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TESTIMONY OF VICE ADMIRAL SCOTT A. BUSCHMAN DEPUTY COMMANDANT FOR OPERATIONS

ON ACHIEVING MISSION BALANCE: POSITIONING THE COAST GUARD FOR THE FUTURE

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

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Good morning, Chairman Carbajal, Ranking Member Gibbs, and distinguished members of the subcommittee. I appreciate the opportunity to testify today. On behalf of the men and women of the United States Coast Guard, I thank you for your oversight, support, and advocacy. It is my pleasure to appear before you today to discuss the Service's continuing efforts to provide the Nation with adaptive, responsive, and balanced mission performance across its eleven legislatively mandated mission programs.

Since 1790, the Coast Guard has been responsible for safeguarding the American people and promoting national interests in a complex and evolving maritime environment. As the only Armed Force¹ within the Department of Homeland Security (DHS), a Federal law enforcement agency, a humanitarian organization, a member of the Intelligence Community, and a Federal regulator, the Coast Guard simultaneously defends America's sovereign interests, enforces U.S. law, promotes respect for international law, acts as a first responder for natural and man-made disasters, and facilitates the safe flow of legitimate maritime commerce.

In the execution of its duties within DHS, the Coast Guard serves on the front lines for a nation whose economic prosperity and national security are inextricably linked to its maritime interests. In this capacity, the Coast Guard protects and defends more than 95,000 miles of U.S. coastline and inland waterways, saves thousands of lives per year, and safeguards America's sovereign rights and jurisdiction in its 3.4 million square nautical mile Exclusive Economic Zone (EEZ) – the world's largest.

The Coast Guard supports national priorities and every mission area within DHS including: responding to disasters and significant weather events; facilitating the flow of maritime commerce; protecting U.S. national and environmental interests in the Polar Regions; stopping the devastating impact of illegal, unreported, and unregulated (IUU) fishing; countering Transnational Criminal Organizations (TCOs); safeguarding the Marine Transportation System (MTS) against all threats, including those emerging in the cyber domain; and securing our Nation's maritime borders.

¹ 14 U.S.C. § 101; 10 U.S.C. § 101

Every day, for more than 230 years, the U.S. Coast Guard has performed complex, life-saving missions in the most challenging environments. In Fiscal Year 2021 alone, the Coast Guard saved 4,724 lives, serving as the lead federal agency responsible for maritime search and rescue coordination. The Coast Guard's multi-mission capabilities, broad authorities, organizational flexibility, and incident response expertise uniquely position it to lead in many types of crisis. To do this, the Coast Guard applies military, regulatory, incident management, and law enforcement expertise to ensure safety, security, stewardship, and resiliency across the Nation. The Service stands ready to respond to natural and man-made disasters and can surge personnel and assets at a moment's notice to respond to fires, floods, hurricanes, earthquakes, oil spills, and other catastrophic events.

On top of day-to-day operations across its mission portfolio, the Coast Guard is increasingly called upon to respond to significant incidents, accidents, contingency events, and new mission demands created by climate change that have a major impact on the Nation. Environmental and geopolitical changes have increased the frequency and magnitude of contingency operations. Between 2015 and 2020, the Coast Guard surged personnel and assets to 12 major hurricanes and numerous other tropical cyclones, assisted with wildfires in Oregon and California, deployed personnel in response to record flooding in the heartland, and provided medical and logistical support to the Southwest Border.

Furthermore, as one of the six members of the Armed Forces, the Coast Guard serves as a force multiplier for the Department of Defense (DoD), supporting Combatant Commanders in meeting the objectives of the National Defense and National Security Strategies. This support includes conducting a varied set of defense readiness missions such as counterterrorism operations, air defense, maritime threat response, and theater security cooperation. Due to a unique blend of capabilities and authorities, the Coast Guard serves an increasingly important role in the Nation's defense, specifically in the critical space between peace and armed conflict.

Additionally, the Service leverages over 60 multilateral and bilateral agreements and works with a host of U.S. and foreign government organizations to battle the destructive impacts of TCOs. Our long-term counter-TCO efforts promote stability and strengthen the rule of law throughout the Western Hemisphere, improve governance and regional stability, decrease TCO-driven violent crime, and increase economic opportunities—factors that influence irregular maritime migration and the flow of illegal narcotics into our nation.

As globalization continues to drive increased interdependence between nations, regional instability can cause major impacts on a world-wide scale. The Coast Guard protects the U.S. maritime border domain and U.S. commerce—not just by operating in U.S. territorial waters, but by conducting operations on the high seas. Employing a layered interdiction package consisting of air and surface assets, specialized personnel, and broad authorities, the Coast Guard is positioned to disrupt illicit drug smuggling and human trafficking ventures and threats to our Nation far from our shores, and where they are most vulnerable—at sea.

Last year, working with interagency and international partners, the Coast Guard seized over 165 metric tons of cocaine and detained and transferred 619 drug smugglers for criminal prosecution. Beyond the important task of disrupting the illicit trafficking system that delivers drugs to U.S. communities, prosecuting drug smugglers and human traffickers facilitates a better understanding of TCOs and bolsters a unified, whole-of-government approach to dismantle these networks. Despite the past year's challenges related to COVID-19, the Coast Guard sustained a formidable operational persistence in the transit zone.

This required Coast Guard crews to be mission focused, while confronting individual difficulties with being deployed, away from their families and loved ones, during the pandemic.

Illicit drug and human trafficking are not the only threats to regional security and stability. IUU fishing undermines the international rules-based order, through practices that include the systematic use of illegal fishing gear, the unreported transshipment of illegal catch, and the deployment of unregulated distant water fishing fleets which can destabilize the economies of smaller coastal states by conducting industrial-scale IUU fishing activities that erode vital food supply chains without regard to states' sovereign rights. IUU fishing occurs around the globe. The Coast Guard partners with allies to combat IUU fishing in the Gulf of Guinea off of western Africa, in South America, and in the South Pacific and Southeast Asia, areas identified as priority regions by the Interagency Working Group on IUU Fishing, established under the Maritime Security and Fisheries Enforcement (SAFE) Act.²

Illegal fishing practices, especially when coordinated by malign state actors, can destabilize legitimate governments and destroy the economic viability of coastal nations. IUU fishing is estimated to result in tens of billions of dollars of lost revenue for legal operators every year, significantly disadvantaging the U.S. fishing fleet.³ Additionally, those engaged in IUU fishing practices are prone to other nefarious activities, including drug smuggling, forced labor, and human trafficking.

Combatting the IUU fishing threat requires a whole-of-government effort to improve data and intelligence sharing; enhance coordination within regional partners; increase the traceability of seafood across the global seafood supply chain; improve global enforcement operations and related IUU fishing investigations; and prevent TCOs from benefiting from IUU fishing. To achieve these goals, the Coast Guard is actively collaborating with interagency partners through venues such as the Interagency Working Group on IUU Fishing, established under the Maritime SAFE Act, comprised of 21 federal agencies, which the Service co-chairs with the National Oceanic and Atmospheric Administration and Department of State.

The Coast Guard's unique blend of authorities and capabilities also make it an ideal instrument to address the Nation's needs in the modern era of rapid Arctic change. Further, the Service's continued international engagement and cooperation is critical to American strategic success and leadership in the Polar Regions. For more than 150 years, the Coast Guard has upheld sovereign rights, advanced national security interests, promoted environmental stewardship, and supported economic prosperity in the Arctic. As an Arctic Nation, the Coast Guard must adapt its missions, including search and rescue, vessel safety, fisheries enforcement, and pollution response, to meet the challenges presented in this dynamic environment.

The Service remains committed to providing year-round surface coverage in the Bering Sea, upholding U.S. sovereign rights and protecting natural resources as part of Operation BERING SHIELD and Operation BERING SAFEGUARD. Surges of surface, air, and shore activity into the Alaskan Arctic during Operation ARCTIC SHIELD are just one way the Coast Guard looks to address increased human activity in the region. The Coast Guard also has an enduring commitment to Operation DEEP FREEZE, which advances U.S. interests in Antarctica.

² National Oceanic and Atmospheric Administration, Fisheries Directorate. *Priority Regions At Risk of IUU Fishing Activities*. U.S. Interagency Working Group on IUU Fishing. Retrieved October 15, 2021, from https://www.fisheries.noaa.gov/national/us-interagency-working-group-iuu-fishing.

³ The Global Initiative against Transnational Organized Crime, *IUU Fishing* Index, January 2019.

The Service accomplishes all of this this work in close cooperation with federal, state, local, tribal, academic, and industry partners.

In collaboration with DHS, the Service is also proactive in building and expanding strategic opportunities through leadership in international fora such as the Arctic Council and the International Maritime Organization; negotiating, drafting, and updating bi-lateral and multilateral agreements; exercising those agreements and furthering relationships through the Arctic Coast Guard Forum; and participating other multi-lateral international exercises throughout the Arctic. The Service's strategic value to the Nation is in our ability to set the model of behavior for governance and to maintain the Arctic as a safe, cooperative, and prosperous domain. As the region continues to open and more actors look to the Arctic for economic and geopolitical advantages, the demand for DHS and Coast Guard resources will continue to grow.

The Arctic is just one part of an MTS that has undergone major changes while seeing significantly increased demand due to shifts in economic activity and increased trade. In total, the Nation's MTS sustains over 30.8 million jobs, enables \$5.4 trillion in economic activity, and is vital to the health of the U.S. economy. The Coast Guard's authorities hold the Service responsible for the safety and security of the MTS' multi-modal transportation hubs, as well as developing, maintaining, establishing, and operating maritime aids to navigation to promote safety, prevent disasters and collisions, and serve the needs of the Armed Forces and U.S. commerce.

Currently, about 99% of international trade enters or leaves the U.S. by ship,⁴ and the International Trade Commission predicts that global freight demand will triple by 2050.⁵ Similarly, growth in the domestic energy market, including petroleum, liquefied natural gas, and other petro-chemicals has dramatically increased overall U.S. energy exports. This growth is juxtaposed against aging infrastructure, including bridges, locks, dams, and other port systems, which are struggling to meet increasing demand.

With a significant portion of the country's gross domestic product coming through our ports, our MTS is already very busy. In order to meet the demand of the additional users such as commercial space operators and offshore development like renewable energy, fossil fuels, and aquaculture, while still providing for traditional waterway users, the Coast Guard is codifying historical shipping routes into shipping safety fairways. This ensures safe navigation corridors are available to the mariner while providing locations outside the fairway system for development. As the lead federal agency for waterway management, the Coast Guard must balance the potential impacts of innovation and development with the safety of navigation and our ability to conduct required missions.

Further complicating the MTS are changes in the shipping industry itself, which has seen dramatic growth in cargo vessel size, draft, and tonnage. Larger vessels and increased demands on the MTS have escalated the risk of collisions, allisions, groundings, security threats, and environmental damage. These risks pose the threat of exacerbating port congestion, delays, and supply chain uncertainties witnessed during the COVID-19 pandemic and the obstruction of the Suez Canal by the M/V EVER GIVEN.

⁴ U.S. Department of Transportation, Maritime Administration Division *Improving the U.S. Marine Transportation System*, retrieved October 6, 2021 from https://www.maritime.dot.gov/outreach/maritime-transportation-system-mts/maritime-transportation-system-mts

⁵ U.S. International Trade Commission (2019) Recent Trends in U.S. Services Trade: 2019 Annual Report, https://www.usitc.gov/publications/332/pub4975.pdf

As vessels and ports increasingly rely on new technologies to improve their effectiveness, they also introduce vulnerability to cyber-attacks on critical MTS infrastructure. Automated navigation systems, vessel sequencing, and inland cargo transportation are all targets for malicious actors who seek to infiltrate networked systems. This includes profit-driven criminal activity, such as ransomware, as well as threats from state-sponsored and nation-state actors.

As both a military service and a regulator of the maritime sector, the Coast Guard must continue to adapt to an increasingly digital world. To that end, the Service must simultaneously defend and operate the enterprise mission platform to thwart adversary interference and posture our forces to achieve mission success, protect the MTS, and operate in and through cyberspace.⁶

Cybersecurity is linked with all aspects of Coast Guard mission performance. Increasing digitalization simultaneously presents opportunities for greater efficiency and effectiveness while fueling new threats and challenges. To protect the Nation's most vital and enduring interests in the maritime environment, the Coast Guard must be able to operate in the cyber domain, and will continue to adapt to the challenges and opportunities that accompany technological advancement while protecting vulnerable systems from cyber threats.

Coast Guard mission readiness relies on the ability to simultaneously execute our full suite of missions, while also being ready to respond to contingencies. The Coast Guard prides itself on being *Semper Paratus*—Always Ready—and predictable and sufficient resources are necessary to maintain Service readiness in the future. We must continue to invest in a modernized Coast Guard and current recapitalization remains a top priority. Today's efforts will shape the Coast Guard and impact national safety and security for decades. Your support has helped us make tremendous progress, but it is critical we build upon our successes.

Strategic allocation of resources, including specific asset capabilities and capacities, is central to the Coast Guard's ability to operate in dynamic, vast, and diverse areas of responsibility. Through the support of the Administration and Congress, the Coast Guard is making important strides toward recapitalizing integrated, multifaceted air and surface capability and capacity essential to safeguarding U.S. security and prosperity. New assets, including Polar Security Cutters, Offshore Patrol Cutters, Waterways Commerce Cutters, HC-130J maritime patrol aircraft, MH-60T medium range recovery aircraft, and Cyber Mission Teams, are replacing legacy assets and enhancing the Coast Guard's ability to operate in the offshore, coastal, inland, and cyber domains with improved speed, coverage, reliability, and safety.

While readiness and modernization investments improve current mission performance, our Service's greatest strength is undoubtedly our people. We are incredibly proud of our 54,000 Active Duty, Reserve, and civilian members, and over 22,000 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.

Mission balance is not an end state in and of itself. It emerges from a strategy that leverages Coast Guard authorities, capabilities, and competencies to safeguard national security, economic growth, and the environment.

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⁶ U.S. Coast Guard, Cyber Strategic Outlook, 2021, https://www.uscg.mil/Portals/0/Images/cyber/2021-Cyber-Strategic-Outlook.pdf

Internally, the Coast Guard weighs competing demands through an iterative operational planning process, which provides enterprise guidance on priorities and resource distribution based on national strategic imperatives, while preserving the autonomy of units to conduct operations, as events require. The Coast Guard's longstanding multi-mission approach delivers the most responsive, cost-effective services to the American public.

History has proven that a ready, relevant, and responsive Coast Guard is an indispensable instrument of national safety and security. With the continued support of the Administration and Congress, we will continue to 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.