilities, piers, runways, and buildings that are as necessary for operations as our ships, boats, aircraft, and C5ISR systems.

Indeed, the Service's largest recapitalization effort since World War II remains a top priority for the Commandant. Today's efforts to invest in tomorrow's needs will shape the Coast Guard and impact national security for decades. This Subcommittee's continued support has helped us make tremendous progress, and it is critical that we continue to deliver assets to the field that improve mission execution and provide the capabilities the Nation needs. Simply put, we must act today to be prepared for tomorrow.

THE COAST GUARD ACQUISITION ENTERPRISE

As the Chief Mission Support Officer of the Coast Guard, I lead a talented team of professionals dedicated to building and maintaining a modern force of assets, infrastructure, and systems that meet the needs of the Service. Acquisitions require executable strategies that consider the need to plan and scope acquisitions before work begins; to oversee the design and production processes; and to prepare future crews and the maintenance community for the delivery and future operation of new capabilities.

To bolster acquisition oversight, the Coast Guard has developed an acquisition governance structure, continues to refine that structure, strengthen processes, institutionalize the roles of our technical authorities, and focus on recruiting and retaining a highly capable acquisition workforce. We continue to implement initiatives to minimize risks and maximize affordability within our complex acquisition programs. We leverage the experience and expertise of our partners to perform key functions and guide Coast Guard decision-makers throughout the acquisition life cycle.

STATUS OF KEY ACQUISITION EFFORTS

The Coast Guard continues to make progress in our efforts to recapitalize the fleet and support systems. The Service is taking delivery of new cutters, aviation assets, boats, C5ISR capabilities, and upgraded shore infrastructure, and investing in critical mission-enabling service life extensions, major maintenance, and key upgrades of the legacy surface and aviation fleet to enhance mission readiness and performance.

Surface Programs:
With the strong support of this Subcommittee, we are moving forward with the acquisition of the Nation's first new heavy polar icebreakers in over four decades. The United States is an Arctic nation, and we have both sovereign rights and responsibilities to safeguard our interests in the Arctic. Similarly, the United States has strong interests in the Antarctic region. Coast Guard polar icebreakers are the foundation of U.S. operational presence and influence in the polar regions. These multi-mission cutters provide assured, year-round access not only for Coast Guard missions, but also in support of critical activities that protect key U.S. interests in the high latitudes.

Along with the Offshore Patrol Cutter (OPC), the Polar Security Cutter (PSC) is the Coast Guard's top acquisition priority. When fully operational, the three PSCs the nation requires will provide the global reach and icebreaking capability necessary to project U.S. presence and influence, conduct Coast Guard missions in the high latitudes, and advance our national interests in the Arctic and Antarctic regions.

The Coast Guard and Navy have established an Integrated Program Office (IPO) to leverage each service's experience and expertise in large, complex vessel acquisition programs. Both services remain committed to attaining the necessary design maturity prior to beginning production activities. This approach ensures shipyard readiness and mitigates overall schedule risk. Detail design activities are ongoing, and long lead-time material for the lead ship have been delivered to the shipyard. The IPO has adopted an innovative and incremental approach to support early production, Prototype Fabrication Assessment (PFA), which is based on Navy best practices. By prioritizing and starting construction on up to eight low-risk modules, PFA allows the shipbuilder to progressively build workforce capability, test new processes and equipment, and reduce production risk. To date, four modules have been authorized for construction. These modules have achieved near 100 percent design maturity and present very low risk of re-work. These modules, unlike work done under special studies previously authorized, will be part of the first PSC.

Earlier this year and in accordance with statutory and policy requirements, the Coast Guard notified Congress that the PSC program would exceed cost and schedule thresholds. The program is in the process of reviewing cost and schedule projections provided by the PSC prime contractor to formally establish new cost and schedule parameters in the acquisition program baseline. This

work is occurring in parallel with ongoing program activities to support delivery of the PSC fleet as quickly as possible.

The OPC also remains a top acquisition priority for the Service and is vital to recapitalizing the capability provided by our legacy fleet of 210-foot and 270-foot Medium Endurance Cutters (MEC). The program is progressing, with production of OPCs 1-4 underway with the Stage 1 contractor. The lead OPC, *Argus*, was launched and christened October 27, 2023, and production activities continue with delivery of OPC 1 scheduled in Fiscal Year (FY) 2025. Additionally, the Service is continuing with design activities on the Stage 2 contract, which will lead to the future production of up to 11 additional OPCs.

As a bridging strategy to maintain mission capabilities until the OPCs are delivered, the Coast Guard has begun 270-foot MEC service life extension program (SLEP) activities that address key systems and component obsolescence on board the MECs, the first of which just exceeded 40 years in service. Two SLEP prototypes have been completed to date, including CGC *Harriet Lane*, which recently returned to the operational fleet, was designated as the Indo-Pacific Support Cutter and is currently providing additional mission capability in that critical region. The first full 270-foot MEC SLEP is currently underway at the Coast Guard Yard.

In 2022, the Coast Guard awarded a contract for the design and future production of the river buoy tender and inland construction tender variants of the Waterways Commerce Cutter (WCC) fleet. The contract includes options for production of up to 27 cutters, and a separate effort is planned to deliver three inland buoy tenders to achieve a total fleet of 30 WCCs. The program recently established the required cost, schedule, and performance parameters to allow the Service to proceed with the initial purchases of long lead-time material to support construction of the first two WCC variants.

Investment in our inland fleet is critical to the continued operation of the Marine Transportation System, which facilitates more than $5.4 trillion in annual economic activity. The legacy fleet is approaching obsolescence, maintenance costs are rising, and the vast majority of these cutters do not support mixed-gender berthing. Continued progress toward delivering these new assets and replacing the legacy fleet, which has an average age of over 55 years, is critical to maintaining the Coast Guard's capability to execute this important mission.

The Service continues to deliver National Security Cutters (NSC) and Fast Response Cutters (FRC) to the fleet, providing game changing capabilities to operational commanders and supporting expanded mission demands around the globe. The Coast Guard commissioned the tenth NSC, CGC *Calhoun*, into service this April and has commissioned 55 FRCs into service. Last month, with the support of the Administration and Congress, the FRC program used an available contract option to order two additional FRCs (hulls 66-67) to further the Indo-Pacific Strategy of the United States. The FRCs have demonstrated unmatched capacity to support engagement with partners throughout the Indo-Pacific, and the President's FY 2025 budget request includes additional investments to increase meaningful presence in the region. These investments are absolutely essential to support the rules-based international system, enhance partner capabilities, deter malign actors, and combat the illegal, unreported, and unregulated fishing that threatens economies throughout the Indo-Pacific.

The Department of Homeland Security Appropriations Act, 2024 provides funding for the acquisition of a commercially available polar icebreaker (CAPI). The Service has completed market research and, in large part due to Congressional support to streamline the acquisition process, the Coast Guard is moving forward with an acquisition strategy to procure and begin initial modifications of a CAPI for future service in the Arctic on an accelerated timeline.

In concert with our efforts to acquire new assets, the Service is also focused on sustaining and improving our existing fleet through the In-Service Vessel Sustainment (ISVS) program. The Service is approaching the completion of Major Maintenance Availability activities for the 225-foot seagoing buoy tenders at the Coast Guard Yard in Curtis Bay, Maryland; the last cutter is scheduled to leave the Coast Guard Yard in FY 2025. Planning is underway in advance of future ISVS efforts to conduct a major maintenance availability on the 175-foot Coastal Buoy Tender fleet and the CGC *Healy* SLEP.

CGC *Healy* is the Service's medium polar icebreaker and will begin its SLEP in the near future. That SLEP will be modeled after the phased approach the Service used for our only heavy polar icebreaker, CGC *Polar Star*. Like CGC *Polar Star's* SLEP, CGC *Healy's* SLEP will include five phased availabilities around CGC *Healy's* annual operations.

The Coast Guard is also making investments across the boat fleet, producing the next generation of cutter boats to enhance interdiction capabilities of parent cutters. Additionally, the Coast Guard continues to perform SLEP activities to extend the useful service life of the Service's 47-foot motor lifeboats by replacing obsolete, unsupportable, or maintenance-intensive equipment, and standardizing configuration across the fleet.

Aviation Programs:

The Coast Guard has formally established a program baseline to govern SLEP activities on the existing MH-60T fleet and to continue the transition of the rotary-wing fleets to a single airframe through new fleet growth increments. These efforts will be accomplished using a combination of converted low-time U.S. Navy helicopters and newly manufactured hull components. When combined with structural fitting and dynamic component replacements through the SLEP, the new hulls will extend the service life of the Coast Guard's vertical lift capability into the 2040s.
Service life extension work also continues on the H-65 fleet, including critical avionics upgrades.

Acquisition of new HC-130J airframes is significantly enhancing the Coast Guard's capabilities to conduct airborne surveillance, detection, classification, and identification of vessels and other aircraft missions in coordination with the surface fleet and shoreside facilities. Later this year, we plan to take delivery of the 18th and final HC-144B following the completion of Minotaur missionization and Ocean Sentry Refresh activities. In light of the clear signal from Congress in FY 2024's appropriation, the Service is transitioning away from the HC-27J – we have ceased missionization activities and will retire the remaining un-missionized HC-27J aircraft over the next several years. In the near future the Coast Guard will be providing a brief on the way ahead for our medium range fixed wing capability, including consideration for unmanned systems.

The Coast Guard is delivering standardized missionization packages, based on the U.S. Navy's Minotaur Mission System Suite, that improve system performance, address obsolescence concerns, improve cyber security of the mission system, and increase compatibility with Department of Defense and Department of Homeland Security assets and systems.

Additionally, the Coast Guard continues to leverage the use of unmanned aircraft system (UAS) capabilities to support the surveillance and maritime domain awareness capabilities of the NSC fleet. Nine operational NSCs have been equipped with UAS infrastructure and equipment and routinely deploy with UAS capabilities as part of the cutter's total force package that dramatically enhances their ability to gain maritime domain awareness and interdict smugglers.

C5ISR and Information Technology Programs:
The Coast Guard continues to acquire C5ISR and information technology (IT) systems that enhance the mission capabilities of new and recapitalized Coast Guard assets to operate in challenging environments. The systems provide standardized capability to major cutters and aircraft, enabling assets to receive, evaluate and act upon information, and facilitate interoperability and information sharing inside and outside the Coast Guard. IT efforts like the Cyber and Enterprise Mission Platform program address the need to replace and modernize obsolete support systems to improve mission readiness and operational effectiveness.

Shore Infrastructure:
As Coast Guard leadership have repeatedly noted in testimony before this Subcommittee, shore facility maintenance and recapitalization are critical to mission success. New, more capable assets must be paired with investments in our infrastructure needs. The Coast Guard is committed to taking a leading-edge approach to project planning to ensure the Service is able to effectively execute and deliver the modern and resilient infrastructure required to meet the operational demands of today and tomorrow.

CONCLUSION

Since 1790, the Coast Guard has safeguarded our Nation's maritime interests and natural resources on our rivers, in our ports, on the high seas, and around the world. Each day, the Coast Guard carries out its missions to protect lives, protect the environment, secure our maritime borders, facilitate commerce, and defend our national security. Our mission support and acquisition enterprises are, likewise, working each day to plan and deliver the assets and capabilities needed to support these critical missions.

The cutters, boats, aircraft, C5ISR systems, and shoreside infrastructure we acquire today will provide vital capability for decades to come. We are committed to maximizing the Nation's return on these important investments. Thank you for the opportunity to testify before you today and for all you do for the women and men of the U.S. Coast Guard. I look forward to answering your questions.