

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR FISCAL YEAR 2012

TUESDAY, MAY 10, 2011

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:01 a.m., in room SD-138, Dirksen Senate Office Building, Hon. Mary Landrieu (chairman) presiding.
Present: Senators Landrieu, Lautenberg, Coats, and Cochran.

DEPARTMENT OF HOMELAND SECURITY

U.S. COAST GUARD

STATEMENT OF ADMIRAL ROBERT J. PAPP, JR., COMMANDANT

OPENING STATEMENT OF SENATOR MARY L. LANDRIEU

Senator LANDRIEU. Good morning. I'd like to call our subcommittee to order.

And the purpose of this meeting is to review the Coast Guard budget and priorities for the coming year.

And I welcome Admiral Robert Papp to discuss these issues. And, thank you, Admiral, for being with us today. I'm joined by my ranking member, Senator Coats, and the vice chair of the subcommittee, Senator Lautenberg. So, I'm really pleased to welcome you this morning.

This is to review the budget request and examine the agency's operations and recapitalization requirements.

This is your first appearance before this subcommittee, so, welcome, and congratulations on your new role as Commandant of the Coast Guard.

The importance of the Coast Guard to our Nation cannot be overstated. It's one of the five branches of the military and is responsible for the safety and security of our maritime interest in U.S. ports, waterways, and on the high seas.

We will never forget—and, particularly, this Senator—the heroic efforts of the Coast Guard men and women who came to our aid after Hurricanes Katrina and Rita along the gulf coast and rescued 33,000 citizens during the largest search and rescue mission in the Coast Guard's history. Last year the Coast Guard was first on the scene in response to the earthquake in Haiti, coordinated the response and cleanup efforts following the explosion of the Deepwater Horizon rig and subsequent oil spill, which was also the largest of its kind in the history of our country. The Coast Guard, gentlemen

that I serve with, has been extremely busy in missions along the southern part of our State and all over the United States.

However, the Coast Guard's ability to fulfill its mission requirements has reached a critical juncture due to deteriorating assets, aging infrastructure, and workforce gaps. The former Commandant, Admiral Thad Allen, who I had a tremendous amount of respect for, said, "With every passing year, our operating capacity erodes, putting our people at risk and endangering our ability to execute our statutory responsibilities."

Admiral Papp has been equally candid about the state of the Coast Guard and recently said, "We may need to reduce the number and range of our capabilities we've added since 9/11 until properly resourced."

Frankly, the Coast Guard has not been properly resourced in its budget requests to the Congress. This has been a failure of both the current and previous administrations. Over the past 5 years, this subcommittee, with my support, has increased the Coast Guard budget by \$160 million annually above the White House request levels to fill operation recapitalization shortfalls.

However, continuing such increases may not be sustainable in today's constrained fiscal environments, of which we're all aware, and this subcommittee intends to do what it can to eliminate the waste and the fat, and focus on our central missions. However, we've been calling on the Coast Guard to do more and more things with less and less. At some point, which you're going to see in this hearing, things start to deteriorate.

With that in mind, today we focus on the Coast Guard's 2012 request, which is only a 1-percent increase above last year. Specifically, we'll be examining whether the Coast Guard is properly resourced to execute its many missions.

Before turning to Senator Coats, I want to take this opportunity to stress my concern about the status of the FEMA Disaster Relief Fund (DRF). For several months I've been pressing the White House on the need to submit to the Congress an emergency funding request for the DRF. There is currently a \$3 billion shortfall for 2012. If the President does not seek emergency funding, it is likely that this fund will be exhausted in spring 2012, stopping disaster recovery efforts in 49 States, including the States impacted by the devastating and historic recent tornadoes, primarily in the South, but in other States as well, particularly in the State of Alabama that was so hard-hit, and by States currently facing historic flooding along the Mississippi River, which is truly the breadth and the width of our country.

It makes no sense to cut funding for agencies that prepare for and respond to future disasters to pay for the cost of past disasters. Those are clearly emergencies. They are over the allotted base amount that we allocate to the best of our judgment on a 5-year average. We cannot predict disasters. There is no crystal ball sitting on this desk. I cannot predict where future storms will be. I could not predict the recent tornadoes. I could not predict the Mississippi River flooding. All I can do is budget a reasonable amount of money based on a 5-year average and then expect that the President will send an emergency request when it truly is needed. I believe the evidence is in to support that action.

Following Senator Coats' remarks, we'll go to Vice Chairman Lautenberg, and then other members will be recognized as they come in.

I thank our ranking member for his support and his cooperation. He too is a great supporter of the Coast Guard, and I appreciate that.

Senator Coats.

STATEMENT OF SENATOR DANIEL COATS

Senator COATS. Madam Chair, thank you very much.

Admiral, thank you—first, for your call a few weeks ago, and the opportunity to work with you.

I did have the privilege of serving for 10 years on the Senate Armed Services Committee, and I always viewed the Coast Guard as the fifth service. But it's as essential as the first four. And I think since 9/11 you've had to take on even greater responsibilities. So, I commend the Coast Guard for its participation in our Nation's defense, and wish you the best in your leadership.

I'm sure that you breathed at least a sharp sigh of relief when the Congress finally gave you some direction on what your funding would be for the remainder of fiscal year 2011. Unfortunately, we may be in a situation for the 2012 budget that again leaves some uncertainty in terms of just exactly what the funding will be. I'm sorry for that, and I know it makes it difficult in terms of planning and preparing your goals, and meeting those goals.

In any event, you're pretty much faced with a no-growth budget for this next year. I'm looking forward to your testimony in terms of outlining how you're going to have to manage your priorities as a result of that. And if you don't mind, I'll give you a little spiel that I've said several times. I'm sure the chair is tired of hearing me say this, but we face the kind of debt and deficit situation today that I think none of us had anticipated, and it's going to require some pretty serious action in terms of how we deal with it.

My concern has been, and continues to be, that we are limiting our focus on just a small part of the overall budget, and therefore, the discretionary—including defense—spending is subject to taking a disproportionate share of the burden of addressing this debt and deficit problem. So, I've been trying to encourage a so-called "Coalition of the Discretionary" that will encourage Members of the Congress and the executive branch to broaden the look in dealing with the real drivers of our deficit and debt, and that's some of the mandatory spending.

I know this is outside your jurisdiction. I'm just raising the point here that you are the recipient of, perhaps, a disproportionate share of the burden, and lower funding than you need to accomplish some of your priorities, because we have not yet come to a consensus in terms of moving forward on mandatory spending, so that the focus has continued to be on a slice of the budget of which you are a part.

So, I just say that for the record. I'm not asking you to necessarily do anything about that. But I do look forward to your testimony.

Madam Chair, thank you for your leadership with this. You certainly have much more at stake relative to the Coast Guard than

the State of Indiana does. But I do want to state for the record that we do have a Coast Guard station in Michigan City—small, but necessary. And we're glad to be a State that participates just a little bit in the efforts of the Coast Guard. Thank you.

Senator LANDRIEU. Thank you very much, Senator Coats.
Senator Lautenberg.

STATEMENT OF SENATOR FRANK R. LAUTENBERG

Senator LAUTENBERG. Thank you, Madam Chair.

And thank you, Admiral Papp, and all of your colleagues for the wonderful service the Coast Guard gives the country. I think it's well-known that in all of my years in the United States Senate, the Coast Guard has been a principal focus of my views about what we ought to do to take care of our security—so many other responsibilities that the Coast Guard has—I don't know whether it goes from fish to fowl. But I start out with safeguarding our supplies, fish, protecting the quality of the water, being there for security duty.

It's just an amazing thing, Madam Chair. The Coast Guard is one of those organizations that, the more good they do, the less we give them. And it's the kind of contrast that gives me some cause of concern.

We are all so proud of what our people did when they went to get Osama bin Laden, and proud of the President's decision and courage to take that kind of a chance. Because obviously, great personal feeling goes along with putting people in harm's way. But there we are. And we learned one thing: When we put the resources into a mission, we can succeed. And this is a mission—the attack on Osama bin Laden was in the works for years.

So when I look at the things that we're asking the Coast Guard to do, and see that prior to 9/11 the Coast Guard invested only 2 percent of its operating budget in security activities—immediately following 9/11, it shifted its resources dramatically, spending approximately 50 percent of its operating budget on a security mission—there are lots of positive things in the budget for the Coast Guard, including the funding to modernize the aging fleet and bolster its ability to respond to disasters. I'm also pleased that the budget includes funding to rebuild the dilapidated pier port at the Coast Guard Training Center in Cape May, New Jersey. The facility supports the patrol boats that protect our coastline, and trains the Coast Guard recruits. I hope we can provide the resources the training center desperately needs.

PREPARED STATEMENT

And Madam Chair, I ask unanimous consent that the aforementioned statement would go in the record.

Senator LANDRIEU. Without objection.
[The prepared statement follows:]

PREPARED STATEMENT OF SENATOR FRANK R. LAUTENBERG

Madame Chairman, Osama bin Laden is dead—but the fight against terrorists who want to harm us is far from over. We must remain vigilant and keep our defenses strong to prevent another terrorist attack in our country. The Coast Guard is vital to fulfilling that mission of protecting our shores.

This is particularly important in my home State of New Jersey, which is a tempting target for our enemies. We are home to the most at-risk area in the country

for a terrorist attack: A stretch that includes Newark Liberty International Airport, the Port of Newark, chemical plants, refineries, railways, and more. Protecting this region also protects the economy: The Port of New York and New Jersey—the largest on the east coast—handled more than \$140 billion in cargo last year.

There are a lot of positives in the President's proposed budget for the Coast Guard, including funding to modernize its aging fleet and bolster its ability to respond to disasters. I am also pleased that the budget includes funding to rebuild the dilapidated Pier 4 at the Coast Guard's training center in Cape May, New Jersey. This facility supports the patrol boats that protect our coastline and trains the Coast Guard's recruits. I hope we can provide the resources the training center deserves.

Despite the funding for these projects, the administration's overall budget plan doesn't go far enough. The Coast Guard is consistently put at the back of the line for resources—and is consistently forced to do more with less. The men and women of the Coast Guard are America's eyes and ears on the seas, and we remain safe because of them.

So, I look forward to working with this subcommittee to make sure the Coast Guard has the funding it needs to keep up the great job that it does each day.

Senator LAUTENBERG. And I would just say that my respect for the Coast Guard continues to evolve. I look from the window of my apartment in New Jersey, and I see a small patrol boat going around to make sure that things are all right in the Hudson River and the harbor, and I can imagine what it's like to have to take care of all the ports, the security duties, and the military duties. Frankly, the Coast Guard is required to do so. Thank you. And we're going to work hard to make sure you have the resources.

Senator LANDRIEU. Thank you, Senator.

Senator Cochran.

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Madam Chair, thank you very much for convening this hearing.

I want to join you and the other members of the subcommittee in welcoming the Commandant to review the budget request for the next fiscal year.

The Coast Guard is really front and center right now on everybody's mind and on everybody's TV screen, with activities of search and rescue, protecting our coastlines, our inlet waterway entrances into our country—a very complex challenge that the Coast Guard is facing.

But from my vantage point, I've been very pleased and impressed with the leadership and the hard work that's being devoted to the mission of the Coast Guard by everyone involved, from the Commandant, throughout the corps of people—men and women—who serve so gallantly and impressively in our Coast Guard today.

I look forward to your comments about the budget request, and taking our questions that we may have.

Thank you.

Senator LANDRIEU. Thank you, Senator.

Admiral, proceed, please.

SUMMARY STATEMENT OF ADMIRAL ROBERT J. PAPP, JR.

Admiral PAPP. Good morning, Madam Chair, and Ranking Member Coats, and also, two longtime supporters of the Coast Guard—Senator Lautenberg and Senator Cochran.

Thank you for the opportunity to appear here today before you, and thank you for your unwavering support of the men and women of the United States Coast Guard.

It's my great honor and privilege to represent and lead these outstanding patriots.

America is a maritime Nation. Ninety percent of our goods arrive by or are shipped by sea. The safety and security of our maritime impacts the daily lives of every American, regardless of whether they live on or near the water.

In the past year our citizens have witnessed the Coast Guard in action like never before. The Coast Guard has been conducting drug and migrant interdictions in the Caribbean, and instantly transitioned to respond to the devastating Haitian earthquake. Then, with the dust of Haiti still on its boots, it responded with agility to the unprecedented Deepwater Horizon oil rig explosion and spill. These all-hands-on-deck evolutions demonstrated the value of our unique, versatile, and adaptable maritime multi-mission and military capabilities.

While we surged to meet these challenges, we continued to perform our many other persistent missions, just as thousands of coastguardsmen are doing today as we speak. In the flood-ravaged Ohio and Mississippi River valleys, the Coast Guard personnel are assisting State and local officials to protect our citizens. On the Great Lakes, Coast Guard icebreakers freed the flow of \$2 billion worth of job-sustaining commerce, facilitating, among other things, the start of the 41st international shipping season into the port of Indiana Burns Harbor, allowing stevedores, longshoremen, truckers, and small businessmen to get back to work.

Deep in the eastern Pacific Ocean, the cutter *Midgett*—one of our 40-year-old High Endurance Cutters (WHECs) based in Seattle—interdicted a drug submarine loaded with 6.6 tons of cocaine worth \$138 million. In the Arabian Gulf, several hundred of our coastguardsmen serve, including six patrol boats and a port security unit, and they're protecting the oil platforms that provide 85 percent of Iraq's revenue.

Coastguardsmen are also deployed off the coast of Africa as part of the joint anti-piracy task force. And in Alaska, Coast Guard helicopter crews deployed from Kodiak, Alaska to Cordova for the spring and summer fishing season have rescued four people in two separate plane crashes just this week. And as I speak this morning, the cutter *Campbell* is off the coast of Honduras with a fishing vessel on the Caribbean, and they just located 31 bales of cocaine aboard the boat.

These coastguardsmen, as their predecessors have done for more than 220 years, are working tirelessly to safeguard our Nation's maritime interests on our rivers, our ports, along our coasts, and on the high seas.

Yet today, we find our Coast Guard at a critical inflection point in its history. I'm well aware of our Nation's current economic and budget challenges. However, I also know that decisions made today will do one of two things: They'll either sustain a Coast Guard capable of meeting its missions and responding to future manmade or natural disasters. And as you mentioned, Madam Chair, we can't predict where and when they will happen, so it takes our

versatile and adaptable forces, in sufficient quantities, to be prepared for those unpredictable events.

The other result could be a Coast Guard that is less capable and diminished in force.

Your steadfast support, as most recently demonstrated to the fiscal year 2011 appropriation, enables us to continue to perform our challenging maritime missions at the level the Nation demands.

Senator Coats, you said I must have breathed a sigh of relief. Quite frankly, I wanted to do a high five when I got this budget, because it addresses our most pressing requirements—the major cutter recapitalization, and sustaining current operations. By fully funding national security cutter No. 5, you enabled us to deliver the ship up to 1 year earlier, potentially saving taxpayers millions of dollars.

It was ironic that this morning when I did my daily readings, there was a quote in there that says, “When we pay later, the price is greater.” And certainly, when we buy it earlier, we get it at a better price, and we will have savings for our taxpayers.

Our acquisitions momentum must continue. Gaps in funding our recapitalization are costly and jeopardize our ability to protect the Nation’s high seas sovereignty.

The 2012 budget request responds to our Nation’s budget challenges. I had to make some tough tradeoffs, and I directed management efficiencies, reductions in administrative costs, and professional services, totaling about \$140 million. I will reinvest these savings into sustaining our frontline operations as the American citizens expect, to rebuilding the Coast Guard, enhancing our maritime incident prevention and response, and supporting our Coast Guard families.

I’m requesting more than \$1.4 billion to continue our recapitalization effort, including funding for National Security Cutters (NSCs), Fast Response Cutters (FRCs), response boats, Maritime Patrol Aircraft (MPA), and sustainment of our aging ships and aircraft.

I recently decommissioned two antiquated WHECs and our oldest commissioned cutter—affectionately known as the Queen of the Fleet—*Acushnet*, which was almost 68 years old. Now, this allowed me the privilege of bestowing the Queen of the Fleet status to another Coast Guard cutter, *Smilax*, which is merely 67 years old.

But at some point it becomes unfair to keep asking our crews to expend countless hours fixing old machinery. Our crews deserve state-of-the-art equipment and decent living conditions to do their jobs. And the American people deserve the capability of a modern Coast Guard fleet to preserve and protect our maritime sovereignty.

The good news is, because of your support, our recapitalization is starting to pay dividends. The first of our eight NSCs, the cutter *Bertholf*, is currently conducting its first Alaska patrol. *Bertholf*’s patrol marks the beginning of decades of service the NSC fleet will provide in the Bering Sea and throughout the vast maritime approaches to our shores. And the first of 58 FRCs, our new patrol boat fleet, was just launched in Lockport, Louisiana. This is a critical step toward replacing our tired but venerable workforce, the Iowa-class patrol boat fleet.

The 2012 budget also invests \$22.7 million to ensure the safe and efficient flow of commerce, protecting our natural resources, and effectively managing pollution incidents when they occur.

Finally, you can't have a strong military workforce without healthy families. This budget also requests funding for military housing projects and increases access to childcare services for Coast Guard families.

As the maritime component of the Department of Homeland Security, the 2012 budget will ensure the Coast Guard is able to continue to perform our vital maritime missions.

PREPARED STATEMENT

Thank you for the opportunity to testify today, and I look forward to your questions.

[The prepared statement follows:]

PREPARED STATEMENT OF ADMIRAL ROBERT J. PAPP, JR.

Good morning Madam Chair and distinguished members of the subcommittee. Thank you for the continuing support you have shown to the men and women of the United States Coast Guard, including the recent passage of the fiscal year 2011 continuing resolution, which provided full-year resources for the Coast Guard.

I am here today to discuss the Coast Guard's fiscal year 2012 budget request. Before I discuss the details of the request, I would like to take this opportunity to discuss the Coast Guard's value and role, some of our recent operations, including our recent response to the BP Deepwater Horizon oil spill, and the current budget environment.

For more than 220 years, the U.S. Coast Guard has safeguarded the Nation's maritime interests and natural resources on our rivers and ports, in the littoral regions, on the high seas, and around the world. The Coast Guard saves those in peril and protects the Nation's maritime border, marine transportation system, natural resources, and the environment. Over the past year, Coast Guard men and women—active duty, reserve, civilian, and auxiliaries alike—continued to deliver premier service to the public. They saved more than 4,000 lives, protected our borders by stopping the flow of drugs and illegal migrants, and performed admirably in response to the largest spill in our Nation's history—the Deepwater Horizon oil spill.

How does the Coast Guard operating model serve our public? The Coast Guard is an adaptable, responsive, military force of maritime professionals whose broad legal authorities, assets, geographic diversity, and expansive partnerships provide a persistent presence in the inland waters, ports, coastal regions, and far offshore areas of operations. This presence, coupled with more than 220 years of experience as the Nation's maritime first responder, provides our Nation with tremendous value in service to the public.

The Coast Guard's value and role:

- We protect those on the sea: Leading responses to maritime disasters and threats, ensuring a safe and secure maritime transportation system, preventing incidents, and rescuing those in distress.
- We protect America from threats delivered by sea: Enforcing laws and treaties, securing our ocean resources, and ensuring the integrity of our maritime domain from illegal activity.
- We protect the sea itself: Regulating hazardous cargo transportation, holding responsible parties accountable for environmental damage and cleanup, and protecting living marine and natural resources.

The Coast Guard, working through the Department of Homeland Security, led the administration's response to the BP Deepwater Horizon oil spill, the first-ever Spill of National Significance, leveraging resources from across the country and around the world. The Coast Guard was the first agency on scene the night the mobile offshore drilling unit Deepwater Horizon exploded, searching for those in distress and providing Federal on-scene presence. During the response, the Coast Guard worked closely with our Federal partners and industry to leverage resources where needed while carrying out our other missions throughout the world. From nearly every corner of the country the Coast Guard surged more than 7,000 people, including members of the Coast Guard Reserve and Auxiliary, to support the response. Coast Guard members served in cutters and boats, in fixed and rotary-wing aircraft, and

in the shore-side incident command system. The Coast Guard's adaptive operational model allowed for the:

- Integration of Government and industry to contain the spill, recover more than 34.7 million gallons of oil-water mix, and perform controlled burns to remove more than 11 million gallons of oil from open water to protect the shoreline and wildlife.
- Deployment of 46 cutters and 22 aircraft. Surface assets included medium endurance cutters (210-ft and 270-ft); sea-going and coastal buoy tenders (225-ft and 175-ft); ice-breaking tugs (140-ft); and patrol boats (179-ft, 110-ft and 87-ft). Air assets included long- and medium-range surveillance aircraft (HC-130 and HC-144A) and short- and medium-range helicopters (HH-60 and HH-65).



Fire boat response crews battle the blazing remnants of the off shore oil rig Deepwater Horizon. A Coast Guard MH-65C dolphin rescue helicopter and crew document the fire while searching for survivors on April 21, 2010.

While 2010 was another exceptional “operational year” by any standard, these operations further stressed existing aged and obsolete cutters, boats, aircraft, and support infrastructure that are in dire need of recapitalization. Furthermore, these extended surge operations strained workforce readiness due to increased op-tempo and deferred training. Even in the current fiscal environment where resources are scarce, we must continue to rebuild the Coast Guard, support frontline operations, invest in our people and families, and enhance maritime incident prevention and response capabilities to meet mission demands and ensure resiliency in the maritime domain.

FISCAL YEAR 2012 REQUEST

In fiscal year 2012, the Coast Guard will focus resources to advance strategic priorities. Through tough decisions and resource trade-offs, the Coast Guard's fiscal

year 2012 budget leverages savings generated through management efficiencies and offsets, and allocates funding toward higher order needs to support frontline operations. These offsets and reductions supported implementation of the following fiscal year 2012 budget priorities:

- Rebuild the Coast Guard;
- Sustain frontline operations;
- Enhance maritime incident prevention and response; and
- Support military families.

Highlights from our request are included in Appendix I.

Rebuild the Coast Guard

The Coast Guard's fiscal year 2012 budget requests \$1.4 billion to continue recapitalization of cutters; boats; aircraft; Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems; and infrastructure to improve mission readiness by replacing aged, obsolete, and unreliable assets. The fiscal year 2012 budget requests funding for 40 response boats and 6 Fast Response Cutters (FRCs), as well as a sizable investment in the renovation and restoration of shore facilities. This budget also provides resources to ensure that the Coast Guard's aviation fleet is mission-ready through the acquisition of two Maritime Patrol Aircraft (MPA), one HH-60 helicopter, and conversion and sustainment projects of multiple aircraft. Investment in Coast Guard recapitalization is essential to mission execution.



The lead Sentinel-class Fast Response Cutter, the Bernard C. Webber, was launched at Bollinger Shipyards in Lockport, Louisiana (April 21, 2011).

SUSTAIN FRONTLINE OPERATIONS

To ensure the Coast Guard is able to meet the needs of the Nation, the fiscal year 2012 budget balances resources between investments in capital assets, initiatives to sustain frontline operations, and measures to enhance mission execution. The fiscal year 2012 budget requests \$67.7 million to operate new assets delivered through asset recapitalization programs and provides funding to support personnel and in-

service assets. Moreover, funding is included to operate CGC *Healy* and support the operational reactivation of CGC *Polar Star*. The Coast Guard plans to decommission CGC *Polar Sea* in fiscal year 2011 and transition her crew to CGC *Polar Star*, enabling orderly transition to CGC *Polar Star* and facilitating her return to operations in fiscal year 2013.

ENHANCE MARITIME INCIDENT PREVENTION AND RESPONSE

Coast Guard marine safety and environmental response personnel promote safe and efficient travel, facilitate the flow of commerce in the maritime domain, and protect our natural resources. The fiscal year 2012 budget requests \$22.2 million to advance implementation of the Coast Guard's marine safety performance plan and marine environmental response mission performance plan. During the response to the Deepwater Horizon oil spill, Coast Guard incident responders established and executed the Incident Command System to lead an effective, unified effort. The Coast Guard will enhance these core competencies in fiscal year 2012 to keep pace with an ever-growing and evolving maritime industry and ensure continued proactive leadership to prevent disasters on the Nation's waters and remain ready to respond if they occur. Additionally, funding requested in the fiscal year 2012 budget will assist in meeting Coast Guard Authorization Act of 2010 requirements regarding dockside examinations by adding examiners to improve fishing vessel safety.

SUPPORT MILITARY FAMILIES

The administration is committed to improving the quality of life for military members and their families. The health and welfare of families is the heart of operational readiness. The fiscal year 2012 budget includes \$29.3 million to address critical housing shortfalls and improve access to affordable, quality childcare. These initiatives will ensure Coast Guard members are *semper paratus* for all hazards and all threats.

CONCLUSION

The demands on the Coast Guard remain high. As we have for more than 220 years, we remain ready to meet the Nation's many maritime needs supported by the fiscal year 2012 request. We will always fulfill our duties and obligations to the American people, true to "*semper paratus*, always ready." I request your full support for the President's fiscal year 2012 request. Again, thank you for the opportunity to testify before you today. I am pleased to answer your questions.

APPENDIX I—FISCAL YEAR 2012 BUDGET REQUEST

REBUILD THE COAST GUARD

Surface Assets—\$642 Million (0 FTE)

The budget provides \$642 million for surface asset recapitalization and sustainment initiatives, including:

- National Security Cutter (NSC)*.—Fully funds NSC-5 (anticipates \$615 million provided for NSC-5 in 2011). The NSC is replacing the high endurance class.
- Offshore Patrol Cutter (OPC)*.—Sustains initial acquisition work and design of the OPC. The OPC will replace the medium endurance cutter class to conduct missions on the high seas and coastal approaches.
- Fast Response Cutter (FRC)*.—Provides production funding for six FRCs to replace the 110-foot island class patrol boat.
- Response Boat-Medium (RB-M)*.—Provides production funding for 40 boats.
- Medium Endurance Cutter (WMEC)*.—Provides for operational enhancement of five WMECs at the Coast Guard yard through the Mission Effectiveness Program.

Air Assets—\$289.9 Million (0 FTE)

The budget provides \$289.9 million for the following air asset recapitalization or enhancement initiatives, including:

- MH-60T—Replaces one Jayhawk lost in an operational crash in 2010.
- HC-144—Funds production of two MPA and procurement of up to five mission system pallets and associated spare parts to complete outfitting of the fleet.
- HH-60—Funds service life extension and component upgrades for eight aircraft.
- HH-65—Funds sustainment of key components.
- HC-130H—Funds avionics upgrade and Center Wing Box (CWB) replacements.

Asset Recapitalization—Other—\$166.1 Million (0 FTE)

The budget provides \$166.1 million for the following equipment and services:

- Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR)*.—Deploys standardized C4ISR capability to newly fielded NSCs and MPAs, and develops C4ISR capability for the OPC. Interoperable and integrated C4ISR is essential to the efficient and effective operation of these assets.
- CG-Logistics Information Management System (CG-LIMS)*.—Continues development and prototype deployment to Coast Guard operational assets and support facilities.
- Rescue 21*.—Completes deployment at Sectors Lake Michigan; San Juan, Puerto Rico; Honolulu, Hawaii; Guam—and continues replacement of legacy VHF systems in the Western Rivers.
- Interagency Operations Center (IOC)*.—Deploys WatchKeeper Information Sharing capability to three IOC locations. Commences deployment of the sensor management capability; resulting in improved capability to see, understand, and share tactical information critical to security and interagency coordination in vulnerable ports and coastal areas.

Shore Units and Aids to Navigation (ATON)—\$193.7 Million (0 FTE)

The budget provides \$193.7 million to recapitalize shore infrastructure for safe, functional, and modern shore facilities that effectively support Coast Guard assets and personnel:

- Cape May, New Jersey*.—Replaces a condemned pier critical to execution of patrol boat missions.
- Corpus Christi, Texas*.—Implements Sector/Air Station Corpus Christi consolidation in order to properly hangar, maintain and operate MPA, and enhance mission effectiveness.
- Chase Hall Barracks, New London, Connecticut*.—Continues renovations at the Coast Guard Academy by modernizing cadet barracks.
- Commences construction of Nos. 3–6 FRC homeports, C4ISR training facility, and continues modifications to Air Station Miami to accommodate new MPA.
- Station Memensha Boathouse, Chilmark, Massachusetts*.—Replaces the boat-house destroyed by a fire in July 2010 essential to supporting coastal law enforcement, security, and safety operations.
- TRACEN Petaluma, California Wastewater Treatment Plant*.—Recapitalizes and expands the capability of the Wastewater Treatment Plant to ensure compliance with environmental regulations.
- Station Fairport, Ohio*.—Recapitalizes multi-mission boat station, originally constructed in 1918, to facilitate current-day operations.
- ATON Infrastructure*.—Improves short-range aids and infrastructure to promote the safety of maritime transportation.

Personnel and Management—\$110.2 Million (794 FTE)

The budget provides \$110.2 million to provide pay and benefits for the Coast Guard's acquisition workforce. The budget includes additional resources to support the governmentwide Acquisition Workforce Initiative to bolster the professional development and capacity of the acquisition workforce.

SUSTAIN FRONTLINE OPERATIONS

Pay and Allowances—\$66.1 Million (0 FTE)

The budget provides \$66.1 million to maintain parity of military pay, allowances, and healthcare with the Department of Defense (DOD). As a branch of the Armed Forces of the United States, the Coast Guard is subject to the provisions of the National Defense Authorization Act (NDAA), which includes pay and personnel benefits for the military workforce.

Annualization of Fiscal Year 2011—\$53.9 Million (194 FTE)

The budget provides \$53.9 million to continue new initiatives begun in the prior year, including increased counternarcotics enforcement through enhanced Law Enforcement Detachment (LEDET) capacity and follow-on funding for new assets (e.g., NSC, FRC, MPA, etc.).

Surface and Air Asset Follow-on—\$50.8 Million (220 FTE)

The budget provides a total of \$50.8 million to fund operations and maintenance of cutters, boats, aircraft, and associated subsystems delivered through major cutter, aircraft, and associated C4ISR acquisition efforts. Funding is requested for the following assets:

- RB-M*.—Funding for maintenance, repair, and operational costs.
- FRC*.—Operating and maintenance funding for FRC Nos. 6–8 and funding for crew Nos. 9–10. These assets will be homeported in Miami and Key West, Florida. Funding is also requested for shore-side maintenance personnel needed to support FRCs.
- NSC*.—Signals intelligence capability follow-on and crew rotational concept implementation for three NSCs located in Alameda, California.
- HC-144A MPA*.—Operating and maintenance funding for aircraft No. 14; support and maintenance of mission system pallets 1–12.
- C4ISR Follow-on*.—Funding to maintain more than 200 C4ISR systems deployed and delivered by the Coast Guard C4ISR program.
- Helicopter Systems*.—Funding to operate and maintain communications and sensor systems for HH-60 and HH-65 helicopters.
- Asset Training System Engineering Personnel*.—Funding to support NSC and FRC training requirements at training center Yorktown.

Polar Icebreaking Program—\$39 Million (180 FTE)

The budget requests \$39 million in polar icebreaking budget authority. Funding will support the operation and maintenance of CGC *Healy* and prepare for the operational reactivation of CGC *Polar Star*. The Coast Guard plans to decommission CGC *Polar Sea* in fiscal year 2011 and transition her crew to CGC *Polar Star*, enabling efficient transition to CGC *Polar Star* and facilitating her return to operations in fiscal year 2013.

Critical Depot Level Maintenance—\$28.7 Million (0 FTE)

The budget provides \$28.7 million for critical depot level maintenance and asset sustainment for vessels, aircraft, and shore infrastructure. Funding will increase support levels for the 140-, 175-, and 225-foot classes of cutters, restore aircraft spare parts, and provide sustainment for aging shore infrastructure.

Distress Alerting Satellite System (DASS)—\$6.3 Million (1 FTE)

The budget provides \$6.3 million to begin replacement of the Search and Rescue Satellite Aided Tracking (SARSAT) system with DASS. This multi-agency partnership also includes the National Aeronautics and Space Administration (NASA), the National Oceanic and Atmospheric Administration (NOAA), and the U.S. Air Force (USAF). Recapitalization of the SARSAT system beginning in fiscal year 2012 is critical to ensure no loss of coverage in distress notification and life saving response during the planned deactivation of the legacy SARSAT system.

Coast Guard Network Security—\$8.6 Million (0 FTE)

The budget provides funding for the Coast Guard to transition from its commercially provided Internet Access Points (IAPs) to DOD IAPs via the Defense Information Systems Agency (DISA) to ensure security of vital networks and meet cybersecurity requirements.

ENHANCE MARITIME INCIDENT PREVENTION AND RESPONSE

Marine Safety Enhancement—\$10.7 Million (53 FTE)

The budget provides \$10.7 million and 105 personnel to implement the next segment of the marine safety performance plan by investing in marine safety inspectors, investigators, and fishing vessel safety examiners at Coast Guard sectors. This initiative furthers the Coast Guard's efforts to achieve an appropriate mix of military and civilian personnel with the necessary skill sets and experience to perform marine safety inspections and investigations.

Marine Environmental Response Enhancement—\$11.5 Million (44 FTE)

The budget provides \$11.5 million and 87 personnel to enhance Marine Environmental Response (MER) capacity. This initiative supports the marine environmental protection mission by providing funding for an MER Incident Management and Assist Team (IMAT) and increasing technical expertise and strengthening MER career paths at Coast Guard sectors and strike teams. The request is the initial investment in the Coast Guard's initiative to improve mission performance in accordance with the MER mission performance plan.

SUPPORT MILITARY FAMILIES

Child Development Services—\$9.3 Million (6 FTE)

The budget provides \$9.3 million to increase access to childcare services for Coast Guard families with dependents under the age of 12, better aligning the Coast Guard with the DOD childcare standards. Additionally, this request funds 12 new

positions critical to ensuring continued accreditation of the Coast Guard's nine child development centers by the National Association for the Education of Young Children.

Military Housing—\$20.0 Million (0 FTE)

The budget provides \$20 million to build family housing units at Sector Columbia River and recapitalize the Air Station Cape Cod unaccompanied personnel housing, the highest priority housing projects, critical to the well-being of military personnel and their families assigned to these geographic regions.

DECOMMISSIONINGS, EFFICIENCIES, AND SAVINGS

High Endurance Cutter Decommissioning—\$6.7 Million (–92 FTE)

As part of its long-term recapitalization plan, the Coast Guard is decommissioning High Endurance Cutters (WHECs) as NSCs are delivered and made operational. The average age of the WHEC fleet is 43 years and these assets are failing at an increased rate resulting in lost operational days and increased maintenance costs. The Coast Guard will decommission one WHEC in fiscal year 2012.

PC-179 Patrol Coastal Decommissioning—\$16.4 Million (–108 FTE)

The three remaining 179-foot Patrol Coastal (PC) vessels will be decommissioned per a January 2007 Memorandum of Agreement (MOA) with the U.S. Navy. These vessels will be returned to the U.S. Navy in fiscal year 2012.

Standard Workstation Help Desk consolidation—\$6.9 Million (0 FTE)

Consolidates computer workstation support into two regional centers, eliminating 56 contractors.

Program Support Reduction—\$13.6 Million (0 FTE)

Reduction in programmatic support across the Coast Guard including support reductions for: small boat replacement, reservist, and contract support for audit remediation, innovation program funding, recruiting, and training opportunities.

ADMINISTRATIVE SAVINGS INITIATIVES

In fiscal year 2012 the Coast Guard will seek efficiencies and make targeted reductions in order to sustain frontline operational capacity and invest in critical recapitalization initiatives.

Management Efficiencies—\$61.1 Million (0 FTE)

Consistent with the Secretary of Homeland Security's efficiency review and building upon efforts in previous fiscal years, efficiencies will be generated by leveraging centralized purchasing and software licensing agreements, reductions in printing and publications, reductions in shipping and the transportation of things, reductions in advisory and assistance contracts, minimizing purchases of supplies and materials, office equipment consolidation, implementing automation and energy conservation/savings measures, and limiting Government usage of commercial facilities.

Professional Services Reduction—\$15.2 Million (0 FTE)

A reduction in professional services contracts for enterprisewide mission support and operational support activities.

Nonoperational Travel Reduction—\$10.0 Million (0 FTE)

A 25-percent reduction in Coast Guard-wide nonoperational travel, including travel for training, professional development, conferences, and international engagement.

COAST GUARD CAPABILITIES

Senator LANDRIEU. Thank you, Admiral, very much, and I appreciate it.

It's also, I think, appropriate to note Coast Guard facts and figures that are available on its Web site, some of the extraordinary work that you just touched on in your opening remarks about what the Coast Guard accomplishes in an average day. Just to say a few, the Coast Guard saves 13 lives, responds to 65 search and rescue cases, provides a presence in all major ports, and screens 679 commercial vessels and 170,000 crew passengers. It tracked 1,200 ice-

bergs that had drifted in the transatlantic shipping lanes last year. I could go on and on. And other testimony the Commandant has put into the record.

I recently gave a speech on these capabilities, and it was an impressive part of what was prepared for me. It really is quite amazing, Admiral, the breadth of services the Coast Guard provides to our country on a daily basis and looking back over last year. We commend you.

Let me start with a few questions.

You have publicly expressed, despite your very positive statement this morning, some concerns about the Coast Guard's ability to carry out its 11 statutory missions. Recently, in February you said, "We need to reduce the number and range of capabilities, unless we're properly resourced."

I know that you're pleased with several aspects of the budget. Can you elaborate on the capabilities to which you were referring in that statement? You've ordered a stem-to-stern review of Coast Guard capabilities. When will this review be completed?

And if provided additional resources above the requested level, where would you invest your next dollar?

So, it's three questions in one: Elaborate on the capability shortfalls, if you would. You've ordered a stem-to-stern review. When will that review be completed, and when will those recommendations be reported to this subcommittee? And if additional resources became available, where would you invest your next dollar?

Admiral PAPP. Thank you, ma'am. Those are three great questions, the first of which is this review of capabilities and whether we need to cut back on some of those capabilities.

I think we generally acknowledge across the board that prior to 9/11 the Coast Guard was under-resourced to do all the missions it had then. And since 9/11 we've picked up additional responsibilities through the Maritime Transportation Safety Act and the Safe Port Act. And we're grateful to the Congress for the increase of people, first of all. We gained about 6,000 people total, which has brought us back up to where the service was in approximately 1990. But we've also picked up these additional duties.

Also culturally, this service, bless it, has this attitude of "can do", and it's both a blessing and a curse. And as we have looked across the security responsibilities and the threats facing our country, oftentimes because of this can-do attitude, we start doing things that no one really asked us to do. Examples of that would be, in some cases, rotary-wing air intercept in which we're now training our helicopter pilots to intercept low, slow threats that might approach a national security event. We are resourced to do that in the Washington, DC area, but we're not resourced to do it elsewhere. Yet, we're doing it.

Vertical insertion of coastguardsmen onto ships is among other tactical operations that we've looked at, perceived a need, and started doing on our own, without the proper resources to do it. And, unfortunately, we've experienced some accidents over the last couple of years as we've trained for these activities.

This has given me cause for concern and to take a pause, and to order this stem-to-stern review, which will look at all the capabilities out there, decide which ones are absolutely the highest pri-

ority, then make sure that we're properly resourced to carry out those activities, and properly trained to be the best possible to do those things.

Inevitably, we will find some gaps that exist. And if it's a job that the Coast Guard should be doing, it's my responsibility to identify that to the administration and to the Congress, and to seek the proper resources to do it. If it's something that can be filled by another Government agency working through partnerships, then I think it's reasonable to go out to other Government agencies and ask them to fill that void in cooperation with the Coast Guard.

That's the two first questions I think I've answered. And then last is, where would I invest my next dollar? Clearly, in recapitalization. We cannot continue to ask these young patriots to go out to sea in 40-year-old ships, living in conditions that were World War II vintage and stacked three-high in berthing areas where there's condensation, darkness, and extremes of heat and cold.

Plus, we need to give them the proper tools to work effectively out there. New sensors, new radars, and survivable ships that will take them out in these very dangerous conditions, like the Bering Sea, the Gulf of Alaska, the vast reaches of the Pacific. We need to be about the business of getting those ships built as quickly as possible.

Senator LANDRIEU. And Admiral, I understand that the average age of a Navy ship is 14 years, but the average age of a Coast Guard ship is 40. Is that correct?

Admiral PAPP. Yes, ma'am. Generally the Navy plans on a 20-year service life, generally. In fact, our WHECs, the *Hamilton* class, were used as a model for the *Spruance* class for the United States Navy, which was built years later. And all the *Spruance* class have been decommissioned. We're still running our original 12 WHECs, with the exception of the two—*Hamilton* and *Chase*—that we just decommissioned.

OIL SPILLS

Senator LANDRIEU. Let me ask you one other question. We have many, so this will be the first round. Coast Guard policy requires an incident-specific preparedness review to assess lessons learned from major oil spills. The 2010 review was recently completed in March. However, it is reported that many lessons learned from prior spills, such as the 2008 *Cosco Busan* spill, and the *Cape Mohican* spill 11 years earlier, had not been addressed or implemented before the Deepwater Horizon spill. So now we have those two previous spills, which were much smaller; now Deepwater Horizon.

Where are you in your review of what it's going to take? Because it is a priority for, I think, the majority of the Members of the Senate—maybe not everyone, but the majority—to get deepwater drilling back up and operational in the Gulf of Mexico as soon as possible, recognizing that there are some additional safety requirements. Where are you in that task? And can you explain briefly the role of the Coast Guard in making sure that spills are prevented and then responded to adequately?

Admiral PAPP. Yes, ma'am. I'm very proud of the Incident Specific Performance Review (ISPR). As you've mentioned, we did it for

Cosco Busan, and we've done it now for the Deepwater Horizon spill. It's an introspective review that I order for our service to take a look at how we did the job, and to reveal all the challenges, problems, and shortfalls that we might have.

I just received that report, and we're in the process of evaluating that. We also need to make comparisons to the President's Commission report and other reports that are being prepared, including our marine casualty investigation, which has just been wrapped up.

We will look across all those reports and come up with a comprehensive plan on what we need to do. But we're not sitting back, waiting on that. We're already moving ahead. In fact, the \$22.7 million that we put in the fiscal year 2012 budget builds on a plan that we already started after *Cosco Busan*, which is to enhance our marine safety program with additional inspectors, marine environmental responders, and other people. It's a measured look, making sure that we grow slowly to make sure that we're doing the right thing. And the 2012 budget continues that process and, in addition, puts in there an incident management assist team of about 33 people, which we will forward deploy when a spill happens.

One of the things that came across very clearly in the Deepwater Horizon spill is the lack of capacity that we have for a sustained operation like that.

We're also not sitting back in terms of our efforts. We've directed all our Captains of the Port to review all their spill plans, particularly for those facilities that are offshore, and do a complete review of those. We're working with our area committees to look at worst-case scenarios and how we bring industry, Federal, State, and local together to combat those things.

And all these things are in progress as we continue to evaluate and——

Senator LANDRIEU. And finally, and specifically, when will you have that report to us? Do you think it will be 30 or 60 days in time for us to consider it in this budget cycle?

Admiral PAPP. I think, certainly, the report has been published. It's out there. We made sure that the report itself went out. And it has a number of recommendations there. Clearly, I can't do every recommendation that's in the report, but we're going to assign some priorities to those. But the report is available, and we'll make sure you get a copy.

Senator LANDRIEU. As soon as you assign your priorities, let us know.

Senator Coats.

BUDGET CUTS

Senator COATS. Thank you.

Admiral, thanks for your testimony.

You mentioned tough tradeoffs, and garnering \$140 million in savings, which you had to and that you tried to reinvest in front-line operations. Give me some examples of those tough tradeoffs, particularly that generated that \$140 million. What did you have to take away?

Admiral PAPP. Sir, we really need to go back to the 2011 budget. Once again, I have to thank this subcommittee for restoring money in the 2011 budget. We were facing some rather drastic cuts in

there, including maritime safety and security teams and cutters. That's a quick way to get savings, but it unfortunately cuts back on your frontline operations.

As we went into the 2012 budget cycle—my first budget in preparation to go forward—my guiding principal was, “We will sustain our frontline operations.” I don't want to lose any Coast Guard people or any Coast Guard resources that deliver services to the American people. So, we would look at administrative overhead, where we could find redundancies and some fat to carve away. We didn't find a lot of fat. We're scraping a little bit of the muscle. But most of it is in administrative services, operational support reductions, travel, conferences, and other things that are enhancements that we would like to be doing—because I think it helps us to keep a healthy workforce—but the alternative is to cut back operations or cut back aircraft and ships. And I just don't want to do that.

ILLEGAL IMMIGRATION

Senator COATS. We've had a lot of interest here, obviously, in strengthening the Border Patrol regarding illegal immigration. There have been some significant successes at a considerable cost.

There is some thought that, as we strengthen our border security on illegal immigration, there may be more attempts to use the oceans and the seas as entering points. Is this something that you've looked at, and that you anticipate more responsibilities coming your way?

Admiral PAPP. Yes, sir. It's like squeezing the balloon. If you make the border, the land border, more secure, there is the possibility of going around it by going out to sea. But we've got that fairly well covered by a persistent presence, both on the gulf and Pacific sides of the Mexican-American border. We have patrol boats out there, and we have larger cutters further out to sea.

Frankly, most of our migrant vectors are down in terms of numbers of people. We've seen a slight rise in the last few months in Haitians. But whether it's Cubans, Dominicans, Haitians, or migrants from across the Pacific, all those numbers are down. I believe everything points back to us having a persistent presence out there, maintaining those cutters and aircraft out there. And people know they're there—and a policy of returning migrants to their home country when we pick them up. The Coast Guard is very good at doing this, but we're finding ourselves increasingly challenged because of the difficulty in keeping these old ships running out there and keeping them out on station.

Senator COATS. Describe the process for me, if you would. You're in the gulf, you come across a makeshift boat. There are 45 illegal immigrants trying to reach land. You intercept that.

What happens from that point forward in terms of those individuals? They're brought on the boat? They're brought on shore? Where are they detained? How are they? What's the process that you have to go through?

Admiral PAPP. Yes, sir. That is the value of these multi-mission cutters we have that have flight decks for landing helicopters, but we also can accommodate large groups of migrants.

It's not unusual, first, to find a group of 45, whether it's Cubans or Haitians. What we do is we bring them aboard; we treat them

humanely; we feed them; we make sure they have facilities to protect them; and we have agreements in place with both Cuba and Haiti to repatriate them to their countries.

We also interview these migrants to make sure there are not any articulable concerns about political repression or punishment that they might receive when they go back. Sometimes there are people that may have some political concerns in terms of going back. We interview these people, and if we find that there's an articulable threat or belief, then we will work with Customs and Border Patrol, or Immigration and Customs Enforcement, and bring them back, and they'll get further interviews.

But for the most part, we repatriate them back to their countries.

Senator COATS. I'm new to the subcommittee, so I don't know the answer to this, but when you repatriate those immigrants, illegal immigrants, you take them back yourself? Or do they go through some process system on land first?

Admiral PAPP. No, sir. If they are interdicted at sea we bring them on; we treat them; and then we bring them back directly. For Haiti, we take our ships into Cap-Haïtien, which is a delivery point when we turn them over to Haitian officials overseen by United Nations people who are there and working with the Red Cross. And we have an agreement with Cuba. We generally have to transfer them to a smaller Coast Guard cutter to go into the Port of Cabanas, which is on the north coast of Cuba, to return them there.

Just this morning, though, we had four Cubans who were able to voice what they perceived as a threat. What we did was, we took them around to Guantánamo Bay and delivered them there. And we have a migrant holding facility that does further interviews on shore to decide whether they go back to Cuba or they are brought to the United States.

Senator COATS. I have more questions. But I think we'll do a second round, so——

Senator LANDRIEU. Yes, we will. Thank you. Senator——

Senator COATS. Thank you.

Senator LANDRIEU [continuing]. Lautenberg.

Senator LAUTENBERG. Thank you, Madam Chair.

Admiral, you're now a seasoned Commandant, and I can tell you that you have won respect for the kind of leadership that you have shown with the Coast Guard since the time that you have become the Commandant, and we thank you——

Admiral PAPP. Thank you, sir.

TERRORIST ATTACKS

Senator LAUTENBERG [continuing]. For that.

According to the FBI, New Jersey is home for the most at-risk terrorist attack in the United States. The area has targets ranging from a port, to airports, and chlorine gas plants. An attack in this area could endanger 12 million who live within a fairly short radius.

With the administration's decreased budget requests, will any efforts in the Port of New York and New Jersey area be affected in terms of its supervision by the Coast Guard?

Admiral PAPP. No, Senator. As I said earlier, my emphasis on the 2012 budget is sustaining at the current level our operations in the

field, delivering those services that the American citizens expect of our Coast Guard.

New York, I believe, is well covered. As you know, we have Sector New York, which is one of our most robust sectors in the Coast Guard, located out on Staten Island; Station New York, where over the last 10 years we've basically doubled the number of boats and the number of people at the station; and the Maritime Safety and Security Team New York, which is there to provide response to terrorist events or provide additional security when there are security events in process.

The other thing that's very important, though, is the active partnerships that we have. Through our Area Maritime Security Committee, we bring together all the State and local port partners, plus industry. And I would say probably one of the biggest allies is Commissioner Ray Kelly of the city of New York. They have pretty robust services themselves. But they're all complementary. We try not to be redundant. And I think New York is well covered.

CAPE MAY TRAINING CENTER PIER RECONSTRUCTION

Senator LAUTENBERG. The pier, port, the Cape May Coast Guard Training Center is in pretty bad shape. It presents a safety hazard. The pier supports patrol boats that are responsible for performing the critical safety and security missions in the mid-Atlantic region. Your budget request includes \$11 million for the reconstruction of that pier.

What kind of an impediment might follow on, to a lack of funding for that mission?

Admiral PAPP. I've been up there, and I've walked that pier, sir, and we cannot take heavy equipment out there. We have two major cutters that call that home port. And ultimately, you need to take cranes out there to do work on the ships when they're in port. As it stands right now, you can't move heavy equipment out there, so you actually have to move the ships in order to get any work done. And it affects daily work like delivering supplies and things if you can't take a truck down the pier.

So, getting that replaced and giving us the versatility to be able to do pier-side work, keeping our cutters sustained that are in home port there, and not having to put extra burdens on our people to have to move the ship if work is to be done after they've already come in off long patrols are of great benefit to us.

PIRATE ATTACKS

Senator LAUTENBERG. Admiral, you know the Coast Guard represents the United States before the International Maritime Organization in our efforts to prevent and respond to acts of piracy. Pirate attacks have been rising steadily in recent months, leading to some call for the increased use of arms on merchant ships.

What's the Coast Guard thinking about that? It sounds like our ships ought to be able to defend themselves.

Admiral PAPP. What we do know, sir, is that I think the pirates are zero for 12, 13, or 14 whenever they've tried to attack and take a ship that has a security team onboard. So, we have evidence to validate the fact that if you have a security team onboard, you're most likely going to survive.

How those security teams are provided is what the real question is, and some countries still prohibit the use of security teams onboard ships that fly their flag. There are some shipping companies that are actually changing their flag to other countries now so that they can bring security teams aboard. And there seems to be a fairly robust activity out there in terms of companies that are willing to provide those services, and the shipping companies seem to be able to afford them.

I encourage the use of security teams. But we also have other measures that work, as well, including safety procedures for the crews that are onboard; increasing speed; and trying to make the ship less accessible to pirates coming aboard. It's a full range of activities that you can do. But ultimately what we've found is, security teams work.

Senator LAUTENBERG. And I close with this, Madam Chair.

I would hope that you wouldn't keep using a reference to "as old as World War II."

Some of the parts that still remain are functioning quite well.

Admiral PAPP. Yes, sir.

Senator LANDRIEU. Thank you, Senator Lautenberg.

Senator Cochran.

NATIONAL SECURITY CUTTER (NSC)

Senator COCHRAN. Welcome again, Commandant to our hearing. We appreciate the fact that in our State of Mississippi we're building Coast Guard vessels, and we're very proud of the fact that Ingalls Shipbuilding has produced two cutters—I think cutter Nos. 5 and 6—and they're looking to continue the construction of these cutters. And my question is, what is your assessment of the workman contribution to this project? And what are your assessments of the efficiencies that are gained by long lead procurement of these vessels?

Admiral PAPP. Sir, that's a great question. I have been out to San Francisco just a few weeks ago, and I spent a full day riding NSC No. 2, the *Waesche*. It is an outstanding ship. I am almost willing to give up these stripes if I could get that job to be the captain of one of those ships. It is that outstanding.

On the other hand, it's not extravagant, either. It gives us enhanced capabilities to better carry out our mission in a broader range of weather conditions, a longer range, and speed, and to do it more economically with fewer crew members, better fuel efficiency, and better environmental conditions as well.

I was totally impressed with the smooth functioning of that ship and the capabilities that it brings to bear for all Coast Guard missions.

Proving it is another thing. And right now, the cutter *Bertholf*—the first—is up in the Bering Sea. I read a report from its commanding officer, Captain John Prince, just this morning. They are out in 20-foot seas with up to 60 knots of wind, and still are able to launch and recover their helicopter—unheard of in the past to be able to do that from one of our WHECs up in the Bering Sea. They are launching boats in worse conditions than we were able to in the past because of the stern-launch capability. They are able to stay out there longer because the engines are more economical to

run—even at higher speeds—than the ships that it replaces. We're doing it with about 40 fewer people in the crew. They're living better. The ship rides better because we have segregated ballast tanks now, instead of fuel tanks that you had to mix water in before, which gives you a better, more stable ride. It is proving the solid design and all the work that went in. And I couldn't be more pleased with these ships.

No. 3 is nearing completion—the *Dorothy Stratton*. And she'll be delivered to the Coast Guard later this year. We were able to award the contract on No. 4 just recently, and because of the generosity and the work of this subcommittee, we have the money in the 2011 budget now to award the contract on No. 5.

And to your final question on long-lead time materials, whenever we can keep a stable and predictable flow of funding going, the shipyard gains confidence, we gain confidence, prices are lower, and we save money in the long run.

Senator COCHRAN. That's a very impressive report. And it makes me very proud of the workers and officials of Ingalls, and the Coast Guard, who've devoted such a strong workman-like performance into the building of these ships, and getting them to sea where we need them operating.

I know too that there are plans to build additional cutters, and long-lead-time materials are needed for those ships. Are those requests contained in your budget request before the subcommittee? Or do we need to have a conference with you to see what you need, what you can use, and what would be efficient and appropriate for this subcommittee to support?

Admiral PAPP. Sir, ultimately, in my original plans and in the Coast Guard's overall plans, we would have liked to have requested funding for NSC No. 6 in this budget that's going forward.

We were confronted with a very difficult situation. I will admit that we had some problems early on because we had a lead systems integrator, and we ran into difficulties there. We took the contract in-house for the Coast Guard. And the first thing we needed to do was negotiate a fixed-price contract for cutter Nos. 4–8. It took us a little long to hammer out that deal, to get the fixed-price contract. Ultimately, I believe we came up with a good price on No. 4. And the shipyard, I think, is negotiating in very good faith on No. 5, which we'll see awarded here very soon.

But because we didn't have a price for No. 4, we were uncertain what it would cost, what No. 5 would cost, and we thought that we would need some additional money, given our estimates for NSC No. 5. We could not fit that additional money for No. 5 plus the full cost of No. 6 in the 2012 budget.

So, I made what I thought was a reasonable decision at the time, which was just to ask for the additional money to complete NSC No. 5, and we would defer the full funding.

What I'm confronted with now is OMB Circular A-11 requires full funding, long-lead production, and post-production costs all in the same year. This is a challenge for us, because it eats up almost one-half our acquisition budget. So, I can't fit that in until the 2013 budget.

Now, we did ask for \$77 million in the 2012 budget to complete No. 5. You gave us the money within the 2011 budget, so that

leaves a little bit of a bogey there in the 2012 budget as it goes forward. The current fixed-price contract is for NSC Nos. 4 and 5, and long-lead time materials for NSC No. 6.

Senator COCHRAN. What is a fogey bear? What?

Admiral PAPP. I said, a little—a bogey is a target of either opportunity or a problem.

Senator COCHRAN. Okay.

Admiral PAPP. Because it sits there, originally, as the President's budget goes forward, it's \$77 million to complete the funding for NSC No. 5. So, it sits there right now with no assignment.

Senator COCHRAN. I hope the subcommittee can work with you and your team, the House, and our House counterparts to try to figure out the most efficient and effective thing we can do in this cycle. But you're open to further consultation and discussion of this issue, I hope.

Admiral PAPP. Yes, sir.

UNMANNED AERIAL SYSTEMS

Senator COCHRAN. Madam Chair, I have other questions, but particularly, I'm impressed. If I have time to ask about the unmanned aerial systems, the Coast Guard's been analyzing various unmanned aerial systems. I wonder what the status is of potential requests for next year's budget, or a supplemental request dealing with unmanned aerial assets.

Admiral PAPP. Clearly, when we devised the system of cutters and aircraft, unmanned aerial systems was a part of that—to make it, to enhance the effectiveness of the system, and to compensate for having, ultimately, fewer ships out there.

Right now I am searching for room on where we might fit that in. Plus, I have to look at other partnerships as well to see if we might leverage them. The Navy is experimenting with a tactical ship-launched Unmanned Aircraft System (UAS), Fire Scout, which I think holds promise. But I don't have the money to move forward with that right now. So, we're leveraging off the Navy's work, and we're hopeful that they will work with us to experiment with one of the NSCs to see if that's the direction to go.

The other is more a Predator-type UAS that would cover, which would do wide-area coverage. And right now, Customs and Border Protection is working with some Predators. We're experimenting with them, using some Coast Guard pilots to look at the effectiveness of that system and how it might be employed with our ships and cutters.

Right now ultimately, we're doing better because the NSC gives us better sensors and coverage, and working with our current manned aircraft, it makes us no less capable than we have been in the past. But we would look forward to the future when we can identify the systems we need and then work them into our budget.

Senator COCHRAN. Thank you.

Thank you, Madam Chair.

DRUG INTERDICTION

Senator LANDRIEU. Thank you.

Let me just follow up on that. The question is, what is the most effective way to catch the bad guys? You know, is it with ship patrols? Is it with unmanned aircraft?

I'm concerned about the increased reliance by these major drug dealers to basically build their own submarines.

Without going into classified information, what is the Coast Guard's current response to some of these new, emerging, and more sophisticated operations?

Admiral PAPP. They're clearly presenting us with a challenge. But the drug trafficking organizations are still using a wide range of conveyances. Sometimes just slow fishing vessels—sometimes go-fasts. They're also, as we know, using semi-submersibles, and now fully submersibles. They will move depending—it's basically a chess game. And when we come up with a new tactic, they will move to another new tactic, and we have to react to that.

When you ask, what's the most effective? It's really a combination of all those things, and then another element, which you didn't mention, is intelligence. We can't do nearly as well as we do now if it was not for active intelligence, working with our partners, bilateral and multilateral agreements that we have with South and Central American countries that allow us to share information, work together, train together, and also actually, conduct operations together on the water, and sometimes even allow us to go into other sovereign waters based upon the agreements that we've come up with.

So, intelligence is probably one of the most important things for us, because it will tell us oftentimes not only where to go, but what ship to look at and oftentimes what compartment in that ship to look at.

I'm not divulging—I'm talking in generalities; that's how sophisticated our intelligence is. And it's a combination of that with our operational assets that are out there.

Senator LANDRIEU. I'm so glad you mentioned that, Admiral. Because I was recently down in Guatemala on a trip focused on another issue, but took the opportunity to get a security briefing by our Embassy, and this is exactly what they were talking about. The Guatemalan Government was very complimentary of the Coast Guard and your partnerships. I want this subcommittee to know that we just can't stop drugs at the border, along the Southwest Border. They're coming through maritime channels, ship channels, oceans, and bayous.

And getting the right intelligence before they leave the ports or intercepting them well before they get into our ports is a smart strategy. It's a combination of the right kind of materials and platforms. The intelligence aspect and the partnership with some of these governments, such as Honduras, Guatemala, Nicaragua, and El Salvador are extremely important. And do you want to comment on that? And I have one more question—

Admiral PAPP. Just to—

Senator LANDRIEU [continuing]. And then I'll go to Senator Coats.

Admiral PAPP. Yes, ma'am. Just a quick one, as well. But another thing that I'd like to brag a little bit about is that it's not just the United States Coast Guard cooperating with those South

and Central American countries. We also facilitate cooperation among Federal agencies as well. One of my collateral duties is the chairman of the Interdiction Committee, where we bring together Justice, the Department of Defense, and a full range of the inter-agency to share and to work together, and to come up with strategies.

At our last meeting we brought in General Fraser, who's the Commander of SouthCom. He has a deep and abiding interest in what goes on in Central America.

But at the end of the day, you're absolutely right. We need to stop these drugs in the transit zone where we can pick up that 6.6 million tons of cocaine at one time, before it gets ashore in Central America, is broken down into thousands of packages to come across our border at various locations, and of course, also fueling the violence that we're seeing down there in Mexico.

AVIATION SAFETY

Senator LANDRIEU. Thank you.

And one more question. Since 2008—and you slightly touched on this, but I want to go a little deeper—14 Coast Guard aviators have died in recent accidents while conducting routine missions. Keeping the men and women of the Coast Guard safe, I'm sure, is your highest priority. I understand the Coast Guard has reviewed the cause of these incidents, the adequacy of aviation training, and operational maintenance. But what recommendations are you making in this budget? What have you recommended that we can support in our efforts to keep these men and women safe on these routine training missions?

Admiral PAPP. Yes, ma'am. Thank you for that. I was asked a couple of days ago, "What keeps you awake at night?" And I said, "Actually, I sleep pretty good. We've got good Coast Guard people out there, and good leaders that are getting the job done." But one of the sleepless nights that I can count is the loss of our helicopter 6017 very shortly after I became Commandant.

Fortunately, we had already started our aviation safety study. And we are well along in terms of—and I want to thank Senator Lautenberg for calling me at the time and pointing us toward an investigation that the Army did on some helicopter losses.

What we found out is that there was not a connection. The Army was mostly mechanical. Ours is really head work. And what I mean by that is, we've seen a lot of rapid cultural change within our aviation community over the last 10 years. We've picked up additional new responsibilities. The rotary wing air intercept that I talked about—tactical vertical insertion and other things, other than search and rescue, that we didn't do 10 years ago.

You can't necessarily point it on just that either. We've also gone through a rapid progression of upgrades and instrument and equipment changes within our helicopters. So, there's been change there. And I think also perhaps a little bit of complacency has slipped into our aviation culture across the Coast Guard; perhaps a diversion of focus away from safety concerns, leaders getting out on the flight deck and spending time with their young pilots, having them focused on their qualifications, and crew management within the cockpit. It's a whole collection of things that came together and re-

sulted in what were very, very unfortunate accidents under very routine circumstances. And it was not mechanical. It was human failure.

We're working very hard right now, taking our most senior aviators and going around to every air station. And we've got a number of other things in the works to improve upon an aviation culture in the Coast Guard that has produced the best maritime pilots in the world, making them even better.

There's no cost in the budget for this. It's something we have to take on as leaders, and we're about the business of doing that.

Senator LANDRIEU. Thank you, Admiral.

Senator Coats.

PERSONAL LOCATOR DEVICES

Senator COATS. Thank you.

Admiral, I'm aware that the Navy has placed on every ship afloat, and every sailor on that ship, a locating device that if there's a man overboard, woman overboard, they have an instant alert and GPS location. I mean, we all think of going out on a Sunday in the Chesapeake Bay, and someone falls overboard, and the boat just simply turns around and picks them up. But, obviously that's not the case in the open ocean.

Do you have a similar system in place?

Admiral PAPP. What we have—

Senator COATS. With your guardsmen.

Admiral PAPP. I'm not sure if we have something similar because I'm not familiar with the system that the Navy has employed, and I haven't read anything about that.

There are a number of small personal systems that are out there on the market right now. In fact, we just did a rescue in Alaska where an airplane crashed, and somebody was able to light off their personal device, which gave us an alert and—

Senator COATS. A vector.

Admiral PAPP [continuing]. Vectored us into it.

We put a number of what we call personal protective equipment on our people whenever they're involved in dangerous operations. There are a full range of things from signaling devices to strobe lights and other things. What I'll have to do is look at a comparison of what the Navy is issuing right now and see if there are any enhancements that we can do for our people as well.

Senator COATS. Yeah. I don't even know the name of it, the company, or what the market is. It's just that I've run into someone that told me about it, and he indicated that there's been a dramatic reduction in sailors lost at sea as a result of this thing.

Admiral PAPP. I'll look it up, sir, and we'll get back to you.

[The information follows:]

The Navy's utilizes the Man Overboard Indicator (MOBI). The MOBI is a water-or manually activated personal alarm system designed to improve the safety of sailors involved in operational situations with the potential for falling overboard. MOBI uses a transmitter to aid in the detection, location, and recovery of sailors who fall overboard. MOBI is a Naval Sea Systems Command (NAVSEA)-managed program.

While the Coast Guard does not utilize the Navy's MOBI, we do utilize a similar device, the Personal Locator Beacon (PLB) or Personnel Electronic Position Indicating Radio Beacon (P-EPIRB). These devices are worn on the boat crew survival vest by all coxswains, crewmembers, boarding officers, and boarding team members

in accordance with the Rescue and Survival Systems Manual (COMDTINST M10740.10F).

LIVING CONDITIONS

Senator COATS. Talk a little bit to me about your living conditions. What percent of your forces are married?

Admiral PAPP. We are one of the highest, and I don't have the exact figure, but my recollection is, it's up close to 50 percent, which we actually have the highest rate of people that are married, compared to the other four services.

Senator COATS. And married with children, I assume.

Admiral PAPP. Most of them. Yes, sir.

Senator COATS. I mentioned then your concerns about housing, adequate housing, and childcare. Where are you in that process? And where do you rank? We all know the Air Force has the best facilities, including golf courses. We all know that the Navy does pretty well, and the Army has improved dramatically. Marines are happy with a slab of cement and a tarp. But where does the Coast Guard fit in the list of services here in terms of what you would call the kind of housing that you're proud to have your people live in? Are you really deficient? Are you bottom of the ladder or—

Admiral PAPP. We're clearly at the bottom of the ladder. But what I have to qualify that with is that we have fewer people who live on big bases. We are locally dispersed, and it's very hard to come up with Coast Guard housing because we're at so many small stations around the country. So, we look at a combination of Government leases.

We, of course, have housing allowances for all of our people. One of the things that we have picked up—I declared this during my state of the Coast Guard speech. This is the year of the Coast Guard family. And my wife Linda and I have traveled around. She's met with literally thousands of Coast Guard people. We've chosen to focus on those things we think we can make a difference on, which is housing, childcare, ombudsman services, and spouses helping spouses.

Housing is a challenge for us because where we do have bases—for instance, Cape May, New Jersey, or Kodiak, Alaska—we have done okay in terms of trying to maintain them. But they're very costly.

The other services were facing the same challenges, and they got authorities and the money to enter into public-private ventures. That is—

Senator COATS. Do you have that authority?

Admiral PAPP. We do not have that authority. Also, we've had it in the past, but it requires us to escrow a large amount of money, which we never are able to get in our budget.

So what we've done, sir, is we've actually leveraged off the other services. Out in Hawaii what we did was we ceded some of our land that we had for our old housing to the Army. They brought in their public-private authorities and built houses, which now our Coast Guard takes part in.

At the other end of the spectrum, I actually live in a privatized house over at Bolling Air Force Base right now. We're selling the Commandant's house, which we owned for 40 years, in Chevy

Chase because it costs a lot of money, and we do have authorities to take the proceeds from those sales and turn them back into housing for our servicemembers.

So, we're selling the Commandant's house, and I've moved into a place that I pay rent on to a private company on Bolling Air Force Base, and it is up to Air Force standards, sir.

That's what we need to do for the rest of our workforce. I'd love to be able to have those public-private venture authorities, but it costs a lot, so what we're doing is, we've got a mixture of Coast Guard supported housing; we're looking where we can leverage off the other services, to take advantage of their authorities; and we're coming up with a comprehensive plan on the way ahead.

Senator COATS. I think you should keep us advised. I mean, morale and quality of service are directly related to the quality of life that is provided for family and children. Your people are out doing dangerous work and away from home. And they want, they need, to have some sense of comfort that their loved ones are taken care of.

Admiral PAPP. Yes, sir. Absolutely.

Senator COATS. Thank you.

Senator LANDRIEU. Thank you, Senator.

I'd like to follow up on that as well, and I'll recognize Senator Lautenberg in a moment.

I helped to lead the effort to privatize the Army housing, which has been really successful with the family housing. And at one point, Senators, it was estimated that it would take nearly, at the rate we were going, 200 years or more to provide housing for some of our men and women in uniform, according to what the budgets look like. So, we had to change the paradigm. And this private housing has been phenomenally successful. I'm a member of the Subcommittee on Military Construction, Veterans Affairs, and Related Agencies.

So perhaps, Senator Coats, you and I could really work together on this subcommittee to see new strategies that we might be able to employ—the partnerships you suggested and other avenues to provide really stepped-up housing opportunities for our men and women in the Coast Guard. And I'd like to commit to you to try to do that with your help and assistance.

Senator Lautenberg.

RESPONSE TO ENVIRONMENTAL DISASTERS

Senator LAUTENBERG. Thanks, Madam Chair.

I can tell you that for the people in the Coast Guard who are at Cape May, New Jersey, that it's a wonderful place to be. If we could enlarge that facility, then we could take care of more. And then this summer—that's right on the beach—we could put up some tents and accommodate people, and then the rest of the year they'd have the—it's wonderful.

They deserve better. I can tell you that. And when I look at the deteriorated situation with the quarters there now, that makes me unhappy. I'm so proud that you're so able to do the recruiting that you have to do, as mentioned earlier.

I want to go on to something a little touchy, Admiral Papp. The recent report on the Coast Guard's response to the Deepwater Hori-

zon oil spill found that the Coast Guard's ability to respond to environmental disasters had "atrophied over the past decade." How has the Coast Guard planned? How do you respond to that? And what can you do to improve your plans for better security missions and the need to improve the environmental response?

Admiral PAPP. Sir, I agree that it had atrophied over the last, probably, decade to 20 years. And part of that is because we've been very good at prevention. You have prevention and response. You hope that you don't have to respond because you've prevented the spills from happening in the first place. And we've been so good at the prevention side that I think, I don't know whether we just became complacent—part of it is complacency. And once complacency slips in, perhaps you're not looking as far forward in terms of new technology and other things that might be able to help you in the future for a response.

I think that the Oil Pollution Act of 1990 placed most of the responsibility for maintaining equipment with private industry, and I don't think private industry has looked that far forward either, or considered the implications of a worst-case scenario spill like we experienced in Deepwater Horizon.

So, I think it's incumbent upon us to take a look at what's the proper balance between Federal and industry, in terms of maintaining equipment and preparation. Ultimately, the answer is, working together.

The Coast Guard has already started—

Senator LAUTENBERG. Forgive the interruption. Does that include developing better specs for drilling and accident prevention? Is that something the Coast Guard would be taking on? I don't know how you do the preventive side and make it the rule.

Admiral PAPP. Organic to the Coast Guard, we do not have the expertise in terms of drilling.

I think we all learned an awful lot through that. That falls under the Department of the Interior right now. And what we're doing is we're working very close with the Department of Interior to make sure that we collaborate as we go forward.

The Coast Guard has expertise in firefighting, stability, construction of the mobile platforms, and other things. But we've got zero organic technical expertise in the drilling operations, particularly in the deep sea.

I'm unwilling to volunteer to take on additional responsibilities to bring that organic technical expertise to the Coast Guard. I think it exists within the Department of the Interior. And what we need to do is make sure we're doing exactly what we do now, which is we work very close with our Federal partners—

Senator LAUTENBERG. So you can encourage them to participate more actively in the prevention side.

Admiral PAPP. Yes, sir.

MARINE ECOLOGY

Senator LAUTENBERG. I want to ask you this. We've seen incredible changes in our marine ecology as a result of changing temperatures. Does the Coast Guard have the ability to either recognize changes in marine functioning—the fish, the undersea plants, coral, and those kinds of things that all make part of the ecology.

Is there any awareness of the Coast Guard about what is taking place as a result of what is obviously the climate change that we're seeing?

Admiral PAPP. We're certainly interested in it. And no, we don't have organic expertise or staffs that are applied to that. We're more reactive in nature in terms of carrying out our current authorities when, for instance, in the Arctic we have much more open water now, and the potential for commerce and shipping to increase in those areas. We rely upon the National Oceanic and Atmospheric Administration and other Government agencies that do have that focus of the scientific study of our waters and the changes that are happening. The results of those changes are something that we have to deal with.

Senator LAUTENBERG. Now, it's just that you have so many people on the sea, and there are changes that are occurring. And I don't know whether you see these changes in makeup, quantity, or things that just fall your way. I know that when we put an embargo on striped bass years ago and so forth, the Coast Guard had some part in maintaining the rules for catches. And it worked wonders. I mean, we replaced the quantity, and it improved the quality as well.

So, I ask that because I'm like all of us that are concerned about what is taking place in the environments and the climate change. And if there's any way that there is information flow without giving you another task because you're so close to the reality out in the sea.

Thanks very much, Madam Chair.

Senator LANDRIEU. Senator Cochran.

Senator COCHRAN. I have no further—

OFFSHORE PATROL CUTTER (OPC)

Senator LANDRIEU. Okay. Thank you.

I think we're about complete. If you all would just be patient, one more question from me, then we're going to end the meeting.

You recently released a draft request for information for the Offshore Patrol Cutter (OPC). I understand this is arguably the most important acquisition for these particular boats—the backbone of the Coast Guard.

Your future-years capital investment budget includes funding for both the OPC and the NSC. It reaches almost \$2.3 billion. You've never requested more than \$1.4 billion in any fiscal year. Can you just briefly comment? And we'll use that question to close the meeting.

Admiral PAPP. Yes, ma'am. It's an interesting turn of events because I've watched Commandants come up here for years and always being accused of not asking for what they need or not asking for enough.

We're asking for what we need. And we need to be about the business of designing and selecting, and then building those OPCs—25 of them in our project baseline. They will provide the capabilities—the NSC is the high end, with the most capabilities. And then of course, the FRC, our patrol boat, which will be inshore, doesn't have a flight deck and is less capable.

The OPC will provide the connection between those two and in the outer zone of our defenses for security as you come to the country. It's got to be capable, though, of operating in the north Atlantic, the Bering Sea, and the Gulf of Alaska, which most of our Medium Endurance Cutters (WMECs) do not right now. They are just not stout or capable enough to survive those types of elements.

So, we need something that's going to probably perform in about Sea State 5, be able to launch helicopters, and recover boats in more challenging conditions. The OPC is that ship. I've looked at the basic specs that we've put out recently. I think it will be a very good ship to provide that, to fill that gap. We also have to be mindful that ultimately, with the 8 NSCs and the 25 OPCs, that's 33 ships replacing the 41 that we have right now.

So, we're pressing ahead. My job is to identify what we need in those years. And the administration signed off on our capital investment plan so I'm very hopeful we'll follow through with that.

Senator LANDRIEU. Thank you, Admiral. And again, thank you for your testimony today, for your forthrightness, for asking for what you really need. We look forward to working with you. And thank you for what your men and women do, amazing work every day. Thank you.

Admiral PAPP. Thank you, ma'am.

ADDITIONAL COMMITTEE QUESTIONS

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

2010 OIL SPILL—INCIDENT-SPECIFIC PREPAREDNESS REVIEW

Question. Coast Guard policy requires an incident-specific preparedness review to assess lessons learned from major spill events. The review of the 2010 oil spill in the gulf was recently completed in March. A primary conclusion of the independent review was that "the Coast Guard's Marine Environmental Response (MER) preparedness and response programs have atrophied over the past decade". It found that the Coast Guard's area contingency plans were inadequate, there was a lack of engagement with State and local governments on national contingency plan responsibilities, environmentally sensitive areas were given uneven and inadequate attention in area contingency plans, and more research is necessary for alternative response technologies. The report also noted that many lessons learned from prior spills, such as the 2008 *Cosco Busan* spill and the *Cape Mohican* spill 11 years earlier, have not been addressed or implemented effectively by the Coast Guard.

What is the Coast Guard doing to implement the recommendations of the review and ensure the lessons learned are institutionalized?

How will you oversee and measure the effectiveness of these changes?

The budget request includes \$11.5 million to enhance Marine Environmental Response (MER) capacity. Your written testimony notes this is an "initial investment". Do you have a long-term financial plan for this effort? Please provide the plan to the subcommittee when it is completed.

Answer. While the report does not necessarily reflect the views of the Coast Guard, the Incident Specific Preparedness Review's (ISPR) process of critical analysis, review, and outside perspective will be a useful tool in helping the Coast Guard continuously improve coastal oil spill response for the American people. The ISPR is one of several reports that have been completed following the BP Deepwater Horizon Oil Spill. The Coast Guard is also conducting a comprehensive review of the President's National Commission on the BP Deepwater Horizon oil spill and offshore drilling's findings, the National Incident Commander's (NIC) Report along with the other Deepwater Horizon reports that provide a body of lessons learned, perspectives, and opinions. The Coast Guard is carefully reviewing these reports to identify

areas of positive and effective preparedness improvements to develop effective and appropriate national implementation strategies. The Coast Guard has already taken several actions to address areas where planning and preparedness will be improved, including directing Captains of the Port to review oil spill response plans for off-shore facilities, requiring area committees to include worst case discharge scenarios for offshore facilities in their respective area contingency plans, increasing State and local outreach and participation in area committee meetings and activities, and participating in a Coast Guard, Federal Emergency Management Agency, and Environmental Protection Agency workgroup to develop recommendations to harmonize the national contingency plan and national response framework governance constructs.

The Coast Guard is carefully evaluating the body of perspectives and opinions provided in the various reports. As changes are implemented, the Coast Guard will use a formal lessons learned program that is designed to document, assess, and implement lessons learned from oil spill exercises and real events, including the BP Deepwater Horizon oil spill. Coast Guard leadership will leverage this program to monitor execution of any changes resulting from the ongoing reviews. Developing measures of effectiveness is an important part of evaluating and implementing proposed changes. However, effective response is only part of the equation. Due to the progress the Coast Guard has made as a result of prevention efforts, there has been a consistent reduction in the average number of chemical discharge incidents and oil spills in the maritime environment between fiscal year 2008 and fiscal year 2010.

The President's fiscal year 2012 budget request includes funding to immediately increase the Coast Guard's marine environmental response and marine safety capabilities. Included in the fiscal year 2012 request are 87 marine environmental response personnel, including 33 personnel dedicated to an Incident Management Assist Team (IMAT), additional marine environmental responders at sectors, and additional strike team personnel. As part of these efforts, the Coast Guard will fully develop an investment plan to ensure these new resources are effectively installed. The nature of future investment will depend on how the Coast Guard decides to address the recommendations put forth in Deepwater Horizon after action reports and to implement the lessons learned from other past response efforts. The Coast Guard will work diligently within the organization and with government partners and industry to implement meaningful improvements for future oil spill planning, preparedness, organization, and response.

FLEET MIX ANALYSIS (FMA)

Question. The Coast Guard recently completed the first phase of a study called the Fleet Mix Analysis (FMA) that updated the mix of offshore assets necessary to meet mission performance requirements. The study took an unconstrained resource approach, resulting in an increase in total assets with a cost approaching \$65 billion, nearly \$40 billion higher than the current estimate. A second FMA is underway that considers the effects of fiscal constraints.

According to recent testimony by the Government Accountability Office, the second analysis being conducted will not assess options lower than the current mix of assets the Coast Guard determined as necessary in 2004. With Federal agencies facing a much leaner fiscal future, don't you think it would be wise to fully understand the trade-offs above and below the current mix?

I understand that the Department of Homeland Security is conducting its own study called the Cutter Fleet Mix Analysis. This appears to be a redundant effort to the Coast Guard's FMA. Why are multiple studies being conducted, when will the results be shared with the Congress, and how will the Coast Guard use the results of the studies?

Answer. FMA phase 2 was developed to validate key assumptions in FMA 1 and to take a very specific look at the performance of the Program of Record (POR) under constrained investment levels. The analysis of trade-offs is the focus of the Department of Homeland Security Cutter Study.

While the FMA analyzes the current program, the Department of Homeland Security Cutter Study includes an analysis of trade-offs under various assumptions for the mission requirements of the fleet. The Department of Homeland Security Cutter Study benefits from the FMA validation of modeling methodologies and will be used to inform near-term investment decisions. The results of these studies do not stand alone, but taken together they inform the Department's acquisition analysis and will be reflected in fiscal year 2013 and future years' budget requests.

HIGH ENDURANCE CUTTER (WHEC) DECOMMISSIONING

Question. Your budget proposes to decommission a third High Endurance Cutter (WHEC) in fiscal year 2012, but the third National Security Cutter (NSC) won't be

ready for operations until fiscal year 2013. That equates to a net loss of 3,300 operational hours or 185 steaming days.

How will this impact the Coast Guard's ability to conduct critical missions, such as drug interdiction and migrant interdiction?

Answer. The fleet of WHECs is achieving approximately 140 of their programmed 185 patrol days per year, which is unsustainable for the long-term as the costs to keep these vessels operational continually increase. The Coast Guard is currently expending more than three times what is budgeted to maintain them with diminishing returns on investment. The Coast Guard will replace these assets with NSCs as soon as possible.

NSCs offer improved capability over the legacy WHECs. Currently, there are two NSCs in service—CGC *Bertholf* and CGC *Waesche*. In April 2011, CGC *Bertholf* commenced its first patrol in the Bering Sea. CGC *Waesche* is currently completing ready for operations testing and evaluation, and will be ready to join the fleet very soon. CGC *Stratton* is nearly complete and we anticipate it will be ready for operations in spring 2013. The introduction of NSCs will improve operational availability of the major cutter fleet as aged and obsolete WHECs are decommissioned.

The Coast Guard will leverage these and the remaining WHECs and Medium Endurance Cutters (WMECs) to meet all statutory mission requirements, including drug and migrant interdiction.

BUDGET PLANNING

Question. The Coast Guard's Blueprint for Continuous Improvement includes an action item that the Coast Guard develop a list of priorities for major acquisitions.

What steps has the Coast Guard taken to develop this priority list, and how will the Coast Guard use it?

Will the Coast Guard's acquisition, resources, and capabilities directorates all be involved equally?

What additional major investments are on the horizon that will need to be factored into Coast Guard acquisition budgets over the next 5 years?

Answer. The Coast Guard's Acquisition Blueprint requires completion of a project priority list to assist with management of acquisition resources and activities within the Acquisition Directorate. The assigned completion date for the acquisition project priority list is fourth quarter of fiscal year 2011.

A separate but linked resource governance process, overseen by the Coast Guard's most senior leadership, is used to prioritize resources needs including requests for AC&I funding, across the entire service. This is an ongoing effort, and is part of the Coast Guard's planning, programming, budgeting, and execution cycle. The Coast Guard recapitalization priorities are included in the fiscal years 2012–2016 Capital Investment Plan.

Yes, the linked resource governance process, overseen by the Coast Guard's most senior leadership with equal representation across all Coast Guard directorates, is used to prioritize resources needs including requests for AC&I funding, across the entire service.

Based on the best available information used to develop the Coast Guard's fiscal years 2012–2016 Capital Investment Plan, there are no new assets expected to join the major acquisition queue beyond those that are already specified in the Coast Guard's Program of Record.

FAST RESPONSE CUTTER (FRC)

Question. If fiscal year 2012 funding is provided for four FRCs, instead of six as requested, would that increase the costs of each FRC? What would be the increased cost per ship?

Answer. Yes. Overall, the average cost increase per hull is approximately \$5 million, including production costs, economic price adjustments associated with spare parts, antecedent liabilities, and other scalable program costs (e.g., project management, testing, certification, etc.).

VESSEL SECURITY

Question. Please describe the Coast Guard activities (assets used, location, and associated costs) in support of the mission to protect tankers and other vessels in foreign waters.

Answer. The Coast Guard conducts domestic operations to protect tankers and other vessels in or near U.S. ports. However, it does not have the authority to conduct such operations in foreign waters. The primary responsibility for the protection of tankers and other vessels in foreign waters is the port state receiving these vessels.

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

Question. Admiral Papp, the fiscal year 2012 budget justification documents indicate that the United States will remove one of our heavy polar icebreakers from service and return to contracting with other nations for icebreaking operations. As the melting of the polar ice caps in the summer months reveals new natural resources, navigational routes and introduces new national security considerations, the United States will be subcontracting critical icebreaking duties with nations who may ultimately be in direct competition with us for these resources. Furthermore, we continue to operate without a comprehensive assessment or a workable plan to address this lack of a strategic asset.

The fiscal year 2012 budget request indicates that “[t]o help define the capability that is needed to meet long-term Federal needs in the changing Arctic environment, Coast Guard will participate in the Department of Homeland Security-led inter-agency working group, funded in fiscal year 2012 to develop final requirements for acquisition of the 21st century icebreaking capability.” As far back as 2008, the Coast Guard has indicated that it is assessing the United States’ national interests in the arctic regions and the corresponding capabilities needed in the region. Most notable among these efforts is the High Latitude Study, which the Coast Guard has not yet released.

What is the status of the High Latitude Study, as well as the polar business case analysis, and is there a timeframe when these reports will be completed and available?

What are the key differences between the composition of and the anticipated outcomes of this working group and the various studies, including the High Latitude Study, that the Coast Guard has already been tasked to produce?

Answer. The Coast Guard’s contractor has completed the High Latitude Study and it will be transmitted to the Congress to meet the reporting requirement set forth in Public Law 111–281. In accordance with Public Law 111–281, Coast Guard is conducting a polar business case analysis.

The High Latitude Study is a Coast Guard-sponsored assessment of Arctic and Antarctic mission requirements, including the polar icebreaking needs.

The Department of Homeland Security-led acquisition analysis will consider the icebreaking requirements across the Government and analyze agency-specific solutions, such as those identified by the High Latitude Study, to determine whether a coordinated acquisition of new icebreaking capability would provide greater benefit to the Nation. The analysis will consider a broader set of alternatives, including the mode of icebreaker operation and functional ownership across the Federal Government. The results of this effort will produce the acquisition strategy and funding plan for procuring 21st century icebreaking capability.

Question. The Coast Guard anticipates relying on foreign nations to perform icebreaking duties, some of which may be in competition with the United States for energy resources, fishing rights, navigational lanes, and national security. This is not the first time that the United States has been forced to rely on foreign nations.

In the past, what was the annual cost to the United States to contract polar icebreaking services with a foreign entity?

What is the estimated annual cost for this activity under the President’s budget proposal?

In previous testimony, Secretary Napolitano referenced two countries with which we could contract our icebreaking operations. Would you please advise the subcommittee of the two countries by name and give us your assessment of any conflicting interests they may have with the United States in the polar regions, specifically referencing energy resources, navigation, fishing rights, and national security?

Answer. The Coast Guard has not historically contracted polar icebreaking services with a foreign entity. The National Science Foundation (NSF) has done so the past 4 years to provide the McMurdo break-out in Antarctica in support of scientific activities and for other scientific studies, and for scientific studies in the Arctic Ocean.

There are no funds included in the Coast Guard’s fiscal year 2012 budget proposal to lease foreign icebreakers. Specific questions on icebreaker leasing should be directed to NSF.

The two countries referenced by Secretary Napolitano are Russia and Sweden. No U.S. agency has contracted polar icebreaking services to perform duties, to the extent they exist, related to energy resources, fishing rights, navigational lanes, and national security. The Coast Guard is not in a position to comment on specific competing interests that foreign countries may have with the United States in the Arctic. This question would be better addressed by the State Department.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

Question. Please describe the ways in which the Coast Guard is involved in response to the ongoing Mississippi River flooding.

Answer. The Coast Guard continues to conduct statutory missions on the Western Rivers and respond to ongoing flooding events. To date, the Coast Guard has activated 47 reservists to support 2011 flood response operations. During the most recent Mississippi River flooding, the Coast Guard has deployed assets (e.g., personnel, boats, aircraft) in support of Search and Rescue (SAR), Marine Environmental Response (MER), and Aids to Navigation (ATON) missions. The Coast Guard is coordinating with Federal, State, local, and tribal organizations to render assistance to persons in distress, as well as to protect property.

The Coast Guard Marine Transportation Recovery Unit (MTSRU) monitored impacts and kept the maritime industry apprised and briefed on developments through the dissemination of a daily summary report. The Coast Guard was very proactive in coordinating all potential actions with industry through daily River Industry Executive Task Force, New Orleans Port Coordination Team, and Lower Mississippi River Commission conference calls.

Additionally, Coast Guard Captains of the Port (COTP) are continually reviewing and implementing, when necessary, safety zones. The COTP are also issuing marine safety information bulletins to ensure the safe navigation of marine traffic. The Coast Guard continues to monitor the water levels and is implementing river closures and re-openings, as appropriate, and working closely with the U.S. Army Corps of Engineers as they manage their responsibilities for flood control.

Question. Please describe the ways in which Coast Guard assets were used to respond to the Deepwater Horizon incident.

Answer. The Coast Guard was involved in every phase of the response to the Deepwater Horizon incident, including the initial Search and Rescue (SAR) response. Sixty Coast Guard vessels were used to respond to the Deepwater Horizon incident. These vessels included 210-foot and 270-foot WMECs, sea-going and coastal buoy tenders, ice breaking tugs, and patrol boats. After the explosion, Coast Guard vessels were engaged in SAR operations. When operations shifted from rescue to oil spill response, Coast Guard vessels were used in the recovery of oil, using onboard assets such as the Spilled Oil Recovery System (SORS) and Vessel of Opportunity Skimming System (VOSS).

Twenty-two Coast Guard aircraft, including long- and medium-range surveillance aircraft and short- and medium-range helicopters, were used to respond to the Deepwater Horizon incident. Initially, as with the Coast Guard vessels, Coast Guard aircraft were used in SAR operations, evacuating injured crew members and searching for missing crew members. During the aircraft SAR operations, the first evidence of oil sheen was observed. Coast Guard aircraft were then used for surveillance, oil spotting, and overflights.

More than 7,000 Coast Guard personnel, including active duty, reserve, auxiliary, and civilians, participated in all phases of the response. Today, almost 200 Coast Guard personnel continue to support oil spill recovery operations in the gulf. Coast Guard personnel were involved in SAR operations, Incident Command System (ICS) coordination and staffing, oversight of offshore and onshore cleanup activities, public affairs, coordination with Federal, State, and local officials, and many other aspects of the response. Specialized personnel and equipment were also deployed from the Coast Guard's National Strike Force and other deployable support forces.

Question. Are there any particular stories of heroic activities by your men and women during the Deepwater Horizon response that you would like to share with the subcommittee?

Answer. Yes. In particular, the Coast Guard would like to share the story of the first men and women on the scene of the Deepwater Horizon incident—helicopter pilot Lieutenant Commander (LCDR) Tom Hickey, Coast Guard rescue swimmer Aviation Survival Technician Third Class (AST3) Dustin Bernatovich and the air crews of Coast Guard Number (CGNR) helicopters 6605, 6508, and 6576. The following is a summary of their actions on the evening of April 20, 2010 following the catastrophic explosion on the Deepwater Horizon mobile offshore drilling unit, 110 miles southeast of New Orleans, Louisiana.

After a failure of the rig's drilling systems 5,000 feet below the sea surface, a rush of oil and flammable gas surfaced and ignited the platform, ultimately crippling the structure, killing 11 and forcing workers onboard to abandon the rig. The aircrews aboard the CGNR 6605, 6508, and 6576, led by LCDR Hickey, immediately assumed on-scene coordinator duties for numerous aircraft and vessels converging on the disaster site. They quickly determined that the offshore supply vessel *Damon B. Bankston* had embarked 115 rig workers in need of rescue. Rescue swimmer AST3

Bernatovich was deployed to the vessel, and LCDR Hickey then tasked seven additional arriving aircraft to conduct search patterns around the rig, and sequenced helicopters to the *Damon B. Bankston* to evacuate the most severely wounded victims. Despite 600-foot flames, explosions on the rig, and intense heat felt in the cabin, the crews of the CGNR 6605, 6508, and 6576 made numerous low passes within 150 feet of the rig to search for any possible survivors as the rescue swimmer conducted triage of the injured mariners. While communicating constantly with the other aircraft, LCDR Hickey provided critical safety pilot duties as the Coast Guard helicopters hoisted five survivors and transferred them to awaiting paramedics back at Air Station New Orleans. The leadership and superior actions of LCDR Hickey, AST3 Banatovich, and the aircrews of the CGNR 6605, 6508, and 6576 ensured the success of a major rescue operation, which saved 14 lives and assisted 101 others.

Question. If the Congress provided you with the flexibility of multi-year procurement authority and then adequate follow-on appropriations, could it provide for savings to the taxpayer in the acquisition of NCSs Nos. 6–8?

Answer. We cannot execute the NSC project under a multi-year procurement construct given the current NSC contract structure.

Question. What are the specific advantages of purchasing long-lead time materials (LLTM) in advance of the construction of a Coast Guard vessel?

Answer. Purchasing these materials in advance allows for optimal sequencing of production activities by ensuring that LLTM will be on hand when needed.

Question. The Congress provided funding to complete NSC No. 5 in fiscal year 2011, rather than in fiscal year 2012 as assumed in the budget request. Understanding this change, if the Congress were to instead provide funding for LLTM for NSC No. 6 in fiscal year 2012, would the Coast Guard be able to purchase these materials in fiscal year 2012 and take advantage of the resulting efficiencies?

Answer. If NSC No. 6 were fully funded in fiscal year 2012, the Coast Guard could award NSC No. 6 LLTM in fiscal year 2012.

Question. Could you characterize the current operations and maintenance costs associated with the WHECs you plan to retire as you acquire NSCs?

Answer. The programmed cost to operate and maintain each WHEC is approximately \$20 million. Of the \$20 million, \$1.2 million is programmed for depot level maintenance. In fiscal year 2010, the WHEC fleet expended, on average, \$3.96 million per hull on depot level maintenance, or \$2.76 million above programmed levels.

Question. Do the *Bertholf's* recent operations around Alaska provide you with additional confidence in the NSC's ability to operate in arctic areas of responsibility?

Answer. Yes. USCGC *Bertholf's* current Alaskan patrol has subjected the cutter to 20-foot seas, 60 knot winds and temperatures below freezing, all testing the NSC's operational capabilities in Arctic sea conditions. USCGC *Bertholf's* economical propulsion plant and enhanced endurance allowed for 24 days at sea without replenishment and provided for sustained cutter presence offshore. The large flight deck and stable sea keeping capabilities allowed for a broad weather envelope to launch and recover aircraft, and also supported more than 20 safe and effective law enforcement boardings in seas up to 8 feet. The Coast Guard is very pleased with the operational performance of the NSC in the Bering Sea thus far.

Question. I understand that the Coast Guard has been analyzing various unmanned aerial systems to determine which existing systems might provide a solution for both your land-based and ship-based aerial missions. What added capabilities and cost avoidance could these unmanned systems provide that current manned aircraft platforms are not providing?

Answer. Aircraft persistence, sensor payloads, and C4ISR suites unique to Unmanned Aircraft Systems (UASs) are expected to significantly increase maritime surveillance and detection capability for strategic and tactical commanders. Additionally, unmanned capabilities may permit the Coast Guard to employ airborne sensors when and where they are needed most, and for extended periods, regardless of risks that would prevent the employment of manned aircraft (e.g. areas where chemical, biological, radioactive, and other hazards are present). Finally, UASs allow more versatile manned aircraft to be employed elsewhere to maximize mission outcomes. By one estimate, the UAS has a lower life-cycle cost when compared to manned aircraft operations ("Cost Comparison Potential of Coast Guard Unmanned Aircraft Systems and Coast Guard Manned Aircraft Systems" study, prepared by Wyle Laboratories, Inc., in support of the U.S. Coast Guard Office of Aviation Acquisition (CG-931), in August 2010). This study estimates a cost per flight hour savings of 15 percent for ship-based UAS as compared to the H-65 and 50 percent for land-based UAS, as compared to C-130H.

Question. Do you believe that it is important to make these assets available to the Coast Guard as soon as possible?

Answer. Yes. The UAS acquisition is a significant component of the Coast Guard's solution to eliminate the current MPA gap. However, while UAS is a priority for the Coast Guard, the highest priorities of the Coast Guard Air Domain are to extend current aircraft service life, enhance the capability of current airframes, and recapitalize aged and obsolete air assets.

Question. What specific funds are requested in the fiscal year 2012 budget that would move the Coast Guard closer to the acquisition of its own unmanned aerial assets?

Answer. The Coast Guard continues to advance its plan for UAS acquisition through its partnerships with other Government agencies that are developing and implementing the UAS concept of operations. In 2012, Coast Guard will apply multi-year funds to continue its UAS acquisition research projects.

Question. What is the Coast Guard's assessment of SouthCom's Project Cazador, which was carried out in cooperation with Panama?

Answer. The Coast Guard did not have any direct involvement with the planning and execution phases of Project Cazador; this was a SouthCom-led initiative that occurred in summer 2010 over a 120-day period. The project was conducted in cooperation with Panama and provided additional Detection and Monitoring (D&M) capacity along the littorals of Panama. The program complemented Joint Interagency Task Force South's D&M efforts that occurred further offshore, which the Coast Guard plays a substantial role in. Initiatives such as Project Cazador are considered of high value to the Coast Guard given the synergy with the aforementioned Coast Guard operations. The UAS, Heron I, was demonstrated during Project Cazador. Coast Guard personnel deployed to observe Heron I gained valuable UAS experience. It was observed that Heron I's slow cruise speed is both a strength and weakness. It was observed that Heron I is very capable of long-endurance missions in limited areas or over a specific target. When attempting to classify and identify targets at the outer edge of its radar range, it was observed that airspeed was a limiting factor. As such, Heron I would likely have limited operational effectiveness when patrolling the extensive smuggling routes south of Panama.

Question. How do the illicit cargo interdicted during Project Cazador compare to amounts seized in recent Coast Guard operations?

Answer. During the same 4-month period (June 2010 through September 2010), the Coast Guard sized 28 metric tons (MT) of cocaine in the transit zone, while Project Cazador seized a total of 10 MT of cocaine.

Question. If Coast Guard assets had not been tied up responding so bravely to the Deepwater Horizon incident, do you believe Project Cazador would have yielded additional interdiction of illicit cargo?

Answer. Project Cazador could have possibly yielded additional interdictions had the Coast Guard not diverted assets to support Deepwater Horizon operations. During much of Deepwater Horizon, Airborne Use of Force (AUF) helicopters were diverted from counter drug deployments to support the response efforts. In one specific case, a Project Cazador detection and monitoring asset located and tracked a "go-fast" in the Western Caribbean near Costa Rica. A Coast Guard cutter conducting a Joint Interagency Task Force South patrol was diverted to intercept the "go-fast", which was suspected of trafficking cocaine. The Coast Guard cutter did not have an AUF capable helicopter deployed onboard, and the "go-fast" evaded the cutter and escaped into Costa Rican territorial waters.

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

U.S. COAST GUARD MARITIME COVERAGE IN ALASKA

Question. In Alaska, we are very concerned with the President's decision to decommission another WHEC in the fiscal year 2012 budget. Given the vast maritime environment that the Coast Guard is responsible for protecting in Alaska, I am concerned that the decommissioning of these cutters will have significantly negative impacts on the safety and security of the Alaskan commercial fishing industry. The Coast Guard is tasked with conducting operations in Alaska that encompasses more than 3.8 million square miles, which is larger than the land mass of the continental United States, and more than 33,000 miles of coastline. With the Alaskan fishing industry producing more than 50 percent of the national fishing totals each year, the cumulative loss of another cutter from the Coast Guard's fleet could place a significant portion of the Alaskan fishing fleet that routinely operate in the Bering Sea and Gulf of Alaska in danger as well as preventing the Coast Guard from effectively ensuring that the safety and commercial fisheries regulations are adequately enforced.

Previously you testified that the Coast Guard was committed to a plan to recapitalize the current WHEC fleet with new NSCs, an effort that was designed to maintain current cutter coverage levels while quickly bringing the new class of cutters online. However, the fiscal year 2012 proposed budget does not have any funding for LLTM for the sixth NSC. During Secretary Napolitano's fiscal year 2012 budget hearing in March, she emphasized her commitment to building out eight NSCs. NSC No. 5 is now fully funded. However, I note that there is no funding for NSC No. 6 in the fiscal year 2012 request. The Coast Guard previously funded LLTM for the NSC in advance of production. Would the total cost of NSC No. 6 be reduced if LLTM are funded in fiscal year 2012 versus fiscal year 2013? If so, by how much? Also, what plan do you have in place to assure that there is adequate cutter coverage in Alaska?

As you are aware, there are only seven HH-60 helicopters in Alaska—four in Kodiak and three in Sitka. These assets, given their durability in harsh weather environments, are essential to the Coast Guard's ability to rescue those in need in Alaska. However, each year helicopters are repositioned in Alaska to cover the fishing fleets in the Bering Sea and Gulf of Alaska. That repositioning moves assets from other Coast Guard facilities, leaving those areas with resource gaps. What is the Coast Guard's plan to close this aviation resource gap? Does the Coast Guard have the aviation assets it requires to complete its missions in Alaska and the rest of the United States?

Answer. If NSC No. 6 were fully funded in fiscal year 2012, the Coast Guard could award NSC No. 6 LLTM in fiscal year 2012. The possibility for total cost savings would depend on several factors.

The Coast Guard has a proud history of serving the maritime interests in Alaska and will continue to do so, including maintaining a major flight deck equipped cutter presence in the Bering Sea. The NSC will replace the aging and obsolete WHECs and provide greater operational availability to the fleet of major cutters. NSCs are already having an operational impact. In fact, the first NSC, USCGC *Bertholf* (WMSL 750), commenced its first patrol in Alaska in April 2011. Additionally, USCGC *Waesche* (WMSL 751), also home-ported on the west coast, will be ready for operations by November 2011 and available for worldwide assignment. Moreover, USCGC *Stratton* (WMSL 752) will be delivered in September 2011 and ready for operations in spring 2013. Patrolling Alaskan waters remains a high priority and the Coast Guard is committed to providing coverage to meet the most-pressing operational needs, including coverage for missions in the Bering Sea.

The Coast Guard has partnered with the U.S. Navy Sundown program to receive, at no cost, retired H-60F model airframes, which can be converted to Coast Guard MH-60T helicopters. Funding was provided in the Disaster Relief and Summer Jobs Act of 2010 (Public Law 111-222) to convert one Navy H-60F airframe to a Coast Guard MH-60T helicopter as a replacement for one of two HH-60J Coast Guard helicopters (CGNR 6028 and 6017) lost in operational crashes. This conversion is expected to be completed in November 2011. Funding has been requested in the Coast Guard's fiscal year 2012 budget to convert a second H-60F airframe, completing the restoration of HH-60 capacity. The Coast Guard continues to balance rotary wing needs based on operational risks, which is why the Coast Guard continues to rotate HH-60s to Alaska during critical fishing and crabbing seasons.

Of the four rotary-wing aircraft lost due to mishaps in the past 3 years, to date one has been funded for replacement, and the second is requested in the fiscal year 2012 President's budget. With these planned replacements, there remains a two aircraft gap in the aviation fleet. However, the Coast Guard moves assets to ensure coverage for highest priority missions.

CONCLUSION OF HEARINGS

Senator LANDRIEU. The subcommittee stands in recess, subject to the call of the Chair.

[Whereupon, at 11:17 a.m., Tuesday, May 10, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]