

**ASSESSING THE SHORTAGE OF UNITED STATES
MARINERS AND RECRUITMENT AND RETENTION
IN THE UNITED STATES COAST GUARD**

(118–15)

HEARING
BEFORE THE
SUBCOMMITTEE ON
COAST GUARD AND MARITIME TRANSPORTATION
OF THE
COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTEENTH CONGRESS
FIRST SESSION

MAY 11, 2023

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Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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MAY 5, 2023

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Coast Guard and Maritime Transportation
FROM: Staff, Subcommittee on Coast Guard and Maritime Transportation
RE: Subcommittee Hearing on “*Assessing the Shortage of United States Mariners and Recruitment and Retention in the United States Coast Guard*”

I. PURPOSE

The Subcommittee on Coast Guard and Maritime Transportation will hold a hearing on Thursday, May 11, 2023, at 10:00 a.m. ET in 2253 Rayburn House Office Building to receive testimony on the “*Assessing the Shortage of United States Mariners and Recruitment and Retention in the United States Coast Guard*.” The Subcommittee will hear testimony from the United States Coast Guard (Coast Guard or Service), the Maritime Administration (MARAD), the Government Accountability Office (GAO), and the RAND Corporation.

II. BACKGROUND

THE UNITED STATES COAST GUARD

The Coast Guard is currently authorized for an active duty end-strength of 44,500.¹ However, it is operating with a deficit of approximately 4,800 members across its workforce.² Approximately 3,000 of the 4,800 are active-duty personnel.³ In fiscal year (FY) 2023, the Coast Guard sought a total of 59,854 personnel positions to carry out its statutory missions.⁴ Despite increased mission demands, the Coast Guard has faced limited growth in its ranks, and faces a personnel deficit, which is discussed in greater detail below. The following chart illustrates the Coast Guard’s manpower requests over the last five years.⁵

¹ 14 U.S.C. § 4904.

² UNITED STATES COAST GUARD, FY 2024 CONGRESSIONAL BUDGET JUSTIFICATION 28 (2023), available at https://www.uscg.mil/Portals/0/documents/budget/2024/Coast_Guard_FY2024_Congressional_Justification.pdf.

³ United States Coast Guard Briefing to Congress, Coast Guard Recruiting & Retention (on file with Comm.).

⁴ COAST GUARD, REPORT TO CONGRESS, MANPOWER REQUIREMENTS PLAN (on file with Comm.).

⁵ *Id.*

Coast Guard Manpower Requests FY 2019–2023

FY	Officer	Warrant Officer	Enlisted	Civilian	Reserve	Total
2019	7,020	1,727	32,292	9,730	7,015	57,785
2020	7,151	1,781	32,532	9,873	7,039	58,376
2021	7,144	1,718	32,424	10,185	7,029	58,500
2022	7,274	1,785	33,063	10,673	7,015	59,810
2023	7,399	1,811	33,102	10,525	7,017	59,854

THE UNITED STATES MERCHANT MARINE

The United States Merchant Marine is composed of the civilian mariners that serve aboard United States flagged vessels operating in the domestic and foreign maritime trades of the United States.⁶ MARAD is the Federal agency responsible for fostering the development and maintenance of the United States Merchant Marine to ensure there is a sufficient number of mariners needed for national security and economic purposes.⁷ To this end, MARAD administers several programs that help support the employment of United States mariners aboard United States flagged vessels, including the Maritime Security Program, the Tanker Security Program, and the Cable Security Fleet.⁸ MARAD also is responsible for the administration of the United States Merchant Marine Academy as well as providing support to the six State Maritime Academies.⁹ These academies provide the necessary training and certifications required to serve as a licensed Merchant Marine Officer upon graduation.¹⁰ MARAD also works in collaboration with the Coast Guard and the Department of Defense on the Military to Mariner program which helps veterans capitalize on military experience and receive merchant marine credentials after separation from the Armed Forces.¹¹

MERCHANT MARINER CREDENTIALS

The Coast Guard is also responsible for issuing Merchant Mariner Credentials.¹² The Information Technology (IT) infrastructure for the Coast Guard's Merchant Mariner Licensing and Documentation System was established in the early 1990s and has significant limitations. The system is used to issue approximately 200,000 merchant mariner credentials to mariners serving on United States vessels. In its FY 2024 Unfunded Priorities List, the Coast Guard requested \$11 million to upgrade and modernize its credentialing system,¹³ and the Coast Guard Authorization Act of 2023 as reported by the Committee on Transportation and Infrastructure authorizes that new credentialing system.¹⁴

III. RECRUITING AND RETENTION CHALLENGES IN THE UNITED STATES COAST GUARD

Like other military services, the Coast Guard has fallen short of its recruiting targets, failing to meet its goals on an average of 20 percent each year since 2018.¹⁵ The gap is expected to increase in coming years and is especially acute in the enlisted ranks. By 2025, the Coast Guard expects to be short several hundred officers and nearly 6,000 enlisted members.¹⁶

⁶MARAD, *Military to Mariner*, available at <https://www.maritime.dot.gov/outreach/military-mariner> (last updated July 19, 2021) [hereinafter DOT Military to Mariner].

⁷49 C.F.R. § 1.92.

⁸See 46 U.S.C. §§ 53101–54012.

⁹MARAD, *Maritime Academies*, available at <https://www.maritime.dot.gov/education/maritime-academies/maritime-academies> (last updated Jun. 22, 2022).

¹⁰*Id.*

¹¹DOT Military to Mariner, *supra* note 6.

¹²46 U.S.C. § 7302.

¹³COAST GUARD, FY 2024 UNFUNDED PRIORITIES LIST (2023), available at https://www.uscg.mil/Portals/0/documents/budget/2024/Unfunded_Priorities_List_FY2024.pdf.

¹⁴Coast Guard Authorization Act of 2023, H.R. 2741, 118th Cong. (2023) [hereinafter 2023 CGAA].

¹⁵Caitlin Yilek, Norah O'Donnell, & Angel Canales, *How the Coast Guard plans to boost recruitment after years of shortfalls*, CBS NEWS, (Dec. 7, 2022), available at <https://www.cbsnews.com/news/coast-guard-recruitment-challenges-shortfalls/>.

¹⁶United States Coast Guard Briefing to Congress, Coast Guard Recruiting & Retention (on file with Comm.).

The Service is confronting a landscape where the pool of eligible candidates for military service is shrinking. According to the Department of Defense, 23 percent of Americans ages 17 to 24 are qualified to serve without a waiver; with physical fitness concerns, criminal history, and prescription and illegal drug-related issues being the primary disqualifiers for many.¹⁷ Moreover, just 9 percent of those eligible to serve have an interest in doing so.¹⁸ Compounding on these challenges is the current 3.5 percent unemployment rate.¹⁹ Historically, military recruiting suffers when the nation has a robust economy and low unemployment.²⁰

To address these challenges, the Coast Guard sought in this year's budget request \$12 million to fund additional personnel and offices to augment its recruiting efforts.²¹ Additionally, the Coast Guard intends to implement a multi-tiered strategy to address its recruiting and retention challenges, that includes relaxing certain requirements to expand the aperture of qualified candidates and adjusting personnel policies, including those related to parental leave and promotions in an effort to retain personnel.²² To support the Coast Guard's efforts, the Coast Guard Authorization Act of 2023, as reported by Committee, authorizes for FY2024 and FY2025, \$11.98 million to fund additional recruiting personnel and offices for the Coast Guard recruiting Command and \$9 million to enhance Coast Guard recruiting capabilities.²³

The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 (P.L. 117–263) directs the Coast Guard to establish at least one Junior Reserve Officers' Training Corps (JROTC) program in each Coast Guard district by December 31, 2025.²⁴ To date, the Coast Guard maintains six JROTC units at high schools in the East Coast.²⁵ It has plans to launch four more programs this year, including the first program to be stood up on the West Coast.²⁶ The expectation is that such programs will raise the Coast Guard's visibility and augment recruiting numbers.

IV. SHORTAGES IN THE MARITIME WORKFORCE

In 2017, MARAD estimated that the United States Merchant Marine faced a shortfall of 1,800 qualified licensed and unlicensed mariners needed in the event of a full mobilization to operate sealift assets.²⁷ A full mobilization in this sense refers to the activation of all militarily useful sealift assets in the commercial fleet and the Ready Reserve Force (RRF) for a period exceeding four to six months.²⁸ MARAD has since indicated that the shortage has likely grown.²⁹ For the purposes of ensuring that a sufficient number of civilian mariners are available for surge sealift scenarios, MARAD needs access to reliable mariner credential data, which is maintained in the Coast Guard's Merchant Mariner Licensing and Documentation Sys-

¹⁷ Molly Boigon & Courtney Kube, *Every branch of the military is struggling to make its 2022 recruiting goals, officials say*, NBC NEWS, (June 27, 2022), available at <https://www.nbcnews.com/news/military/every-branch-us-military-struggling-meet-2022-recruiting-goals-officials-rcna35078>.

¹⁸ *Id.*

¹⁹ Bureau of Labor Statistics, *The Employment Situation—March 2023*, available at <https://www.bls.gov/news.release/pdf/empst.pdf>.

²⁰ Heather Mongilio, *Tough Military Recruiting Environment is About More than Low Unemployment, Experts Say*, USNI NEWS, (Dec. 2, 2022), available at <https://news.usni.org/2022/12/01/tough-military-recruiting-environment-is-about-much-more-than-low-unemployment-experts-say>.

²¹ COAST GUARD, 2024 BUDGET FACT SHEET, available at https://www.uscg.mil/Portals/0/documents/budget/2024/Coast_Guard_FY2024_Posture_Statement_FINAL.pdf.

²² See 46 U.S.C. §§ 53101–54012.

²³ CGAA 2023, *supra* note 14.

²⁴ National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117–263 [hereinafter NDAA FY23].

²⁵ Coast Guard, *JROTC Units*, available at <https://www.uscg.mil/Community/JROTC/JROTC-Units/>.

²⁶ *Id.*

²⁷ *Mobility and Transportation Command Posture, Hearing before the Subcomm. on Seapower and Projection Forces and the Subcomm. on Readiness of the H. Comm. on Armed Services*, 115th Cong. (2018) (statement of Rear Admiral Mark H. Buzby), available at <https://docs.house.gov/meetings/AS/AS03/20180308/106952/HHRG-115-AS03-Wstate-BuzbyM-20180308.PDF>.

²⁸ *Id.*

²⁹ *Posture and Readiness of the Mobility Enterprise, Hearing before the Subcomm. on Readiness and the Subcomm. on Seapower and Protection Forces of the H. Comm. on Armed Services*, 118th Cong. (2023) (Statement of Rear Admiral Ann C. Phillips), available at <https://armedservices.house.gov/sites/republicans.armedservices.house.gov/files/Administrator%20Phillips%20Witness%20Statement.pdf>.

tem.³⁰ Unfortunately, limitations in the system leaves it as an unreliable source for MARAD to determine the accurate number of appropriately credentialed and healthy mariners, underscoring the need for modernization of the system.³¹ Section 11511, Modernizing Merchant Mariner Credentialing System, of the Don Young Coast Guard Authorization Act of 2022, requires the Coast Guard to establish an electronic merchant mariner credentialing system by the end of 2025.³²

The National Defense Authorization Act for Fiscal Year 2023 (P.L. 117–263) included a provision codifying a requirement for the United States Department of Transportation (DOT), in consultation with the Coast Guard and the United States Transportation Command, to develop a national maritime strategy that promotes the United States maritime industry’s ability to meet national security and economic needs.³³ To better inform this strategy, DOT and the Coast Guard must enter into an agreement with a federally funded research and development center to conduct a study that will identify the key elements needed for the national maritime strategy.³⁴ Among these elements, the study will review the availability of United States’ mariners, including the number of mariners needed in the United States over the next 30 years, the policies and programs in place for recruiting and training mariners, potential improvements for these policies and programs, and the estimated resource needs to implement these improved programs.³⁵

V. WITNESSES

- Vice Admiral Paul Thomas, Deputy Commandant for Mission Support, United States Coast Guard
- Rear Admiral Ann Phillips, USN (Ret.), Administrator, United States Maritime Administration
- Ms. Heather MacLeod, Director, Homeland Security and Justice, United States Government Accountability Office
- Dr. Beth Asch, Ph.D., Senior Economist, RAND Corporation

³⁰ MARAD, *Opportunities and Challenges to Increasing the Number of United States Coast Guard Credential Mariners*, DOT, available at <https://www.maritime.dot.gov/sites/marad.dot.gov/files/2020-07/Mariner%20Opportunities%20and%20Challenges%20Report%20%28002%29.pdf>.

³¹ *Id.*

³² FY23 NDAA, *supra* note 24.

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

ASSESSING THE SHORTAGE OF UNITED STATES MARINERS AND RECRUITMENT AND RETENTION IN THE UNITED STATES COAST GUARD

THURSDAY, MAY 11, 2023

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COAST GUARD AND
MARITIME TRANSPORTATION,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to call, at 10 a.m. in room 2253 Rayburn House Office Building, Hon. Daniel Webster (Chairman of the subcommittee) presiding.

Mr. WEBSTER OF FLORIDA. The Subcommittee on Coast Guard and Maritime Transportation will come to order.

I ask unanimous consent, as chairman, to be authorized to declare a recess at any time during the hearing.

Without objection, show that done.

I ask unanimous consent that Members not on the subcommittee be permitted to ask questions and be a part of the committee.

Without objection, show that ordered.

As a reminder, if Members insert a document in the record, please email it to the T&I Committee.

So, I will recognize myself for the purpose of an opening statement for 5 minutes.

OPENING STATEMENT OF HON. DANIEL WEBSTER OF FLORIDA, CHAIRMAN, SUBCOMMITTEE ON COAST GUARD AND MARITIME TRANSPORTATION

Mr. WEBSTER OF FLORIDA. Today, we receive testimony regarding the shortage of United States mariners and recruitment and retention challenges in the United States Coast Guard. We look forward to hearing from our witnesses on what is driving the manpower shortage in the United States Coast Guard and the United States merchant marine and what work can be done to address those shortages.

I would like to welcome our witnesses: Vice Admiral Paul Thomas, Deputy Commandant for Mission Support, United States Coast Guard; Rear Admiral Ann Phillips, Administrator for the United States Maritime Administration; Heather MacLeod, Director of Homeland Security and Justice for the United States Government Accountability Office; and Beth Asch—is it “Asch”?

Ms. ASCH. Yes, sir.

Mr. WEBSTER OF FLORIDA. Senior economist at the RAND Corporation.

The Coast Guard is currently authorized for an Active Duty strength of 44,500 men and women but is operating with a shortfall of approximately 4,800 members across the workforce. Despite the increasing mission demands, the Coast Guard, like other services, have faced limited growth in the ranks and is projected to see their personnel deficit grow in the coming years.

To help reverse those trends, the Coast Guard Authorization Act of 2023 was reported from this committee last month with authorizations of \$12 million to fund additional recruiting personnel and offices under Coast Guard Recruiting Command and \$9 million to enhance Coast Guard recruiting capabilities.

I understand the Coast Guard intends to implement a multi-tiered strategy to address these challenges that includes relaxing certain requirements to expand the pool of qualified candidates, as well as adjusting personnel policies, including those related to parental leave and promotions, to retain existing personnel. I look forward to hearing more about those efforts and how they are working.

As we experience challenges in Coast Guard recruiting and retention, we also face a shortfall in our civilian merchant marine workforce. In 2017, MARAD estimated that the United States merchant marine faced a shortfall of 1,800 qualified licensed and unlicensed mariners needed in the event of a full mobilization to operate sealift assets. MARAD has since indicated that the shortage will likely grow.

The fiscal year 2023 National Defense Authorization Act directed the Department of Transportation, in consultation with the Coast Guard and with United States Transportation Command, to develop a national maritime strategy that promotes the domestic maritime industry's ability to meet national security and economic needs.

To further bolster these efforts, the committee included in the Coast Guard Authorization Act of 2023 provisions that reduce bureaucratic delays and barriers to Americans seeking a seagoing career. Additionally, we authorized \$11 million to upgrade the Coast Guard's IT infrastructure for the Coast Guard's Merchant Mariner Licensing and Documentation System that was established in the early 1990s and has significant limitations.

We look forward to hearing from you on what other ways we can support your efforts. Thank you for participating today. I look forward to your testimony.

[Mr. Webster of Florida's prepared statement follows:]

**Prepared Statement of Hon. Daniel Webster of Florida, Chairman,
Subcommittee on Coast Guard and Maritime Transportation**

Today, we receive testimony regarding the shortage of United States Mariners and recruitment and retention challenges in the United States Coast Guard. We look forward to hearing from our witnesses on what is driving a manpower shortage in the United States Coast Guard and the United States Merchant Marine, and what can be done to address these shortages.

I'd like to welcome our witnesses—Vice Admiral Paul Thomas, Deputy Commandant for Mission Support, United States Coast Guard; Rear Admiral Ann Phil-

lips, Administrator of the United States Maritime Administration; Heather MacLeod, Director, Homeland Security and Justice, United States Government Accountability Office; and Dr. Beth Asch, Senior Economist at the RAND Corporation.

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Mr. WEBSTER OF FLORIDA. I now recognize the ranking member, Mr. Larsen.

Mr. LARSEN OF WASHINGTON. Oh.

Mr. WEBSTER OF FLORIDA. You are recognized for 5 minutes.

Mr. LARSEN OF WASHINGTON. Thank you, Mr. Chairman. I always forget how nice Salud Carbajal is to give me the opportunity to speak before him, and I appreciate that.

Mr. CARBAJAL. He is my higher ranking member.

OPENING STATEMENT OF HON. RICK LARSEN OF WASHINGTON, RANKING MEMBER, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. LARSEN OF WASHINGTON. Thank you, Chair, for calling today's hearing. I apologize, I am getting over a little bit of a cold, so, I am giving you my best movie voiceover voice this morning.

The U.S. Coast Guard and the civilian U.S. merchant marine are facing a unique challenge with the booming economy and historically low unemployment rates—they are having a hard time attracting new individuals to service.

The Coast Guard often prides itself on its ability to do more with less. They are a fraction of the size and budget of the other services, yet have a significantly wider mission set. Being *semper paratus* with insufficient resources is not sustainable.

The Coast Guard is currently operating with a shortfall of more than 4,500 servicemembers. To address this problem, the Service is rethinking recruiting by hiring more recruiters, expanding the

JROTC program, providing referral incentives, and deploying targeted advertising.

The Coast Guard offers unique experiences and opportunities to its servicemembers. During an average day, the Coast Guard will conduct 109 search-and-rescues, launch 164 aircraft missions, seize 475 pounds of illegal drugs, respond to 20 oil or hazardous chemical spills, and service 135 aids to navigation. A career in the Coast Guard is certainly one to be proud of.

I am confident the Coast Guard can and will do a better job of conveying the many opportunities it offers, but the Coast Guard needs our help to ensure robust support for Coasties as they conduct those missions.

Without affordable housing, Coasties are required to commute hours to work. Without medical access, Coasties go without healthcare. Without modern facilities and technology, Coasties work in substandard conditions. Without adequate childcare, parents will simply leave the Service.

So, I applaud Admiral Fagan for her refreshing approach exemplified by the slogan, "Tomorrow will look different, and so will we." If the Coast Guard does not rethink its way of doing business, recruitment and retention will only get harder.

Quality of life is a recruitment and retention issue. While it is incumbent on the Coast Guard to tell us what they need, Congress needs to better support the women and men who serve.

The challenges facing the U.S. merchant marine are similar to that of the Coast Guard. As workers increasingly value flexibility, a maritime career, which often entails living on a ship for several months, is less attractive. But, also like the Coast Guard, it is an industry that offers the opportunity to contribute to society in a valuable way.

U.S. merchant mariners deliver the majority of defense materials overseas, ensure the delivery of U.S. food aid, and protect our domestic economic security. Further, a career at sea allows women and men to see the world.

To attract more mariners to the industry, Congress and the administration must ensure stable employment opportunities. That means full and consistent funding for the Maritime Security Program and the Tanker Security Program. That means ensuring full compliance with cargo preference laws. That means sending a strong message that the Jones Act will not be eroded or repealed.

In the recently reported Coast Guard Authorization Act, I am very pleased that this committee included several provisions aimed at increasing the pool of merchant mariners. One of those provisions would better align licensing requirements with international standards to remove a burden upon the mariner, while maintaining safety. Another would fix an anomaly in the law to allow people from American Samoa to enter the industry.

I look forward to working with my colleagues to ensure these provisions become law, and I also look forward to hearing from our witnesses today about other ways to attract and retain merchant mariners.

With that, thank you, Mr. Chair; thank you, Ranking Member; and I yield back.

[Mr. Larsen of Washington's prepared statement follows:]

**Prepared Statement of Hon. Rick Larsen of Washington, Ranking Member,
Committee on Transportation and Infrastructure**

Thank you, Chairman Webster, for calling today's hearing. The U.S. Coast Guard and the civilian U.S. merchant marine are facing a unique challenge associated with the booming economy and historically low unemployment rates—they're having a hard time attracting new individuals to service.

The Coast Guard often prides itself on its ability to do more with less.

They're a fraction of the size and budget of the other services and yet they have a significantly wider mission set. Being "Semper Paratus," with insufficient resources is not sustainable.

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I applaud Admiral Fagan for her refreshing approach exemplified by the slogan "tomorrow will look different, and so will we." If the Coast Guard does not rethink its way of doing business, recruitment and retention will only get harder.

Quality of life is a recruitment and retention issue. While it is incumbent on the Coast Guard to tell us what they need, Congress needs to better support the women and men who serve.

The challenges facing the U.S. merchant marine are similar to that of the Coast Guard. As workers increasingly value flexibility, a maritime career, which often entails living on a ship for several months, is less attractive. But, also like the Coast Guard, it's an industry that offers the opportunity to contribute to society in a valuable way.

U.S. merchant mariners deliver the majority of defense materials overseas, ensure the delivery of U.S. food-aid and protect our domestic economic security. Further, a career at sea allows women and men to see the world.

To attract more mariners to the industry, Congress and the Administration must ensure stable employment opportunities. That means full and consistent funding for the Maritime Security Program and the Tanker Security Program. That means ensuring full compliance with cargo preference laws. That means sending a strong message that the Jones Act will not be eroded or repealed.

In the recently reported Coast Guard Authorization Act, I'm glad that this committee included several provisions aimed at increasing the pool of merchant mariners. One of those provisions would better align licensing requirements with international standards to remove a burden upon the mariner, while maintaining safety. Another would fix an anomaly in the law to allow people from American Samoa to enter the industry.

I look forward to working with my colleagues to ensure that these provisions become law. I also look forward to hearing from our witnesses about other ways to attract and retain merchant mariners.

Thank you and I yield back.

Mr. WEBSTER OF FLORIDA. Thank you.

I now recognize the ranking member, Mr. Carbajal, for 5 minutes.

OPENING STATEMENT OF HON. SALUD O. CARBAJAL OF CALIFORNIA, RANKING MEMBER, SUBCOMMITTEE ON COAST GUARD AND MARITIME TRANSPORTATION

Mr. CARBAJAL. Thank you, Mr. Chairman, for calling this important hearing to review recruiting issues in both the Coast Guard and the merchant marine.

The Coast Guard is facing a recruiting deficit of over 4,800 Active Duty personnel. Every sector of the economy is facing recruiting challenges, and the military is no different.

As views towards work have changed over the past years, many industries are facing labor shortages as workers are looking for a job that not only values them as an employee, but also offers an experience that provides value in return.

Servicemembers have always been at the core of the Service, and without them, mission success would not be possible. The Coast Guard understands this. In 2021, 100 percent of Coasties who were married to other Coasties were stationed together. This is one of the many reasons that it has the highest retention rate among military services.

Despite the critical role that the Coast Guard plays in our national security, economy, and ensuring the safety of lives at sea, the Coast Guard is the second smallest branch of the military, and chronic disinvestment in the Coast Guard has forced them to do more with less.

Chronic underinvestment has resulted in reduced services for Coasties and their families, including housing, healthcare, and childcare. We must do more to improve the lives of these hard-working individuals by providing the quality care they deserve. By doing so, recruitment will no doubt improve.

Recruiting and retaining personnel is imperative for the success of the Coast Guard, as it is in all branches of the military. I am interested to hear today about the Coast Guard's plans to recruit and retain personnel, with a particular focus on diversity and inclusion, in the coming years.

Despite the Coast Guard's efforts to improve representation of women and minorities within its workforce, leadership in the Service still struggles to reflect the demographics of our Nation. The Coast Guard is the least diverse branch of the military. We must build on the efforts being made to recruit and retain diverse personnel.

During the COVID-19 pandemic, the Coast Guard adapted by offering increased flexibility and remote working options. Many employees continue to want this flexibility moving forward, and it will be important to carefully consider how to recruit and retain diverse personnel in a modern work environment.

Access to childcare and family resources is crucial for long-term retention of personnel and quality of life for both servicemembers and their families. Providing adequate childcare and medical services is especially important in retaining female personnel, who face unique barriers to promotional opportunities.

The Coast Guard oversees the credentialing of mariners, and the antiquated paper system used to process merchant mariner credentials results in delays. It is unreasonable that a mariner should wait months while the Coast Guard processes a credential. While

we do not know the exact mariner shortage because the Coast Guard's credentialing system is so out of date, it is estimated that the industry would need at least 1,000 more mariners to fulfill sea-lift requirements.

Not only must we improve mariner recruiting, but we too must ensure that this industry is inclusive and reflects the demographics of our country.

Lastly, I want to highlight the forceful action the Service has taken to address sexual assault and sexual harassment. Make no mistake, though: This continues to be a pervasive problem throughout the maritime industry, and it is affecting recruiting. We must hold the Coast Guard accountable to ensure accusations are followed by investigations and, in cases where appropriate, convictions. If the industry is not perceived as safe, then how can we expect prospective mariners to want to join?

We want to do better recruiting a diverse workforce for both the Coast Guard and merchant marine, and Congress plays an important role in that. I look forward to hearing from our panel today on how we can work together to solve these challenges.

And before I close, I would like to take a moment to recognize the work of one Coastie in particular. CheriAnn Thompson has been a Coast Guard fellow for the committee for the past 2 years and completes her service on Friday. Her contributions to two Coast Guard bills have resulted in better policy for the Service and maritime industry.

Thank you, CheriAnn, and best of luck in Miami.

[Applause.]

Mr. CARBAJAL. Secondly, I would like to also recognize Captain Dorothy Hernaez, who is right here as well. She has served as a liaison to the House. She has done an incredible job, and I wish her the best in her future work that I understand is going to be pretty close by.

I have had the pleasure of traveling with Dorothy in the Service, and she is just a remarkable individual, and I want to recognize—plus, she loves wine from my region.

Congratulations on your next step, Dorothy.

[Mr. Carbajal's prepared statement follows:]

Prepared Statement of Hon. Salud O. Carbajal of California, Ranking Member, Subcommittee on Coast Guard and Maritime Transportation

Thank you, Chair Webster, for calling this important hearing to review recruiting issues in both the Coast Guard and the merchant marine.

The Coast Guard is facing a recruiting deficit of over 4,800 active-duty personnel. Every sector of the economy is facing recruiting challenges and the military is no different. As views toward work have changed over the past few years, many industries are facing labor shortages as workers are looking for a job that not only values them as an employee but offers an experience that provides value in return.

Servicemembers have always been at the core of the Service and, without them, mission success would not be possible. The Coast Guard understands this. In 2021, 100 percent of Coasties who were married to other Coasties were stationed together. This is one of many reasons the Coast Guard has the highest retention rate among military services.

Despite the critical role the Coast Guard plays in our national security, economy, and ensuring the safety of lives at sea, the Coast Guard is the second smallest branch of the military and chronic disinvestment in the Coast Guard has forced them to do more with less.

Chronic underinvestment has resulted in reduced services for Coasties and their families, including in housing, healthcare, and childcare. We must do more to improve the lives of these hard-working individuals by providing the quality care they deserve. By doing so, recruitment will improve.

Recruiting and retaining personnel is imperative for the success of the Coast Guard, as it is in all branches of the military. I'm interested to hear about the Coast Guard's plans to recruit and retain personnel, with a particular focus on diversity and inclusion, in the coming years.

Despite the Coast Guard's efforts to improve representation of women and minorities within its workforce, leadership in the Service still struggles to reflect the demographics of the nation. The Coast Guard is the least diverse branch of the military. We must build on the efforts being made to recruit and retain diverse personnel.

During the COVID-19 pandemic, the Coast Guard adapted by offering increased flexibility and remote work options. Many employees continue to want this flexibility moving forward, and it will be important to carefully consider how to recruit and retain diverse personnel in a modern work environment.

Access to childcare and family resources is crucial for long-term retention of personnel and quality of life for both service members and their families. Providing adequate childcare and medical services is especially important in retaining female personnel, who face unique barriers to promotional opportunities.

The Coast Guard oversees the credentialing of mariners. The antiquated paper systems used to process merchant mariner credentials results in delays. It is unreasonable that a mariner should wait months while the Coast Guard processes a credential.

While we do not know the exact mariner shortage because the Coast Guard's credentialing system is so out of date, it is estimated that the industry would need at least 1,000 more mariners to fulfil sealift requirements.

Not only must we improve mariner recruiting, but we too must ensure that this industry is inclusive and reflects the demographics of the country.

Lastly, I want to highlight the forceful action the Service has taken to address sexual assault and sexual harassment. Make no mistake though, this continues to be a pervasive problem throughout the maritime industry, and it is affecting recruiting. We must hold the Coast Guard accountable to ensure accusations are followed by investigations and convictions. If industry is not perceived as safe, then how can we expect prospective mariners to want to join?

We can do better recruiting a diverse workforce for both the Coast Guard and the merchant marine and Congress plays an important role. I look forward to hearing from our panel today on how we can work together to solve these challenges.

Mr. CARBAJAL. Finally, I ask unanimous consent to insert into the record a statement on behalf of maritime labor.

Mr. WEBSTER OF FLORIDA. Thank you very much.

Mr. CARBAJAL. Can we have that "without objection," Mr. Chair?

Mr. WEBSTER OF FLORIDA. Oh, yes. Maybe.

Mr. CARBAJAL. I am just checking. Just checking.

Mr. WEBSTER OF FLORIDA. Without objection.

Mr. CARBAJAL. Thank you.

[The information follows:]

Statement from American Maritime Officers; International Organization of Masters, Mates & Pilots; Marine Engineers' Beneficial Association; Marine Firemen's Union; Maritime Trades Department, AFL-CIO; Sailors' Union of the Pacific; Seafarers International Union; and Transportation Trades Department, AFL-CIO, Submitted for the Record by Hon. Salud O. Carbajal

Chairman Webster, Ranking Member Carbajal and Members of the Subcommittee:

We submit this statement on behalf of the American Maritime Officers, International Organization of Masters, Mates & Pilots, Marine Engineers' Beneficial Association, Marine Firemen's Union, Maritime Trades Department, AFL-CIO, Seafarers International Union, Sailors' Union of the Pacific, and Transportation Trades Department, AFL-CIO in conjunction with the Subcommittee's hearing on "Assess-

ing the *Shortage of United States Mariners*.” We ask that our statement be included in the hearing record. Together, our maritime labor unions represent the vast majority of United States Coast Guard (USCG) licensed and unlicensed American maritime personnel who work aboard commercial vessels of all types and who are among the most highly trained and qualified mariners in the worldwide maritime industry.

Our unions and the licensed and unlicensed American merchant mariners we represent have never turned away from the challenges that must be faced to preserve the democratic way of life at home and overseas. As they did at the founding of our nation, during World War II and in every conflict before and since, the men and women of the United States-flag merchant marine stand ready to sail into harm’s way whenever and wherever needed by our country to enhance America’s military and economic interests and to support and supply our armed forces deployed overseas.

It is critically important that our government and the American people understand that without the U.S.-flag vessels and U.S. citizen licensed and unlicensed merchant mariners ready and available to provide the commercial sealift readiness capability needed by the Department of Defense, our nation would be forced to entrust the support, supply, and security of American forces deployed overseas to foreign flag vessels and foreign crews who may not support U.S. defense operations and objectives. It goes without saying that doing so would jeopardize the lives of American servicewomen and men who will no longer be guaranteed the supplies and equipment they need to do their job in support of our country.

As stated by Maritime Administrator Admiral Ann Phillips in 2022: *“As a retired U.S. Navy Rear Admiral with more than 30 years of service, I know the critical importance of our merchant marine to our national defense as well as to our economy. Particularly in a contested environment, it is American mariners who will answer the call—as they always have—to move the supplies we need to defeat any adversary.”*

Similarly, then-United States Transportation Command (USTRANSCOM) Commander General Stephen Lyons stated in November 2020, *“With 85 percent of our forces based in the continental United States, nearly 90 percent of our military equipment is expected to deploy via sealift in a major conflict. In order to deploy those forces, we require safe, reliable and ready U.S.-flagged vessels [and], mariners to crew those ships . . .”*

It is therefore imperative that the downward trend in the number of vessels operating under the U.S.-flag must be stopped and reversed, and the American maritime manpower shortage must be addressed and resolved. Simply put, the current manpower shortage is a national security threat, and it is clear that the Department of Defense cannot do its job if private industry is unable to provide the civilian American merchant mariners DOD needs. This requires strong, positive action by the Congress and the Administration to support and fund existing programs that support the operation of U.S.-flag vessels, including the Maritime Security Program, the Tanker Security Program, and the Jones Act; to eliminate statutory and regulatory impediments to the growth of the maritime manpower pool; and to propose and implement innovative and effective programs and policies that will increase the number of commercially viable U.S.-flag vessels, increase the number of American maritime jobs, and increase the amount of America’s foreign trade carried aboard U.S.-flag ships. Simply put, more cargo means more U.S.-flag ships, and more U.S.-flag ships means more American mariners!

Consequently, we recommend the following so that we can begin to achieve these objectives:

First, we encourage Congress and the Administration to develop a realistic maritime strategy that includes at its core a national cargo policy that increases the percentage of America’s foreign trade carried aboard U.S.-flag commercial vessels and ensures that American mariners have jobs during peacetime. The treatment of U.S.-flag vessel operations and American mariners under the tax code should encourage rather than discourage the utilization of U.S.-flag vessels and American mariners, and bilateral and multilateral trade agreements should reflect the strategic importance to our nation of a stronger, more active U.S.-flag fleet in the carriage of America’s exports and imports. Today, with the ongoing efforts by the Chinese Communist Party to secure domination over the world’s oceans and international trade as well as the proliferation of state-owned and controlled and foreign flag of convenience vessel operations, including partial ownership in many security sensitive foreign ports, we have seen the U.S.-flag share of America’s foreign trade fall to less than 2 percent. This situation threatens our security and threatens our economy, as China will only further increase its control over what cargoes move and at what cost unless we bolster our own U.S.-flag fleet and regain control over the carriage of our foreign trade.

Secondly, it is equally important that Congress continue to provide the Maritime Administration with the authority it needs to fully enforce and implement the nation's U.S.-flag cargo preference shipping requirements. All too often, Federal agencies and departments unilaterally and at times with no explanation take advantage of so-called "notwithstanding" clauses in the law or otherwise simply ignore the spirit and the letter of the law in order to waive the U.S.-flag shipping requirements and ship greater and greater shares of taxpayer financed government cargoes on foreign flag, foreign crewed vessels.

We greatly appreciate the steps this Subcommittee and Committee have taken as well as the recent efforts of Maritime Administrator Admiral Ann Phillips and her staff to achieve greater compliance by all Federal agencies with cargo preference. However, it is clear to us that further action is necessary, and we encourage Congress to restore the U.S.-flag requirements for food aid cargoes to 75 percent. In fact, since U.S.-flag cargo preference shipping requirements for food aid cargoes were arbitrarily slashed from 75% to 50% in 2012, the U.S.-flag fleet has plummeted by 26% according to the Maritime Administration—more than triple the impact initially forecast—contributing to the current maritime manpower shortage which has been exacerbated by the direct and indirect impacts of the COVID 19 pandemic on our industry. Similarly, we recommend Congress increase the U.S.-flag requirements for all other government-generated civilian cargoes to 100 percent, the same percentage that covers the shipment of defense cargoes, with U.S.-flag carriage dependent, as it is today, on the availability of U.S.-flag vessels at fair and reasonable rates. Requiring 100 percent would greatly decrease the gamesmanship of U.S. government agencies intentionally violating cargo preference statutes, and will make Marad enforcement that much easier.

We also urge Congress to eliminate those provisions in the law that enable Federal agencies and departments to bypass the authority of the Maritime Administration to determine if and when cargo preference applies and whether U.S.-flag vessels are available at fair and reasonable rates to transport the cargo. Until and unless all such authority is vested exclusively in the Maritime Administration, U.S.-flag vessels will continue to lose cargo carrying opportunities and American mariners will continue to be denied employment opportunities.

Thirdly, one of the most positive steps taken by Congress over the past few years has been the authorization of a new Tanker Security Program modeled after the highly successful Maritime Security Program. In fact, this new program has the potential of adding, over the next year or so, upwards of twenty vessels to the U.S.-flag fleet, thereby helping to address the maritime manpower shortage as new job opportunities for American mariners are made available aboard these vessels. However, an element unique to the tanker industry, commonly referred to as the "Matrix Requirements", mandates levels of officer experience for the U.S. flag tankers engaged in transporting fuels internationally. These compliance rules stipulate that certain mariners must have minimum (1) employment time with a particular operator, (2) time serving on a particular vessel class, and (3) time serving in rank. Failure to comply with the Matrix Requirements can lead to rejection of a vessel for service, severe limitations on the vessel's ability to trade internationally, and consequential financial losses.

We are therefore urging Congress and the Administration to assist the industry in meeting these unique requirements by allowing a portion of previously appropriated unobligated funds for the Tanker Security Program to be used for mariner training. More specifically, we ask Congress to allow the Maritime Administration to provide up to \$2.5 million of funding to each of the initial 10 vessels (i.e., \$25 million) approved to enter the TSP in order to increase the number of mariners who possess the necessary tanker specific qualifications to meet the Matrix Requirements.

We also believe there are steps that Congress and the Administration can and should take to reduce and eliminate financial and other impediments to the recruitment and availability of mariners. For example:

- Congress should increase the appropriation for fuel funding for training vessels operated by State Maritime Academies in order to reduce the cost to students at the Academies for summer sea terms. This action can and should result in an increase in enrollment in training sea terms, thereby helping to grow the qualified maritime manpower pool. Currently, the cost to a student to sail on a training ship can exceed \$13,500 per year, with the majority of the sea terms cost attributable to fuel. Increasing Federal fuel funding would reduce the cost of training sea terms, thereby encouraging greater enrollment. Congress should also allow fuel subsidies to be used for State Maritime Academy owned and leased vessels that are used to provide cadets with the option of obtaining the Dedicated Duty Engineer and Mate of Towing (TOAR) license endorsements.

- We also believe Congress should increase the maximum Student Incentive Payment from \$32,000 to \$64,000 in order to increase interest and participation in the USN Strategic Sealift Midshipman Program among those attending a State Maritime Academy. This in turn will increase the number of State Maritime Academy graduates who have an obligation to sail on their license after graduation.
- We urge Congress to include U.S. merchant mariners sailing aboard U.S.-flag commercial vessels for at least 180 days per calendar year among those eligible for Public Service Loan forgiveness. Public Service Loan Forgiveness encourages individuals to enter and continue in full time public service employment by forgiving the remaining balance of their direct loans after satisfying public service and loan repayment requirements, forgiving the remaining balance of the loan after the individual has made 120 qualifying monthly payments. This program is currently available to U.S. military members and should be similarly available to those working as a merchant mariner as part of our nation's "fourth arm of defense."
- Finally, we strongly support provisions included by the Transportation and Infrastructure Committee in H.R. 2741, the bipartisan Coast Guard Authorization Act of 2023. Reducing the time requirement for Able Seaman and authorizing additional funding for the Coast Guard to modernize its credentialing system are just two of the provisions that can and should help alleviate impediments to the efficient and timely availability of American mariners.

In conclusion, it is important to emphasize that a strong, viable, privately-owned United States-flag maritime industry serves as a critical line of defense against the total domination of the world's oceans and the carriage of international trade by those nations that do not adhere to our commitment to fair trade and open seas. From the founding of our Nation to today, American merchant mariners have served with distinction and courage, never hesitating to sail into war zones to supply and support American troops deployed anywhere in the world, and too often sacrificing their own lives for our protection. We again submit that immediate and innovative action is necessary to increase the amount of cargo carried by U.S.-flag vessels, to increase the size of the commercially viable, militarily useful U.S.-flag fleet, and to increase the maritime manpower pool ready and available to meet our nation's economic and national security requirements.

Thank you for the opportunity to submit this statement. We stand ready to provide whatever additional information you may require and to work with you and your colleagues to strengthen and grow our U.S.-flag merchant marine and to alleviate the maritime manpower shortage.

Mr. WEBSTER OF FLORIDA. Once again I would like to welcome our witnesses—I'm glad for them to be here today—and briefly explain our little light system on the clock on the side there. Green is go, yellow is you are almost out of time, and red means stop.

I would like unanimous consent that the witnesses' full statements be included in the record.

Without objection, show that ordered.

As your testimony has been made part of the record, the committee asks that you limit your remarks to 5 minutes.

With that, Vice Admiral Thomas, you are recognized for 5 minutes.

**TESTIMONY OF VICE ADMIRAL PAUL F. THOMAS, DEPUTY
COMMANDANT FOR MISSION SUPPORT, U.S. COAST GUARD;
ANN C. PHILLIPS, REAR ADMIRAL, U.S. NAVY (RET.), AND AD-
MINISTRATOR, MARITIME ADMINISTRATION; HEATHER
MacLEOD, DIRECTOR, HOMELAND SECURITY AND JUSTICE,
U.S. GOVERNMENT ACCOUNTABILITY OFFICE; AND BETH J.
ASCH, Ph.D., SENIOR ECONOMIST, RAND CORPORATION**

**TESTIMONY OF VICE ADMIRAL PAUL F. THOMAS, DEPUTY
COMMANDANT FOR MISSION SUPPORT, U.S. COAST GUARD**

Admiral THOMAS. Well, thank you. And good morning, Chairman Webster, Ranking Member Carbajal, Congressman Larsen, and distinguished members of the committee. I truly do appreciate the opportunity to testify today on this very important topic.

And, Congressman Carbajal, thank you for recognizing our outstanding Coast Guard folks, because these two are just representative of our entire Service.

As you all know, the U.S. Coast Guard is the world's premier multimission maritime Service, and we are responsible for safety, security, and stewardship in the maritime domain.

Our 57,000 Active Duty, Reserve, and civilian personnel, supported by 21,000 auxiliary volunteers, conduct vital homeland security, safety, and defense missions around the globe every hour of every day.

A Coast Guard that is always ready to take on current challenges of the Nation must attract, recruit, and retain talented people, the very best our Nation has to offer. Recruiting difficulties for all the services began prior to the COVID-19 pandemic and then worsened, resulting in a recruiting environment today that is significantly more complicated and challenging than it ever has been.

For the past 4 years, the Coast Guard has not met its recruiting goal, and this year will be no different. The current Coast Guard workforce shortage is being mitigated in the short term, but in the long term, this shortage threatens the Service's ability to conduct missions which are vital to our Nation.

The Coast Guard is bolstering recruiting efforts to generate more leads, improve the recruiting process, and increase recruiting capacity and performance. We are updating materials and marketing efforts to ensure the Service's brand resonates with young people. We have six active Junior Reserve Officers' Training Corps, JROTC, programs, and we will have four more on line by the start of the 2023 academic year.

We are opening new recruiting offices, deploying individual recruiters to key locations, modernizing the recruiting process, adopting new technology and solutions, and recruiting in ways and in places we never have before.

We are also focused on removing or reducing barriers to service by aligning our medical standards with those of the Department of Defense; increasing age limits; reducing family-size limitations, opening paths for single parents; providing English-as-a-second-language and personal resilience training; and providing an easier pathway to service and to citizenship for legal permanent residents.

While recruiting our workforce is critically important, retaining our workforce is equally so, and it requires at least as much effort and investment. Under the direction of our Commandant, the Coast Guard is taking action to ensure our workforce policies, processes, and infrastructure provide better flexibility, transparency, predictability, and support to our members and their families. We must make it easier to serve and to continue to serve for a full career.

And as you have already noted, providing support to our workforce and their families in the form of pay and benefits, housing, healthcare, and child services is essential to retaining talent. And we are grateful to the Congress and to this committee, in particular, for your support in this regard, but we will need more support.

Housing, healthcare, and childcare are challenges around the Nation and for all the services, but they are particularly challenging for our Coast Guard members because we are not a garrisoned force. We live in the communities we serve. And that is often in remote coastal areas with few support services and a disproportionately high cost of living.

Like the Coast Guard, the U.S. maritime industry faces an ongoing workforce shortage. Our merchant marine and credentialed mariners are vital to America's economic prosperity and national security, so, the Coast Guard is focused on doing what we can do to help mitigate that shortage.

We have taken steps to modernize our credentialing process to eliminate duplication of effort and improve flexibility. We have also improved the ability of members of the Armed Forces to seek and obtain a credential through the Military to Mariner program, and as a result of those efforts, the number of credentialed applicants with military service has doubled since 2016.

We know that in order to recruit and retain the professional mariner workforce this Nation needs, their work environment must be free from fear and harassment, and the Coast Guard is dedicated to doing our part.

With the help of Congress, we continue to overhaul the reporting and review process for incidents of sexual misconduct and harassment in the merchant fleet by removing barriers to reporting, utilizing trained criminal investigators to respond to reports, enhancing background screening, and ensuring accountability through our Service's suspension and revocation authorities.

Chairman Webster, Ranking Member Carbajal, distinguished committee members, it is truly a privilege to appear before you today. I thank you for this opportunity, and I look forward to our discussion.

[Admiral Thomas' prepared statement follows:]

**Prepared Statement of Vice Admiral Paul F. Thomas, Deputy Commandant
for Mission Support, U.S. Coast Guard**

INTRODUCTION

Chairman Webster, Ranking Member Carbajal, and distinguished members of the subcommittee, I appreciate the opportunity to testify today and thank you for your enduring support of the United States Coast Guard.

The U.S. Coast Guard is the world's premier, multi-mission, maritime service responsible for the safety, security, and stewardship of the maritime domain. The Service's 57,000 active duty, reserve, and civilian personnel, supported by 21,000 Auxiliary volunteers, conduct vital homeland security and defense missions around the globe on a 24/7 basis 365 days a year. The Coast Guard's workforce is vital to maintaining a fully operational service and our status as the world's best Coast Guard depends on the ability to attract, recruit, and retain talented people. Unfortunately, the Coast Guard has been unable to meet its recruiting goals for the past four years and is unlikely to meet targeted goals again this year. Recruiting difficulties began prior to the COVID-19 pandemic and then worsened, resulting in a recruiting environment today that is significantly more complicated than it was before the pandemic.

The current Coast Guard workforce shortage threatens the Service's ability to conduct missions which are vital to national security and prosperity. America's economic prosperity requires the safe, secure, and efficient flow of cargo through the Marine Transportation System (MTS), which includes over 360 ports and more than 25,000 miles of river and coastal waterways that serve as a gateway for 90 percent of all overseas trade.

The Coast Guard's workforce supports seamless transportation operations through the nation's waterways, facilitating \$5.4 trillion of economic activity each year¹ and supporting over 30 million American jobs.² The Coast Guard's partners in the U.S. Merchant Marine are another essential part of this economic flow.

Unfortunately, like the Coast Guard, the U.S. maritime industry faces an ongoing shortage of credentialed mariners at all levels. Although the Coast Guard is limited in its ability to address many of the reasons for the mariner shortage, the Service is the primary regulatory agency for the U.S. Merchant Marine and must be attentive and adaptive to the maritime industry's changing needs and dynamic challenges. Without an appropriate number of qualified U.S. mariners to operate vessels, our ports will not flourish, essential cargos will not reach their destinations, and the Nation's sealift capability is at risk. The Coast Guard is committed to pursuing initiatives which support a robust maritime industry and ensure a safe, secure, and economically viable MTS.

Accessing a pipeline of high-quality and motivated Americans to serve in the Coast Guard and U.S. Merchant Marine is essential to maintain the nation's economic prosperity and national security.

CHALLENGES

Like many employers, the Coast Guard is facing unprecedented workforce shortages. Competition for talent in today's economy is fierce.

The Coast Guard is currently 10 percent below our authorized position strength within the enlisted workforce and projections show this shortage will grow to nearly 13 percent by the end of the fiscal year (FY). While mission execution both at home and abroad continues, our workforce is feeling the strain.

The low unemployment rate tightens competition in the labor market and negatively impacts military recruiting. Non-military employers can provide more attractive pay, college tuition assistance, workplace flexibility, expanded healthcare services, lucrative retirement options, and childcare benefits. Further exacerbating military recruiting challenges are historically low rates of eligibility and lack of understanding of military service. Medical history is the largest category limiting eligibility, but cultural shifts around drug use and body modifications, criminal records, and indebtedness also contribute to lower eligibility levels. Currently over 75 percent of 17 to 21-year-old Americans are ineligible for military service without a waiver (Department of Defense (DoD) 2020 Qualified Military Available Study). A large portion of those who are eligible seek higher education and DoD's recent Joint Advertising Market Research and Studies research indicates only 9 percent of Generation Z's adults have a propensity to serve, the lowest it has been in over a decade.

The COVID-19 pandemic restricted recruiting, hiring, and onboarding, in nearly all industries, including the Coast Guard. The Service's highly technical workforce depends on in-person training and mission execution. The challenges presented by

¹"Ports' Value to the U.S. Economy: Exports, Jobs & Economic Growth." American Association of Port Authorities, <http://www.aapa-ports.org/advocating/content.aspx?ItemNumber=21150>. Accessed May 8, 2023.

²FACT SHEET: Biden-Harris Administration Announces Historic Investment to America's Port and Waterway Infrastructure. The White House, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/01/19/fact-sheet-biden-harris-administration-announces-historic-investment-to-americas-port-and-waterway-infrastructure/>. Accessed May 8, 2023.

the pandemic slowed recruiting and onboarding, and the current conditions described above make it difficult to rebuild recruiting momentum.

ACTIONS TAKEN—COAST GUARD RECRUITING

In May 2022, the Coast Guard established an Incident Management Team (IMT) to focus Service-wide resources on recruiting. The IMT is working with the Coast Guard Recruiting Command (CGRC) on three lines of effort to bolster recruiting efforts: generate more leads, improve the recruiting process, and increase recruiting capacity and performance.

To generate more leads the Coast Guard must identify and deliver more candidates to the Service's recruiters. As a part of that effort, the Service upgraded messaging and recruiting logos to ensure the Coast Guard brand resonates with Generation Z and is surging marketing efforts into non-traditional media spaces, delivering targeted content across the web, social media, and streaming platforms where the target audience spends time.

To improve the recruiting process, we are focused on removing barriers to entry, as well as adopting an all-digital capable recruiting process. In November 2022, the Coast Guard changed accession standards, expanding, and editing the standards of maximum age, debt-to-income ratio, and dependency status. The Service also adopted DoD medical standards as it conducts reviews of over 1,600 medical waivers each year. To date in 2023, approximately 70 percent of waiver packages have been approved. The CGRC also created a digital application to modernize the recruiting process. This tool will include digital forms and signatures, and has the capacity to track application package details, improving transparency and management of Coast Guard applications.

To increase the Coast Guard's recruiting capacity and performance, we are opening additional recruiting offices and placing independent duty recruiters in locations where data suggests there is a high propensity to serve. Virtual recruiters and a call center further our capability to reach and recruit individuals across the country, particularly those not located near a physical recruiting office. To modernize the performance of recruiters across the country, the CGRC Recruiter Selection Panel was established with an updated evaluation process to better identify servicemembers with the highest potential to succeed as a recruiter. The new evaluation criteria will evaluate members applying this summer and fall for placement in summer 2024. Further, the Coast Guard is working to establish additional training resources and to provide incentive pay to recruiters like other Armed Services. These efforts are increasing the recruiting footprint across the nation efficiently and effectively, maximizing exposure of the Service and contact with individuals showing a propensity toward service.

ACTIONS TAKEN—RETENTION

Retention of members of the Coast Guard is also essential to continue to conduct and support missions around the globe. Under the direction of the Commandant, the Coast Guard is taking action to transform its talent management system and ensure there are opportunities for flexible assignments, advancements, workplaces, and careers. These policy changes enable the workforce to serve our nation to their best potential, while balancing other needs and demands on their lives.

Providing key support services to the workforce and their families—in the form of housing, healthcare, and childcare services—is essential to reducing personnel loss. The Coast Guard has enhanced our workforce's quality of life through improved support programs. We have modified assignment policies to better facilitate the collocation of dual military families, enhanced our parental leave policy, and expanded the childcare fee assistance subsidy program. The Service also continues to improve healthcare services and access to care for our workforce and their families by expanding access to telehealth services, offering online appointment scheduling, migrating to electronic health records, and offering expansions to key health services such as physical therapy and behavioral health services.

Finally, the Coast Guard's Workforce Planning Teams (WPTs) monitor and evaluate the total active duty, reserve, and civilian workforce to identifying trends, assessing gaps, and providing recommendations for policy modifications, as well as monetary and non-monetary interventions to ensure the Coast Guard is best positioned to meet future needs. The WPTs carefully consider organizational and programmatic equities and risks to optimize service readiness. To maintain a competitive edge, the Coast Guard must continue modernization efforts for personnel management and family support services.

ACTIONS TAKEN—MERCHANT MARINE SUPPORT

The maritime industry and MTS connect America's consumers, producers, manufacturers, and farmers to domestic and global markets. Similarly, our national security depends on the health and reliability of the MTS and the supporting maritime industry. The majority of U.S. military equipment is loaded in U.S. ports and delivered to theater on Coast Guard-inspected merchant vessels that are manned by credentialed civilian merchant mariners.

U.S. Merchant Mariners are essential to the dynamic operation of the MTS, our economic prosperity, and our national security. The Coast Guard develops standards for safe, secure, and environmentally sound operations in the MTS, including the credentialing of U.S. Merchant Mariners. There are currently 198,000 credentialed U.S. mariners, and the Coast Guard issues approximately 55,000 merchant mariner credentials (MMCs) and 60,000 mariner medical certificates annually. Although the Coast Guard is limited in its ability to address many of the reasons for the mariner shortage, the Coast Guard continues to work on a number of long- and short-term initiatives to support mariners.

Improvements to the processing of credentials, as well as reviewing credentialing regulations and policies to eliminate duplication and provide flexibility in meeting the requirements for an MMC, are primary focuses for the Coast Guard. The Service is working to modernize the mariner credentialing system including the development of information technology infrastructure to replace the aging and inefficient Merchant Mariner Licensing Documentation (MMLD) database used to manage mariner information and issue MMCs to qualified mariners.

Because the Coast Guard believes that every mariner has a right to work in an environment free from fear and harassment, the Service has taken several steps to prevent and eradicate bullying, harassment, and assault from the Merchant Marine. Workplace violence and harassment, including sexual assault and sexual harassment, have negative effects on a workforce, threaten safety of life at sea, and challenge the continued maritime excellence of our nation.

Removing barriers to reporting; standardizing intake reports; using trained agents to review and investigate potential criminal misconduct; launching education and outreach campaigns; engaging experts from Federal Advisory Committees (FACAs); enhancing background screening of applicants for a MMC; and promulgating updated suspension and revocation (S&R) policies are a few actions the Service has taken. The Coast Guard is also working to implement the provisions of the James M. Inhofe National Defense Authorization Act for FY 2023 that expand the Coast Guard's authority to respond to and handle allegations of sexual misconduct in the maritime industry.

Finally, the Coast Guard continues to work to improve the ability of members of the uniformed services to obtain an MMC. For over 20 years the Coast Guard has been actively working with FACAs to identify pathways for utilizing Military Education, Training, and Assessments to qualify for Standards of Training, Certification, and Watchkeeping (STCW) and national MMC endorsements. The Coast Guard has approved 110 courses which provide military applicants credit for MMC requirements through the training they have received while on active duty. A policy implementing a waiver of MMC fees for members of the uniformed services was published in May 2022. Since then, the Coast Guard has waived 4,302 fees for 1,580 applicants of the uniformed services and. In addition, in September 2020, the Coast Guard published a Final Rule extending the period to meet recent sea service requirements for an MMC from five to seven years for personnel with service on vessels of the uniformed services. As a result of these efforts, the number of MMC applicants with military service has doubled since 2016.

CONCLUSION

The U.S. Coast Guard and U.S. Merchant Marine provide essential services that benefit the American public, the global economy, and national security. The challenges of recruiting and retaining a Coast Guard workforce, and assisting, regulating, and promoting a strong U.S. Merchant Marine are opportunities to revitalize and overhaul existing processes to improve the operations of these vital maritime services. Preserving American prosperity and global stability requires focus and the continued evolution of key initiatives to build strong and robust Coast Guard and U.S. Merchant Marine workforces.

Thank you for the opportunity to testify today and thank you for your continued support of the United States Coast Guard. I look forward to your questions.

Mr. WEBSTER OF FLORIDA. Thank you so much.
 Next, we have Rear Admiral Phillips.
 You are recognized for 5 minutes.

**TESTIMONY OF ANN C. PHILLIPS, REAR ADMIRAL, U.S. NAVY
 (RET.), AND ADMINISTRATOR, MARITIME ADMINISTRATION**

Admiral PHILLIPS. Good morning, Chairman Webster, Ranking Member Carbajal, members of the subcommittee. Thank you for your support for the Maritime Administration, and thank you for the opportunity to testify today regarding mariner requirements to support our Nation's sealift capability.

In so many ways, the U.S. merchant marine is critical to our Nation's economy and our military. Our ability to project power around the globe requires our commercial vessel operators as well as MARAD's Ready Reserve Force and the Military Sealift Command. All of these vessels draw from the same pool of merchant mariners with unlimited tonnage credentials.

Ensuring that we have a robust pool of mariners with the appropriate credentials is a critical priority for MARAD. A study prepared by the Maritime Workforce Working Group and released by MARAD in 2017 found the U.S. was short about 1,800 mariners with unlimited tonnage credentials to sustain a full activation to meet sealift needs in an uncontested environment.

During the 6 years since the 2017 study was released, globally standardized credentialing requirements have had an impact on the U.S. merchant marine. And, of course, the maritime industry has also been profoundly affected by the COVID pandemic.

Mariner credentials are issued by the U.S. Coast Guard, but their IT systems are challenged to provide granular detail regarding sealift-qualified mariners. That said, ascertaining the size of the mariner pool that could be activated requires knowing not only the number of mariners with valid credentials, but also the number from among that pool who would be available and willing to serve, including in a contested environment.

Panning back, we also have to keep in mind that requirements for sealift-qualified mariners are a function of the size of the U.S.-flagged fleet, which also determines the number and type of job opportunities available to mariners.

Full activation of the sealift fleet would involve our U.S.-flagged commercially operated fleet sailing internationally, larger ocean-going Jones Act vessels requiring mariners with unlimited tonnage credentials, vessels operated by the Military Sealift Command, and the nearly 50 vessels comprising MARAD's Ready Reserve Force. All of these vessels draw crewmembers from the same constrained pool of sealift-qualified mariners.

Pursuant to 46 U.S.C. 50101, the United States is to have a merchant marine that is, quote, "sufficient to carry the waterborne domestic commerce and a substantial part of the waterborne export and import foreign commerce of the United States." However, MARAD estimates that we carry less than 2 percent of our waterborne foreign commerce on U.S.-flagged vessels, and the commercially operated U.S.-flagged fleet moving commerce in the foreign trade is comprised of just 85 vessels.

Fundamentally, addressing our Nation's mariner needs requires a whole-of-Government effort paired with multifaceted industry initiatives. As part of that collaboration, MARAD is working to strengthen the mariner workforce and our U.S.-flagged foreign trading fleet.

Noting that the U.S. Merchant Marine Academy is the primary source of licensed mariners with service obligations, the Biden-Harris administration has been addressing the many longstanding and systemic challenges at the Academy as well.

We are also continuing our effort to ensure that every American drawn to service at sea is respected and can succeed on the basis of their skill and professionalism.

We also administer Federal programs that support the six State maritime academies, and we are building extraordinary new training ships, called the National Security Multimission Vessels, that will also be exceptional recruiting tools. The first ship, the *Empire State*, will be delivered very soon.

In September 2022, I convened a forum with industry stakeholders to solicit and discuss options for strengthening mariner recruitment and retention. I appreciate the many thoughtful industry proposals that are being offered.

Under the Biden-Harris administration, MARAD is also working to grow the U.S.-flagged fleet and create new job opportunities for American mariners. In 2021, MARAD stood up the Cable Security Fleet program, which brought two cable-laying vessels under the U.S. flag. In December 2022, MARAD issued an interim final rule to create the new Tanker Security Program. We will shortly announce the first 10 ships selected for enrollment, which will create new employment opportunities for approximately 500 U.S. mariners.

MARAD is also continuing our work to support effective implementation of cargo preference requirements. To help attract additional vessels to our flag, in 2022 the Biden-Harris administration proposed that Congress eliminate the 3-year period that vessels entering the U.S. flag must currently wait before they are eligible to carry civilian agency preference cargoes. However, though implementation of this proposal would have cost nothing, it was not adopted.

Thank you for the opportunity to testify before you today, and I welcome your questions.

[Admiral Phillips' prepared statement follows:]

Prepared Statement of Ann C. Phillips, Rear Admiral, U.S. Navy (Ret.), and Administrator, Maritime Administration

Good morning, Chairman Webster, Ranking Member Carbajal, and Members of the Subcommittee. Thank you for your tremendous support for the Maritime Administration (MARAD) and thank you for the opportunity to testify today regarding the availability of U.S. mariners needed to meet our Nation's sealift requirements.

MARINER READINESS

MARAD's mission is to foster, promote, and develop the maritime industry of the United States to meet the nation's economic and security needs. MARAD administers the Federal programs that support commercial sealift vessels, and we own and maintain the nearly 50 vessels comprising the Ready Reserve Force (RRF). We

also have an extensive role supporting mariner education in the U.S.—and particularly the education and training of individuals working to earn unlimited tonnage licenses.

A study prepared by the Maritime Workforce Working Group and released by MARAD in 2017 found that the U.S. did not have enough mariners with unlimited tonnage credentials to sustain a full activation of the RRF and our commercially operated vessels to meet sealift needs. Specifically, the 2017 analysis determined that, at that time, concurrent operations of the commercially operated U.S.-flagged fleet and sustained military sealift operations would require 13,607 U.S. mariners with unlimited credentials. In 2017, the estimated pool of actively sailing mariners was comprised of 11,768 sealift qualified mariners—documenting a deficit of 1,839 mariners. This optimistic scenario assumed that all qualified mariners would be both available and willing to sail as needed.

During the six years since the 2017 study was released, globally standardized credentialing requirements have had an impact on the U.S. Merchant Marine. And of course, the maritime industry—like many other industries—has also been profoundly affected by the COVID-19 pandemic. Both of these developments have negatively impacted mariner retention.

Mariner credentials are issued by the U.S. Coast Guard (USCG), but USCG information technology systems are not currently structured to provide granular details regarding the pool of sealift qualified U.S. mariners. That said, ascertaining the true size of the U.S. mariner pool that could be activated in an emergency would require knowing not only the number of U.S. mariners with valid unlimited tonnage credentials but also the number from among that pool who would be available and willing to serve, particularly in a contested environment.

STATUS OF THE U.S.-FLAGGED FLEET

Requirements for sealift qualified mariners are a function of the size of the U.S.-flagged fleet, which also determines the number and type of job opportunities available to mariners.

Pursuant to 46 U.S.C. § 50101, the United States is to have a merchant marine that is “sufficient to carry the waterborne domestic commerce and a substantial part of the waterborne export and import foreign commerce of the United States and to provide shipping service essential for maintaining the flow of the waterborne domestic and foreign commerce at all times.”

The domestic commerce of the United States—that is, commerce between two points in the U.S.—is carried on U.S.-flagged, coastwise qualified vessels, typically known as “Jones Act qualified” vessels. Data from the U.S. Army Corps of Engineers for the 2021 calendar year show that there were nearly 45,000 vessels of all types in the Jones Act trade at that time. A study completed in 2019 by PriceWaterhouse Coopers for the Transportation Institute concluded that the Jones Act supported nearly 650,000 jobs and contributed more than \$72 billion to our nation’s Gross Domestic Product. U.S.-flag vessels provide well-paying, high-quality jobs for U.S. mariners.

Presently, MARAD estimates that we carry less than 2% of our import/export waterborne foreign commerce on U.S.-flagged vessels. The U.S.-flagged fleet moving import/export waterborne commerce in the foreign trade is comprised of just 85 vessels. Sixty of these vessels participate in the Maritime Security Program (MSP) and two participate in the Cable Security Fleet Program (CSP), which provide payments to vessel operators in return for vessel availability to meet government needs. Ten vessels will eventually be enrolled in the new Tanker Security Program (TSP) that MARAD is implementing pursuant to Congressional authorization and appropriations.

Full activation of the sealift fleet would involve our U.S.-flagged commercially operated fleet sailing internationally, larger oceangoing Jones Act vessels requiring mariners with unlimited tonnage credentials, vessels operated by the Military Sealift Command, and the nearly 50 vessels comprising MARAD’s RRF. All of these vessels draw crewmembers from the same constrained pool of sealift qualified mariners.

MARAD INITIATIVES TO SUPPORT MARINER EDUCATION & TRAINING

In September 2022, I convened a forum attended by more than 75 industry stakeholders to discuss mariner workforce challenges. Among many issues, we discussed the fact that providing better work/life balance to today’s merchant mariners—comparable to the quality of work life in other sectors of the economy—is essential.

We also discussed how critical it is to growing our mariner workforce and to recruiting and retaining the next generation of mariners to ensure that all mariners

are treated with respect and dignity and are guaranteed safe workplaces. Every mariner must have the opportunity to succeed and advance on the basis of their skills and professionalism, and we must ensure that our U.S. Merchant Marine reflects the values and diversity of the nation it serves. I thank this Committee and the entire Congress for supporting ongoing efforts to strengthen safety in the maritime industry.

In recent months, I have had the opportunity to discuss many proposals developed by all corners of the maritime industry to help expand recruitment and to support the retention of mariners, and I appreciate industry's many efforts in this regard. Fundamentally, addressing our nation's mariner needs requires a whole-of-government effort paired with multi-faceted industry initiatives. As part of that collaboration, MARAD is implementing numerous programs and policies to strengthen the mariner workforce.

U.S. Merchant Marine Academy

MARAD operates the U.S. Merchant Marine Academy (USMMA), located at Kings Point, New York. The Academy graduates just over 200 students annually who have earned their Bachelor of Science degrees, USCG merchant mariner licenses with officer endorsements, and commissions in the U.S. Armed Forces reserves. The USMMA is the primary source of licensed mariners with service obligations.

Recognizing the urgent need to address the many long-standing and systemic challenges at the Academy, under the Biden-Harris Administration, MARAD and USMMA have been working to combat sexual assault and sexual harassment and to advance culture change to improve safety for USMMA Midshipmen and indeed for all mariners. In November 2021, MARAD/USMMA briefly paused USMMA's Sea Year training so that the U.S. Department of Transportation (DOT), MARAD, and USMMA could strengthen policies and procedures to help prevent sexual assault and harassment, improve the support provided to survivors, and support a culture of accountability at sea. In December 2021, MARAD introduced the "Every Mariner Builds a Respectful Culture" (EMBARC) program, which enumerates sexual assault and sexual harassment prevention and response procedures that commercial carriers agree to before MARAD permits them to carry USMMA cadets on their ships.

To strengthen MARAD's oversight of the EMBARC program, MARAD established and is staffing the MARAD Office of Cadet Training At-Sea Safety within the office of the Deputy Associate Administrator for Maritime Education and Training. The new Director of the office joined MARAD in August 2022, and three other staff have subsequently joined the office. This office manages EMBARC enrollments and compliance reviews. Training of the initial audit team has been completed and fourteen enrolled vessels have already been assessed by the team to ensure their compliance with the EMBARC standards.

At the USMMA, additional efforts are underway to combat sexual assault and sexual harassment and to improve safety both at sea and on the campus. For example, to strengthen the Sexual Assault Prevention and Response office, the Academy has added a new GS-15 Director position in the office. Using direct hire authority provided in the Fiscal Year (FY) 2022 National Defense Authorization Act (NDAA) (Pub. L. 117-81), USMMA has filled the position with a new employee who reported to the Academy in September 2022.

Thanks to the FY 2023 NDAA, commercially operated vessels must comply with standards set by MARAD regarding the prevention of, and response to, sexual assault and harassment before they can train USMMA cadets. Further, the FY 2023 NDAA gave MARAD the authority to withhold payments from companies participating in the MSP, CSP, and TSP if they are not enrolled in—and operating in compliance with—EMBARC. MARAD is working as quickly as possible to implement an EMBARC rule pursuant to the authority provided by the FY 2023 NDAA.

In addition, the FY 2023 NDAA requires that certain ocean-going vessels include sexual assault and sexual harassment response policies in their Safety Management Systems—which has been a central tenet of EMBARC. In short, the FY 2023 NDAA reinforces a long overdue change in shipboard culture that will promote fair and equitable treatment of all mariners and contribute to a safer working environment.

At the same time, we recognize that there is more we must do to eliminate sexual assault and sexual harassment at the USMMA, and in the merchant marine generally. Last year, the Department of Transportation proposed the creation of an Independent Review Commission on the Prevention of, and Response to, Sexual Assault, Sexual Harassment and Related Offenses, modeled on a recent DOD advisory body that made recommendations related to accountability, prevention, climate and culture, and victim care and support. While Congress did not take up that proposal, we intend to ask the USMMA Advisory Council required by the FY22 NDAA to

make recommendations on sexual assault and sexual harassment prevention and response one of its core mandates.

MARAD has also been working to rehabilitate and replace existing infrastructure at USMMA's campus and to strengthen significantly USMMA's ability to plan and manage capital investments and major maintenance efforts. Consistent with recommendations from the National Academy of Public Administration (NAPA), MARAD created and staffed a new Senior Executive Service position to lead facilities investments at the Academy and is reorganizing the infrastructure and maintenance management organization at the Academy. MARAD and the DOT have also created new oversight bodies to ensure that investments of taxpayer funds are properly managed, and yield completed projects that address the Academy's most urgent needs. In late 2022, MARAD/USMMA released a Capital Improvement Program that prioritizes planned capital investments to address the immediate health and safety needs of the Academy's midshipmen and to support re-accreditation of the Academy.

Support to State Maritime Academies

The six State Maritime Academies (SMAs) are located in California, Michigan, Maine, Massachusetts, New York, and Texas. MARAD administers extensive Federal programs that support the SMAs, including providing a MARAD-owned and maintained training vessel to each school, as well as limited direct funding and some additional financial assistance to partially offset the cost of fuel used by the training vessels.

Since FY 2018, Congress has appropriated a total of \$1.61 billion towards the recapitalization of the MARAD training ship fleet. With this funding, MARAD is building five National Security Multi-mission Vessels (NSMV), which will provide state-of-the-art training platforms that ensure the U.S. continues to set the world standard in maritime training.

The ships—which the Secretary of Transportation has designated as the State class—are designed with dedicated training spaces, including classrooms, a training bridge, lab spaces, and an auditorium. Each NSMV has space to embark up to 600 cadets, maximizing the capability of the ship and its mission to provide students with a world-class education. Delivery of the first NSMV—the EMPIRE STATE—will occur this summer, and by 2026, one NSMV will be provided to each SMA except the Great Lakes Maritime Academy.

I thank the SMAs for their ongoing support of initiatives to strengthen safety at sea. I note that all SMAs have confirmed they will not place their students on any vessels operated by companies that are eligible to enroll in EMBARC unless the companies are enrolled. I also appreciate the SMAs' ongoing work to develop policies and procedures modeled on EMBARC to combat sexual assault and sexual harassment on small, regional commercial vessel operators on which they rely to train SMA students. Such vessel operators are not able to comply with all elements of EMBARC, which is designed to apply to operators of large, ocean-going vessels. Finally, I note that prior to the placement of an NSMV at an SMA, each SMA will be required to enter into a new Memorandum of Agreement with MARAD that enumerates the terms and conditions governing the operation of the MARAD-owned vessels, including a set of policies that adapt EMBARC for application on board training ships.

Centers of Excellence

The FY 2018 NDAA authorized the Secretary of Transportation to designate Centers of Excellence for Domestic Maritime Workforce Training and Education (CoE). Pursuant to this authority, MARAD developed, and the Secretary approved, a voluntary program, which includes an application process, to identify and recommend qualified and eligible entities for CoE designation. A CoE designation is the first step in strengthening a nationwide partnership of academic centers focused on advancing the goals and efforts of the maritime industry.

Twenty-seven facilities were designated as CoEs in May 2021. Designees included accredited community colleges, technical colleges, a shipyard apprenticeship program, and maritime training centers under State supervision. The CoEs help provide outreach to diverse communities around the Nation and expand awareness of the maritime industry, including the U.S. Merchant Marine.

Growing the U.S.-Flagged Fleet

Under the Biden-Harris Administration, MARAD is administering statutorily authorized initiatives that are growing the U.S.-flagged fleet and creating new job opportunities for American mariners with unlimited tonnage credentials. In 2021, MARAD stood up the Cable Security Fleet Program, which brought two cable laying vessels under the U.S. flag. In December 2022, MARAD issued the updated Vol-

untary Tanker Agreement and an Interim Final Rule to create the new TSP. The application period closed on February 17, 2023, and we anticipate announcing the first 10 ships selected for enrollment in the near term. The TSP initiative will create new employment opportunities for approximately 500 U.S. mariners.

MARAD is also continuing our work to support effective implementation of cargo preference requirements. We are working with the Biden-Harris Administration's Made In America Office to help agencies understand and meet cargo preference requirements. In addition, consistent with my prior testimony before this Subcommittee, I have written to all federal departments and agencies explaining how MARAD can help them ensure they meet their obligations under cargo preference laws and regulations.

MARAD is working diligently on revisions to the cargo preference regulations as required by the FY 2023 NDAA. As part of that effort, and also consistent with my testimony before the Subcommittee last year, on March 1, MARAD published a Request for Information in the Federal Register asking members of the public to provide information on their experiences with cargo preference. We will use the input we receive to inform our work on the rule revisions as well as our continued inter-agency dialogue.

One of the current challenges with meeting cargo preference requirements is ensuring we have both enough vessels and the wide mix of vessel types to carry the many types of cargoes that the government impels. To help attract additional vessels to our flag, in 2022, the Biden-Harris Administration proposed that the prior Congress eliminate the 3-year period that vessels entering the U.S. flag must currently wait before they are eligible to carry civilian agency preference cargoes. Although implementation of this proposal would have no cost to the government, it was not adopted.

CONCLUSION

Ensuring that we have a robust pool of mariners with unlimited tonnage credentials to provide the sealift capacity to meet the military's needs and to support our economic success is a critical priority for MARAD—particularly given the evolving threats in what the National Security Strategy has identified as a “decisive decade.” Thank you for the opportunity to discuss this issue today and I look forward to answering your questions.

Mr. WEBSTER OF FLORIDA. Thank you very much.
Ms. MacLeod.

TESTIMONY OF HEATHER MACLEOD, DIRECTOR, HOMELAND SECURITY AND JUSTICE, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Ms. MACLEOD. Chairman Webster, Ranking Member Carbajal, and members of the subcommittee, thank you for the opportunity to be here today to discuss GAO's recent work related to Coast Guard recruitment and retention issues.

Ensuring the United States has a sufficient number of qualified military personnel is a matter of national security. The ability to recruit and retain Active Duty, Reserve, and civilian personnel is critical to maintaining unit readiness and morale, ensuring sufficient levels of experienced leaders, and avoiding unnecessary costs.

But the services face recruiting and retention challenges. This includes the Coast Guard, which has missed its recruiting targets for the past 4 years and estimates it is short 4,800 members.

Our work has highlighted some challenges that the Coast Guard faces in recruiting and retaining certain segments of the workforce. Two areas we have recently reported on include cyberspace personnel and marine inspectors.

Like other Federal agencies, the Coast Guard is increasingly dependent on its cyberspace workforce to maintain and protect its information systems and data from threats. We reported in Sep-

tember 2022 that the Service faced persistent challenges filling its cyberspace positions that it considers as critical. According to the Coast Guard, the Service has had difficulty filling and retaining personnel for these jobs as many were leaving for higher paying positions in the private sector.

Our review resulted in five recommendations. Among these recommendations is that the Coast Guard establish a strategic workforce plan for its cyberspace workforce, and set and quantify retention goals and objectives.

The Coast Guard agreed with our recommendations and has taken some steps towards addressing them. However, until the Coast Guard implements its workforce plan, it will likely miss opportunities to recruit for difficult-to-fill cyberspace positions.

Further, for decades, the Coast Guard has faced challenges maintaining an adequate staff of marine inspectors. These personnel, which can be Active Duty or civilians, board vessels to determine whether they meet safety, security, and environmental requirements.

In particular, marine inspectors we met with reported a number of factors that could negatively affect retention. These include long work hours, higher paying private-sector opportunities, the requirement to move to undesirable locations, and limited promotion opportunities.

We found that the Coast Guard has taken several steps to increase both military and civilian marine inspector recruitment and retention. However, we also found that the Coast Guard did not regularly collect and analyze certain industry and workforce data, such as future potential retirements of Coast Guard personnel, which could affect retention of marine inspectors.

As a result, we recommended that the Coast Guard collect additional data to forecast future workforce needs. The Coast Guard recently awarded a contract to study and fully model the marine inspection workforce. It does not expect to complete this project until summer of 2025.

In addition, we have highlighted challenges related to servicemembers' quality of life, such as access to healthcare, childcare, educational opportunities, and housing, all of which may affect the Coast Guard's ability to retain personnel.

Finally, we found that the Coast Guard has not fully assessed its workforce needs, which could help inform its recruiting goals. Specifically, as of March 2023, the Coast Guard reported that it has assessed its workforce needs for just 15 percent of units. One of our outstanding recommendations from this work is for the Coast Guard to update its workforce planning document with timeframes and milestones for completion.

In closing, ensuring the U.S. has a sufficient number of qualified military personnel is a matter of national security. Taking additional steps to implement GAO's recommendations will further help the Coast Guard address recruitment and retention issues as the Service continues to monitor new challenges.

At the request of this committee, we plan to initiate a review of the Coast Guard's efforts to recruit and retain its workforce this summer. In addition, we have ongoing work examining the Coast

Guard’s process for credentialing merchant mariners that we expect to complete by late summer.

Chairman Webster, Ranking Member Carbajal, and members of the subcommittee, this completes my statement. I look forward to any questions.

[Ms. MacLeod’s prepared statement follows:]

Prepared Statement of Heather MacLeod, Director, Homeland Security and Justice, U.S. Government Accountability Office

COAST GUARD: RECRUITMENT AND RETENTION CHALLENGES PERSIST

Chairman Webster, Ranking Member Carbajal, and Members of the Subcommittee:

Thank you for the opportunity to discuss our work on U.S. Coast Guard recruitment and retention efforts. The Coast Guard—a multi-mission, maritime military service within the Department of Homeland Security (DHS)—is responsible for conducting 11 statutory missions, such as marine safety and law enforcement operations.¹ Coast Guard personnel are responsible for protecting and defending more than 100,000 miles of U.S. coastline and inland waterways, and safeguarding an economic region covering 4.5 million square miles. The service also assists people in distress or those affected by natural and human-made disasters.

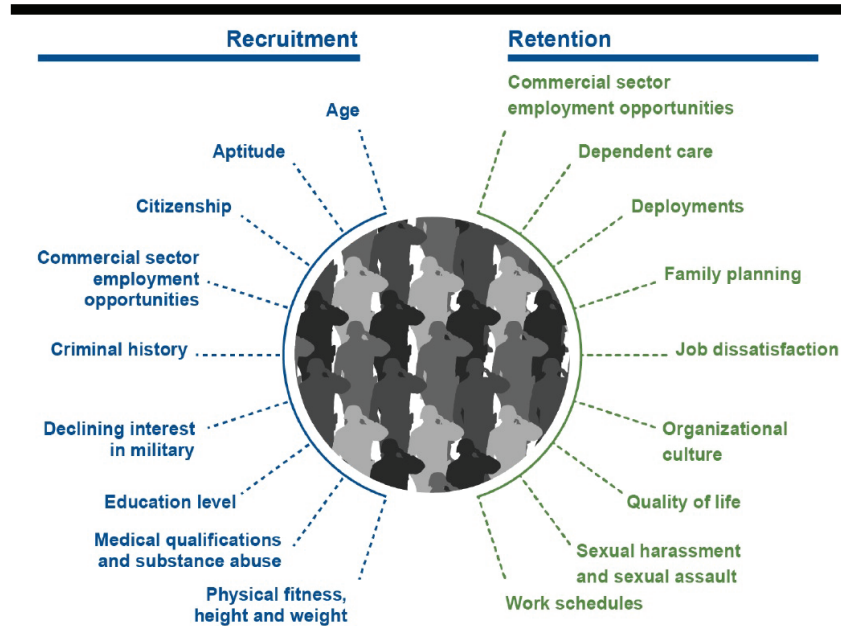
The Coast Guard employs more than 55,000 personnel across the U.S.—including active duty, reserve, and civilian.² These include, for example, operational field staff responsible for conducting missions and support personnel responsible for managing Coast Guard policy, planning, and logistics to meet mission needs. However, the Coast Guard is approximately 4,800 members short across the entire service and has missed its recruiting targets for the past four fiscal years, according to the service’s fiscal year 2024 congressional budget justification. The Coast Guard’s workforce strategic plan, *Ready Workforce 2030*, states that attracting enough qualified young women and men to serve is one of the biggest challenges facing each of the U.S. military services today.³ As shown in figure 1, a number of factors influence the Department of Defense’s (DOD) ability to recruit and retain active-duty personnel, many of which Coast Guard officials have stated also apply to its personnel.

¹ 6 U.S.C. § 468(a). For further information on the Coast Guard’s 11 missions, see appendix I. By statute, the Coast Guard is at all times a military service and branch of the armed forces. It is required to maintain a state of readiness to function as a specialized service in the Navy in time of war or when directed by the President. See 14 U.S.C. §§ 101–103.

² As of April 2022, Coast Guard officials stated that the agency had a total workforce of 55,236—including 46,235 military (i.e., active duty and reserve) and 9,001 civilian personnel. Active-duty personnel are full-time enlisted and officer personnel responsible for carrying out the Coast Guard’s missions. The military workforce also includes reserve personnel. These are part-time enlisted and officer personnel. They are trained and qualified to take duty in times of war or national emergency and to augment Coast Guard forces and provide surge capacity to respond to natural or human-made disasters, accidents, and all other hazards.

³ U.S. Coast Guard, *Ready Workforce 2030* (Washington, D.C.: April 2022).

Figure 1. Factors Influencing Active-Duty Personnel Recruitment and Retention



Source: GAO analysis of Department of Defense, Congressional Research Service, and GAO information; dovla982/stock.adobe.com (illustration). | GAO-23-106750

To maintain its active-duty levels, the military services, including the Coast Guard, must balance recruiting new members and retaining already trained service members. The military's ability to recruit and retain qualified enlisted personnel and officers is critical to maintaining unit readiness and morale, ensuring sufficient levels of experienced leaders, and avoiding unnecessary costs.⁴

My statement today discusses our prior work on (1) Coast Guard's assessments of its workforce needs, (2) recruitment and retention issues for certain segments of the Coast Guard workforce, and (3) challenges identified related to Coast Guard workforce retention. This statement is based primarily on reports published from November 2019 to April 2023 related to Coast Guard and broader military workforce issues as well as selected updates to those reports that we conducted through May 2023 regarding Coast Guard efforts to address our previous recommendations. For these products, we analyzed Coast Guard and DOD documents and data and interviewed agency officials. This statement also includes additional recruitment and retention information based on interviews we held and Coast Guard documents we obtained during the course of our prior reviews. In addition, for our selected updates through May 2023, we reviewed Coast Guard and DOD documentation and met with Coast Guard officials.

We made 29 recommendations to Coast Guard and DOD in the reports covered by this statement, including to improve workforce planning processes and data monitoring and collection.⁵ The Coast Guard and DOD generally concurred with the recommendations. As of April 2023, Coast Guard and DOD have taken actions to fully implement five of these 29 recommendations, and 24 remain unaddressed. GAO continues to monitor the agencies' progress in implementing them.

⁴In March 2023, we reported on recruitment and retention challenges for active-duty personnel facing the Department of Defense (DOD). See GAO, *National Security Snapshot: DOD Active-Duty Recruitment and Retention Challenges*, GAO-23-106551 (Washington, D.C.: Mar. 28, 2023).

⁵One report also included a matter for congressional consideration, which has been implemented. See GAO, *Military Housing: Actions Needed to Improve the Process for Setting Allowances for Servicemembers and Calculating Payments for Privatized Housing Projects*, GAO-21-137 (Washington, D.C.: Jan. 25, 2021).

More detailed information on the objectives, scope, and methodology for our work can be found in the issued reports listed in Related GAO Products at the conclusion of this statement. We conducted the work upon which this statement is based in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

LIMITED ASSESSMENTS OF WORKFORCE NEEDS CONDUCTED

The Coast Guard has conducted limited assessments of its workforce needs. Such assessments could help inform its recruiting goals. We have previously reported that the Coast Guard had taken some steps to assess its workforce needs, including developing a Manpower Requirements Plan in 2018 that established a goal of completing workforce requirements determinations for all units.⁶ However, since the Coast Guard began using its workforce requirements determination process in 2003, it has assessed only a small portion of its workforce needs through the requirements determination process.⁷ Specifically, in February 2020, we found that the Coast Guard had completed workforce requirements determinations from calendar years 2003 through 2019 for 6 percent of its workforce.

We also found several limitations affecting the Coast Guard's ability to effectively implement its workforce requirements determination process. Specifically, it lacks time frames for how it will achieve its workforce assessment goal—notably, to assess the workforce requirements for all of its positions and units.⁸ Among other things, we recommended that the Coast Guard update its Manpower Requirements Plan with time frames and milestones for doing so.⁹

DHS concurred with our recommendations and described actions planned to address them. Among them, the Coast Guard was required to submit this plan to Congress in fiscal year 2022, but did not do so until March 2023. In the plan, the Coast Guard reported that it had completed workforce requirements determinations for 15 percent of its workforce. As of May 2023, Coast Guard officials said they had not determined time frames and milestones to fully implement its workforce requirements plan, but indicated it could be feasible to develop a rough estimate of how many positions it plans to assess in the next five years. We will continue to monitor actions the service takes to implement our recommendations.

CERTAIN WORKFORCE SEGMENTS HAVE EXPERIENCED RECRUITMENT AND RETENTION ISSUES

We have previously reported that the Coast Guard has faced issues related to the recruitment and retention of certain specialized personnel such as its cyberspace workforce, Deployable Specialized Forces, and marine inspectors.¹⁰ These issues include competition with higher paying opportunities in the private sector, limited opportunities for promotion, and long work hours. The Coast Guard has taken some

⁶ GAO, *Coast Guard: Increasing Mission Demands Highlight Importance of Assessing Its Workforce Needs*, GAO-22-106135 (Washington, D.C.: July 27, 2022); *Coast Guard: Actions Needed to Evaluate the Effectiveness of Organizational Changes and Determine Workforce Needs*, GAO-20-223 (Washington, D.C.: Feb. 26, 2020).

⁷ In April 2018, the Coast Guard reported to Congress that it faced challenges meeting its daily mission demands because it was operating below the workforce level necessary to meet all of its mission requirements. In this report, the Coast Guard set a goal to complete workforce requirements determinations—its preferred tool for assessing needed workforce levels—for all of its units. U.S. Coast Guard, *Manpower Requirements Plan, Report to Congress* (Apr. 13, 2018).

⁸ GAO-20-223. The Coast Guard's workforce requirements determination process uses a structured analysis to determine the number and types of personnel needed to effectively perform each mission to a specified standard. The process takes into account the effect of existing, new, or modified requirements on Coast Guard's workforce and is to conclude with a documented determination of the results.

⁹ We made a total of six recommendations, four of which addressed limitations with Coast Guard's workforce requirements determination process. As of April 2023, the Coast Guard implemented three of these recommendations by updating its guidance, determining necessary personnel to conduct the workforce determination process, and tracking the extent to which it completed this process for its units.

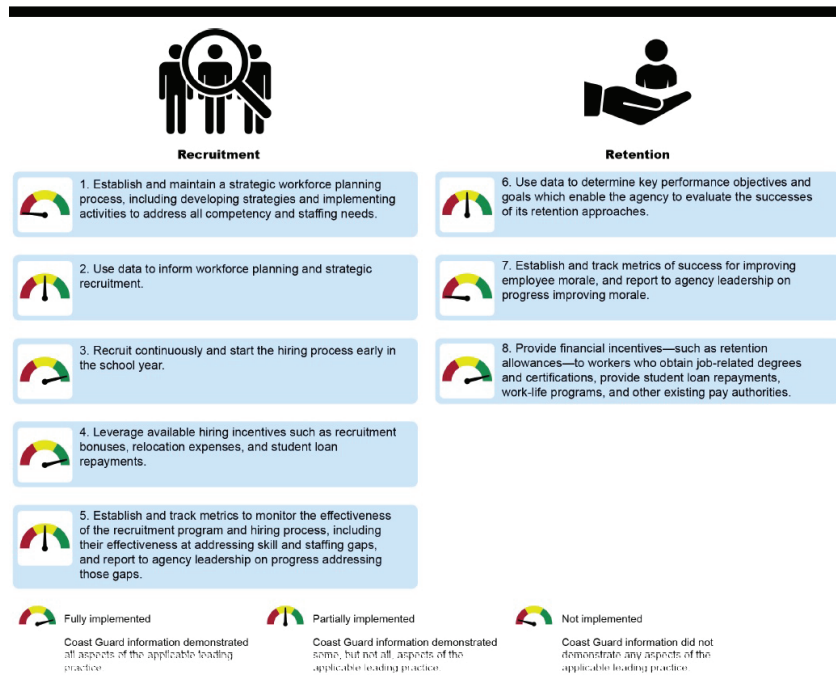
¹⁰ In addition, we have an ongoing review examining the culture within the U.S. Coast Guard as it pertains to the sexual orientation and gender identity of active duty servicemembers, which may provide insights on the recruitment and retention of lesbian, gay, bisexual, transgender, and queer individuals. We expect to report on the results of our work in early 2024.

steps to address these challenges, but additional steps remain to ensure that it recruits and retains the specialized staff necessary to complete its missions.

Cyberspace Workforce. We reported in September 2022 that the service has faced persistent challenges filling certain cyberspace positions it considers as critical, or understaffed.¹¹ Like other federal agencies, the Coast Guard is increasingly dependent upon its cyberspace workforce, which includes both military and civilian personnel, to maintain and protect its information systems and data from threats. Coast Guard data as of September 2021 showed the service's civilian cyberspace workforce had a greater share of vacancies than its military cyberspace workforce. On the civilian workforce side, the Coast Guard has faced particular challenges in filling positions within its civilian IT Management series, its largest civilian cyberspace workforce position category. According to an April 2021 Coast Guard memorandum, the service has had difficulty filling and retaining personnel for these positions because many were leaving for higher paying positions in the private sector.¹² The memorandum describes the vacancies in these positions as leading to a “retention and morale problem” that is approaching an “unmanageable level.” It further states that retaining these personnel is mandatory to remain resilient against cyber threats.

In addition, we reported on the extent to which the Coast Guard implemented eight selected leading practices related to recruitment and retention.¹³ We found that the Coast Guard fully implemented three practices, partially implemented three, and did not implement two (see fig. 2).

Figure 2: Coast Guard Implementation of Selected Recruitment and Retention Leading Practices for Its Cyberspace Workforce, as of September 2022



¹¹GAO, *Coast Guard: Workforce Planning Actions Needed to Address Growing Cyberspace Mission Demands*, GAO-22-105208 (Washington, D.C.: Sept. 27, 2022).

¹²Coast Guard, *FY22 Workforce Planning Team Intervention Requests for Civilian Cyberspace Workforce*, (Apr. 5, 2021).

¹³To select these leading practices, we reviewed those identified in prior GAO reports, as well as two guidance documents from the Office of Personnel Management and the Office of Management and Budget on strategic workforce planning, recruiting and hiring efforts, retention incentives, employee morale, and training and development. See GAO-22-105208 for more information.

To address the gaps in implementation for these recruitment and retention leading practices, we made five recommendations to the Coast Guard, including for the service to: 1) establish a strategic workforce plan for its cyberspace workforce, 2) develop and analyze metrics for recruitment of civilian cyberspace personnel, 3) and set and quantify retention goals and objectives.¹⁴

The Coast Guard concurred with these recommendations and has taken some steps toward implementing them. For example, as of March 2023, the Coast Guard reported it was drafting a workforce management plan, with a projected completion date in September 2023. Additionally, the service reported it plans to track cyberspace workforce health metrics and consider retention goals and incentives. Until the Coast Guard implements its workforce plan, it will likely miss opportunities to recruit for difficult to fill cyberspace positions. Further, setting and quantifying specific retention goals and objectives for its cyberspace workforce would help the service better evaluate the success of its retention approaches.

Deployable Specialized Forces. In November 2019, we reported that the Coast Guard had taken steps to improve retention among its Deployable Specialized Forces (Specialized Forces) personnel—units with the capabilities needed to handle drug interdiction, terrorism, and other threats to the U.S. maritime environment.¹⁵ Prior to a 2007 reorganization, active-duty Coast Guard personnel working in Specialized Forces units could not remain in those units and be competitive for promotions, according to Coast Guard officials we interviewed for that review. Officials told us that this was because the Coast Guard has certain requirements for career progression, including personnel working in various assignments within a given career path.

After the reorganization, the Coast Guard created a maritime law enforcement career path within Specialized Forces in response to challenges the service faced in retaining law enforcement personnel. Coast Guard officials we spoke with told us that the career path has helped them retain qualified Specialized Forces personnel.

Marine Inspectors. The Coast Guard has faced long-standing challenges maintaining an adequate staff of experienced marine inspectors who board vessels to determine whether they meet safety, security, and environmental requirements.¹⁶ In January 2022, we reported on marine inspection workforce issues.¹⁷ In particular, marine inspectors we met with reported a number of factors that could negatively affect retention, including long work hours, the ability to obtain higher pay in the private sector, the requirement to move to undesirable locations, and limited promotion opportunities.

We found that the Coast Guard had taken several steps to increase both military and civilian marine inspector recruitment and retention.

- In 2018, the Coast Guard completed plans to establish a program that trains senior enlisted personnel to become marine inspectors sooner in their careers. This allows the Coast Guard to retain its more experienced marine inspectors for additional years before they retire.
- In addition, the Coast Guard has taken efforts to recruit civilians from industry. However, from 2009 through 2021, the retention rate of these civilians was only 67 percent, according to the Coast Guard.¹⁸ In response, the Coast Guard implemented a higher paygrade starting point, among other things, which should increase retention, according to Coast Guard officials.

However, we also found that the Coast Guard did not regularly collect and analyze certain industry and workforce data, such as future potential retirements of Coast Guard personnel, which could affect retention of marine inspectors.

¹⁴We also made a sixth recommendation, not related to the recruitment and retention leading practices, for the Coast Guard to determine the cyberspace staff needed to meet its mission demands.

¹⁵Specialized Forces include a mix of active-duty, reservist, and civilian personnel. GAO, *Coast Guard: Assessing Deployable Specialized Forces' Workforce Needs Could Improve Efficiency and Reduce Potential Overlap or Gaps in Capabilities*, GAO-20-33 (Washington, D.C.: Nov. 21, 2019).

¹⁶Coast Guard marine inspectors generally conduct inspections on U.S.-flag vessels and examinations on foreign-flag vessels, which are registered in jurisdictions other than the United States. The depth and scope of inspections and examinations differ. Unless otherwise stated, this statement uses the term “inspection” to refer to both inspections and examinations that marine inspectors conduct.

¹⁷GAO, *Coast Guard: Enhancements Needed to Strengthen Marine Inspection Workforce Planning Efforts*, GAO-22-104465 (Washington, D.C.: Jan. 12, 2022).

¹⁸The Coast Guard had hired 85 civilian apprentice marine inspectors since inception of the program in 2009 through April 2021, according to Coast Guard data. From the 62 that had completed the program, the Coast Guard had retained about 61 percent, about 11 percent had been dismissed, and about 27 percent had resigned.

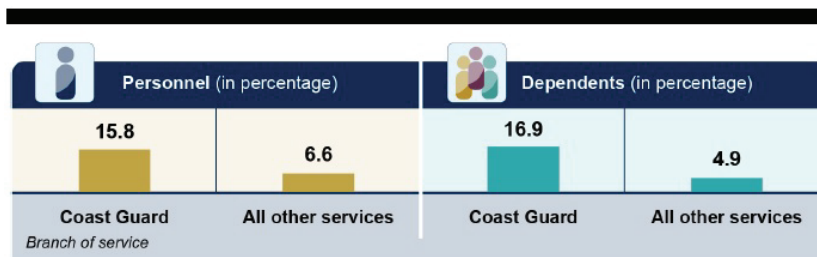
As a result, we recommended that the Coast Guard collect additional data to forecast future workforce needs. Collecting additional data, such as information on marine inspection retirement rates and industry trends, would enhance the Coast Guard's ability to identify potential future workforce needs and develop plans to address them. DHS concurred with the recommendation. The Coast Guard awarded a contract in February 2022 to study and fully model the marine inspection workforce. According to the Coast Guard, the project is to be completed by the summer of 2025.

RETENTION CHALLENGES RELATED TO QUALITY OF LIFE PERSIST

We have reported on persistent challenges related to quality of life factors, including health care, housing, and child care, which may affect the Coast Guard's ability to retain personnel. The Coast Guard considers its ability to support its workforce's quality of life as a vital part of recruiting and retaining its workforce looking forward.¹⁹ Challenges include the availability of health care, appropriateness of the housing allowance for military personnel, sufficient access to child care services, and the education opportunities of Coast Guard dependent children.

Health care. In April 2023, we found that Coast Guard personnel, particularly those located in remote areas, may experience challenges in accessing medical and dental care through TRICARE—DOD's health plan.²⁰ For instance, Coast Guard active duty personnel and their dependents are more than twice as likely as the personnel and dependents from the other military services to be enrolled in TRICARE Prime Remote (see fig. 3).²¹ Such enrollment means they are stationed in an area that is more than 50 miles away from a military medical treatment facility.

Figure 3: Percent of U.S. Coast Guard Beneficiaries Enrolled in TRICARE Prime Remote Compared to Beneficiaries of Other Military Services, as of October 2022



Source: GAO analysis of TRICARE managed care support contractor data; GAO (clip art). | GAO-23-106750

Notes: Beneficiaries may be eligible to enroll in TRICARE Prime if they work or live inside a Prime Service Area, which is generally within 40 miles of a military medical treatment facility (medical facility), or within 100 miles of a primary care manager. TRICARE Prime Remote extends the TRICARE Prime benefits to those beneficiaries who live more than 50 miles, or 1-hour driving time, from a medical facility. In this figure, "personnel" refers to active-duty personnel and "dependents" refers to dependents of active-duty personnel.

Four of the six Coast Guard clinics selected in our review reported difficulty recruiting or retaining providers and Coast Guard health officials noted that these difficulties were particularly present in remote areas. Further, we found that almost 40 percent of Coast Guard clinics (17 of 43 clinics) were located in medically underserved areas, and 25 percent (11 of 43 clinics) were located in at least one type of geographic health provider shortage area (primary care, mental health, or dental).²²

¹⁹ *Ready Workforce 2030*.

²⁰ GAO, *Coast Guard Health Care: Additional Actions Could Help Ensure Beneficiaries' Access*, GAO-23-105574 (Washington, D.C.: Apr. 4, 2023).

²¹ For any medical or dental care that is not available through the Coast Guard health services program, Coast Guard active duty personnel and their dependents are eligible for DOD's TRICARE health plan. Beneficiaries with a sponsor who lives and works more than 50 miles, or more than a 1-hour driving time, from a DOD medical facility may be eligible for the benefits of TRICARE Prime if they enroll in TRICARE Prime Remote, available in designated locations.

²² Medically underserved areas are those in which beneficiaries may lack ready access to primary care. The Health Resources and Services Administration within the Department of Health and Human Services reports areas that have been designated shortage areas, including medi-

Continued

We found that the Coast Guard conducts ad hoc monitoring of its beneficiaries' access to TRICARE, but it does not routinely analyze data from DOD and its contractors to monitor access. In particular, no formal agreement exists between the Coast Guard and DOD to facilitate the sharing of data for care provided at DOD medical facilities. As a result, we made seven recommendations to DHS and DOD, including that the Coast Guard and DOD agree to share access data and that the Coast Guard monitor access to TRICARE for Coast Guard beneficiaries. DHS concurred with our recommendations and identified planned actions to implement them, including increasing coordination on data sharing with DOD. The Coast Guard estimates completing planned actions by March 2024. Obtaining and routinely monitoring TRICARE access data would better position the Coast Guard to identify and address potential access concerns to help ensure that its beneficiaries are receiving timely care.

Housing. We have reported on issues with the appropriateness of the housing allowance for military personnel, including Coast Guard personnel. Military personnel may receive housing allowances to help cover the cost of suitable housing—such as apartments or rental units. However, in January 2021, we found that DOD's method for calculating housing compensation may not accurately represent housing costs.²³ We found that DOD did not collect enough data on 44 percent (788 of 1,806) of locations and housing types to estimate the total housing costs. Specifically, these locations and housing types had fewer than DOD's minimum sample-size target, which it uses to help set the rate for the housing allowances.

DOD officials stated that improperly determining which properties should be included in this calculation could have serious retention issues at locations in which the model produces inaccurate results. Without the correct sample sizes, it risked providing housing cost compensation that does not accurately represent the cost of suitable housing for personnel, including Coast Guard personnel who are stationed in such locations. We recommended that DOD review its sampling methodology to increase sample size.

DOD implemented our recommendation by piloting a program in 2021 to use a subscription-based commercial data set to augment housing sample sizes as part of the data collection for the 2022 allowance rates. According to DOD, this resulted in a dramatic increase in the quantity and quality of units collected for the sample. DOD officials stated that, as a result, they plan to use the external data for the 2023 housing allowance rates. Additionally, DOD implemented the use of a data smoothing technique to supplement housing data to meet sample size requirements in areas where there is low housing stock.

In addition, we found that DOD had taken some steps to collect and monitor data used for setting housing allowance rates; however, DOD had not consistently relied on certain key types of data used in monitoring to set accurate rates. For example, DOD had not consistently monitored housing cost trends over time and compared them against the basic allowance for housing. As a result, we recommended that DOD establish and implement a process for using quality information to set allowance rates and ensure timely remediation of any identified deficiencies. Doing so would help DOD ensure that the rates are appropriate for servicemembers' rank and that rates reflect the current costs of housing in the private sector. DOD concurred with our recommendation and, as of March 2022, was working toward implementing it.

We have ongoing work related to Coast Guard housing access, affordability, and related challenges. We expect to report on the results of our review in early 2024.

Child care. In June 2022, we reported that the Coast Guard was working to increase access to quality child care by planning facility improvements and centralizing information to help families find child care in their communities.²⁴ To support its personnel in balancing work and family life, the Coast Guard provides a variety of child care programs, both on-base and in local communities. We found that the Coast Guard operated nine facilities for child care (i.e., child development centers), but its ability to provide on-base care was limited to about 700 children.²⁵ As of

cally underserved areas and health professional shortage areas. We used this publicly available data from <https://data.hrsa.gov/tools/shortage-area/by-address>, accessed May 17, 2022, to conduct analyses on which Coast Guard clinics were located in medically underserved areas and geographic health professional shortage areas.

²³ GAO-21-137. Although the Coast Guard is a component of DHS, DOD has responsibility for managing these housing issues. 37 U.S.C. §§ 101(3), 403.

²⁴ GAO, *Military Child Care: Coast Guard is Taking Steps to Increase Access for Families*, GAO-22-105262 (Washington, D.C.: June 30, 2022).

²⁵ The Coast Guard reported having capacity to serve up to 704 children in its nine child development centers, while the Department of Defense reported a total capacity of approximately 104,000 children in 761 child development centers.

March 2022, over 300 children were on waitlists for Coast Guard child development centers.

We also found that the Coast Guard relied on community-based providers who participated in its Fee Assistance program for the majority (82 percent) of children enrolled in childcare. Families enrolled in Fee Assistance programs, like many families seeking child care, may face challenges obtaining care when there are limited spaces available at community-based providers in their area.

In 2020, the Coast Guard assessed the child care needs of its personnel and found that the rising cost of child care nationwide was among the most formidable challenges Coast Guard families face. In a March 2022 report to Congress, the Coast Guard stated that it planned to build four new child development centers and to renovate existing ones, which will provide access to on-base child care for more families.²⁶ The Coast Guard has also centralized and updated online information to help families find child care in their communities. In addition, the Coast Guard increased subsidy amounts to help make child care more affordable, especially for families who live in high-cost areas. However, Coast Guard officials acknowledged that its efforts may not relieve the challenges faced by Coast Guard families in remote or geographically isolated areas that could continue to struggle to find child care. Officials also noted that the Coast Guard would continue to try to recruit and certify additional child care providers.²⁷

Education. In February 2021, we reported that military families frequently cited education issues for their children as a drawback to military service, according to DOD.²⁸ For example, children in military families transfer schools up to nine times, on average, before high school graduation.

In addition, we reported that traditional public schools—schools where children are generally assigned based on where they live—were most commonly available to military families, with fewer choices available in rural areas.²⁹ Traditional public schools comprised a majority of schooling options near most Coast Guard units (435 out of 454).³⁰

We also found that, similar to U.S. schools in general, rural areas where Coast Guard units were located had fewer public schools and fewer types of public school options—including charter schools and magnet schools—nearby compared to units in more highly populated urban areas. Within 454 Coast Guard units, 137 were rural and 317 were urban. Rural Coast Guard units had a median of 32 schools nearby, while urban Coast Guard units had a median of 186 schools nearby. As a result, Coast Guard personnel with school-age children had fewer educational options in many rural locations, which may affect the service’s ability to retain these personnel.

Ensuring the U.S. has a sufficient number of qualified military personnel is a matter of national and homeland security. However, according to DOD officials, the department is facing its most challenging recruitment environment in 50 years. Moreover, according to Coast Guard officials, it can be particularly challenging for the Coast Guard to recruit because it is smaller and less well known than the other military services. Further, the Coast Guard Master Chief Petty Officer reported in an April 2023 congressional hearing that all Coast Guard units were facing personnel shortfalls.³¹ While DOD has a combined force of active-duty, reserve, and civilian personnel of over 2.8 million, the Coast Guard’s combined force numbers about 55,000. We plan to initiate a review of the Coast Guard’s efforts to recruit and retain its workforce, and related challenges, in summer 2023.

Chairman Webster, Ranking Member Carbajal, and Members of the Subcommittee, this completes my prepared statement. I would be pleased to respond to any questions that you may have at this time.

²⁶U.S. Coast Guard. *Procurement, Construction, and Improvements Spend Plan, Fiscal Year 2022 Report to Congress*. (Washington, D.C.: March 15, 2022).

²⁷GAO–22–106135.

²⁸Offices of the Secretaries of the Army, Navy, and Air Force, Memorandum for the National Governors Association (Washington, D.C.: Feb. 23, 2018). GAO, K–12 *Education: U.S. Military Families Generally Have the Same Schooling Options as Other Families and Consider Multiple Factors When Selecting Schools*, GAO–21–80 (Washington, D.C.: Feb. 4, 2021).

²⁹Children are generally assigned to traditional public elementary and secondary schools based on where they live. GAO–21–80.

³⁰For the purposes of our report, schooling options near Coast Guard units referred to the average commuting distances in rural and urban areas of 20 miles and 16 miles, respectively.

³¹U.S. House of Representatives, *Review of Fiscal Year 2024 Budget Request for the U.S. Coast Guard*. (Washington, D.C.: Apr. 18, 2023).

APPENDIX I: INFORMATION ON THE COAST GUARD'S 11 MISSIONS
This appendix details the Coast Guard's 11 missions (see table 1).

Table 1: Information on the Coast Guard's 11 Missions

Mission	Description
Aids to Navigation	Mitigate the risk to safe navigation by providing and maintaining more than 51,000 buoys, beacons, lights, and other aids to mark channels and denote hazards.
Defense Readiness	Maintain the training and capability necessary to immediately integrate with Department of Defense forces in both peacetime operations and during times of war.
Drug Interdiction	Stem the flow of illegal drugs into the United States.
Ice Operations	Establish and maintain tracks for critical waterways, assisting and escorting vessels beset or stranded in ice, and remove navigational hazards created by ice in navigable waterways.
Living Marine Resources	Enforce laws governing the conservation, management, and recovery of living marine resources, marine protected species, and national marine sanctuaries and monuments.
Marine Environmental Protection	Enforce laws which deter the introduction of invasive species into the maritime environment, stop unauthorized ocean dumping, and prevent and respond to oil and chemical spills.
Marine Safety	Enforce laws which prevent death, injury, and property loss in the marine environment.
Migrant Interdiction	Stem the flow via maritime routes of unlawful migration and human smuggling activities.
Other Law Enforcement	Enforce international treaties, including the prevention of illegal fishing in international waters and the dumping of plastics and other marine debris.
Ports, Waterways, and Coastal Security	Ensure the security of the waters subject to the jurisdiction of the United States and the waterways, ports, and intermodal landside connections that comprise the marine transportation system—and protect those who live or work on the water or who use the maritime environment for recreation.
Search and Rescue	Search for, and provide aid to, people who are in distress or imminent danger.

Source: 6 U.S.C. § 468(a); GAO summary of Coast Guard information. GAO-23-106750

Mr. WEBSTER OF FLORIDA. Thank you very much.

Next, we have Dr. Asch.

You are recognized for 5 minutes.

Ms. ASCH. Can you hear me? It doesn't seem like the microphone—can you hear me?

Mr. WEBSTER OF FLORIDA. I can.

**TESTIMONY OF BETH J. ASCH, Ph.D., SENIOR ECONOMIST,
RAND CORPORATION**

Ms. ASCH. OK. Thank you.

Chairman Webster, Ranking Member Carbajal, and distinguished members of the subcommittee, I would like to thank you for this opportunity to testify today.

Each year, the armed services set accession missions, which are their goals for how many people they want to recruit that year. The services rarely miss their accession missions, but in fiscal year 2022, the Coast Guard missed its accession mission by over 25 percent.

The other services struggled as well. The Army not only missed its accession mission, it did so by a historic amount. Unfortunately, three of the four services—and now I hear a fourth service—are on track to fail to meet their accession missions for 2023.

My comments summarize some of the key insights from a large body of research that has been conducted on military recruiting, on why this crisis might be occurring, and, more importantly, what might be done to address it.

Most of what is known about military recruiting is based on research for the other services, most notably, the Army, where, owing to its large recruiting requirement, problems usually show up first when they arise. That said, what we know about recruiting in the other services is likely to be relevant to the Coast Guard to some extent, since the Coast Guard recruits from a similar pool of Americans and asks those who serve to make similarly difficult sacrifices.

The body of research covers decades and covers a wide array of topics. These include: eligibility for enlistment and the role of waivers; factors affecting young people's decisions to enlist; recruiting resource management, including enlistment bonuses, recruiters, advertising, and educational benefits; and the role of competing opportunities, including those in the civilian economy as well as in 2-year and 4-year college.

It is likely each of these factors are relevant to today's recruiting challenges, though, to date, no rigorous, peer-reviewed analysis has been done of the recruiting crisis. So, it is not yet possible to identify the leading causes of the recruiting crisis that account and control for all the relevant factors.

Research does provide considerable insight into what the services should be doing in the short and long term to address the crisis.

In the short run, the services should be focusing on policies that research shows work. First, they should meet congressional end-strength requirements by increasing retention. While the services are struggling to meet their recruiting goals, all of them, including the Coast Guard, are meeting their retention objectives overall.

Second, the services should offer more enlistment bonuses and increase the dollar amount of those bonuses. Research shows that bonuses are effective in expanding the market and have a particularly large effect on channeling recruits into hard-to-fill specialties, and they can be turned on quickly. Their disadvantage is that they are costly and less effective than advertising and recruiters, which research shows are highly cost-effective recruiting resources.

Third, the services should modestly increase the share of recruits without a high school diploma, staying within the Department of Defense guidelines to only enlist at most 10 percent of such recruits. While these recruits are more likely to fail to complete their enlistment contract and have other performance issues, research shows that a modest increase would have a minor overall effect on the performance of the overall entering cohort.

For the long term, the armed services should focus on gaining a better understanding of relevant factors that are changing and identifying how to respond to them.

These include, first, gaining a better understanding of factors explaining the decline in the labor force participation of young people and what that means for recruiting.

Second, understanding why public trust in the military has declined and how factors explaining that decline affect recruiting, if at all, controlling for other factors.

Third, identifying how to optimize marketing and advertising in the age of social media, developing an effective set of messages that connect with the target audience; and consider the use of nontraditional media, such as streaming services, to implement that marketing strategy.

And, fourth, open the aperture of eligibility for enlistment by validating current enlistment standards and identifying whether such standards are out of date or screening out applicants who would otherwise be successful in the armed services.

In addition, the services should aggressively experiment with promising new ideas for improving their recruiting efforts, but be equally aggressive at dropping those that fail to live up to their promise.

As more data becomes available, the services should be doing rigorous analysis to identify the underlying causes of the crisis, policy effects, and where to target their future recruiting efforts.

I thank the subcommittee for the opportunity to testify, and I look forward to your questions.

[Ms. Asch's prepared statement follows:]

**Prepared Statement of Beth J. Asch, Ph.D.,¹ Senior Economist,
RAND Corporation²**

ADDRESSING THE RECRUITING CRISIS IN THE ARMED SERVICES:
INSIGHTS FROM RESEARCH

Chairman Webster, Ranking Member Carbajal, and distinguished members of the subcommittee, thank you for the opportunity to testify today. Each year, the armed services set accession missions, which are their goals for how many training seats they want to fill with new recruits for that year. The services rarely miss their accession missions, but in fiscal year 2022, the U.S. Coast Guard missed its accession mission by over 25 percent, the fourth year in a row in which it missed its mission.³ The other services also struggled. The Army not only missed it, it did so by a historic amount: It also achieved only 75 percent of its goal.⁴ If the recruiting problem persists, it could hurt operational effectiveness. In the shorter term, the services will continue to fully fill high-priority units, like deploying units, and the shortfall will

¹The opinions and conclusions expressed in this testimony are the author's alone and should not be interpreted as representing those of the RAND Corporation or any of the sponsors of its research.

²The RAND Corporation is a research organization that develops solutions to public policy challenges to help make communities throughout the world safer and more secure, healthier and more prosperous. RAND is nonprofit, nonpartisan, and committed to the public interest. RAND's mission is enabled through its core values of quality and objectivity and its commitment to integrity and ethical behavior. RAND subjects its research publications to a robust and exacting quality-assurance process; avoids financial and other conflicts of interest through staff training, project screening, and a policy of mandatory disclosure; and pursues transparency through the open publication of research findings and recommendations, disclosure of the source of funding of published research, and policies to ensure intellectual independence. This testimony is not a research publication, but witnesses affiliated with RAND routinely draw on relevant research conducted in the organization.

³Seth LaGrone, "USNI News Interview: Coast Guard Commandant Adm. Linda Fagan," USNI News, January 9, 2023.

⁴Office of the Under Secretary of Defense for Personnel and Readiness, "Department of Defense Announces Recruiting and Retention Numbers for Fiscal Year 2022," press release, September 2022.

be felt for lower-priority efforts. But if the problem persists, the services will likely cut force structure and increase stress, which will hurt their overall capability. Unfortunately, three of the military services are on track for another tough year in 2023. Specifically, the Army, Air Force, and Navy are reporting that they expect to fail to meet their accession missions by the end of this year.⁵

Today, I will summarize some of the key insights from a large body of research that has been conducted on military recruiting, with the aim of helping understand why this crisis is occurring and, more importantly, what research indicates might be done to address it. Unfortunately, little of the research has focused on the Coast Guard specifically; instead, more research has focused on its sister services, especially the Army, where recruiting problems, when they arise, usually show up first, due in large measure to its much greater recruiting requirements. That said, since the Coast Guard recruits from a similar pool of Americans and asks those who serve to make similarly difficult sacrifices, it is likely that what is known about recruiting in the other services is relevant to the Coast Guard. Many recommended actions for those services are likely to also be relevant to the Coast Guard.

The body of research covers decades, dates to even before the beginning of the all-volunteer force in 1973, and covers a wide array of topics.⁶ These include eligibility for enlistment and the role of waivers; factors affecting young people's decisions to enlist; recruiting resource management, including enlistment bonuses, recruiters, advertising, and educational benefits; and the role of competing opportunities, including those in the civilian economy, as well as those in two- and four-year college.

It is likely that each of these factors is relevant to today's recruiting challenges, though, to date, no publicly available peer-reviewed analysis of the recruiting crisis of the past couple of years has been conducted that rigorously accounts for the full array of factors that may be affecting recruiting. These factors include changes in the civilian economy; recruiting resources; military pay; the size of the eligible population, including the role of the military's new electronic health record system, known as *MHS Genesis*, which more accurately reports past medical issues and ability of applicants to medically qualify for enlistment; and changing attitudes. So, it is not yet possible to identify the leading causes of the recruiting crisis.

There are two factors that have received considerable attention that are unlikely to explain the recent difficulties.⁷ First, many military leaders and commentators have argued that the difficulties are due to the low fraction of American youth who would be eligible to enlist. Research indicates that only 23 percent of American young adults in 2020 would meet the enlistment standards of the military services without a waiver.⁸ But the fraction of the population that would be eligible has been low for decades. For example, the eligibility rate was estimated to be about 30 percent according to a 2006 study.⁹ Thus, while eligibility has declined, which is concerning, the low rate of eligibility is an unlikely explanation for the recent difficulties.

A second factor that leaders have identified as the cause of the recruiting crisis is the low propensity of American youth to enlist. Since 2001, the Joint Advertising, Market Research and Studies group within the Department of Defense (DoD) has conducted a roughly quarterly survey of American young people ages 16 to 21 that asks them, "How likely is it that you will be serving in the military in the next few years?" If they report "definitely" or "probably," they are categorized as being *positively propensed*, meaning they want to join the military. In spring 2022, only 10

⁵ Jim Garamone, "Vice Chiefs Talk Recruiting Shortfalls, Readiness Issues," DOD News, April 20, 2023.

⁶ For a summary of recent studies, see Beth J. Asch, *Navigating Current and Emerging Army Recruiting Challenges: What Can Research Tell Us?* RAND Corporation, RR-3107-A, 2019, https://www.rand.org/pubs/research_reports/RR3107.html; Beth J. Asch and John T. Warner, "Recruiting and Retention to Sustain a Volunteer Military Force," in David J. Galbreath and John R. Deni, eds., *Routledge Handbook of Defence Studies*, Routledge, 2018; and Curtis Gilroy, Elizabeth Clelan, Josh Horvath, and Christopher Gonzales, *The All-Volunteer Force and the Need for Sustained Investment in Recruiting*, CNA, April 2020.

⁷ See, for example, U.S. Senate Committee on Armed Services, "Full Committee Hearing to Receive Testimony on the Recruiting Challenges Facing the United States Military," video of testimony by military leaders, March 22, 2023, <https://www.armed-services.senate.gov/hearings/to-receive-testimony-on-the-recruiting-challenges-facing-the-united-states-military>.

⁸ Office of the Under Secretary of Defense for Personnel and Readiness, "2020 Qualified Military Available (QMA) Study," briefing slide, 2020, https://prod-media.asvabprogram.com/CEP_PDF_Contents/Qualified_Military_Available.pdf.

⁹ Barbara Bicksler and Lisa Nolan, "Recruiting an All-Volunteer Force: The Need for Sustained Investment in Recruiting Resources," Strategic Analysis, Policy Perspectives, Vol. 1, No. 1, September 2006.

percent of American youth indicated that they were positively propensed to serve.¹⁰ But there are two problems with the argument that low propensity is the reason for the recent recruiting crisis. First, enlistment propensity has been low for decades. The percentage of youth who are positively propensed increases and decreases over time but has been at most 15 percent since 2004, and the services have enjoyed some strong recruiting years since then.¹¹

Second, available research indicates that most recruits come from the negatively propensed group, not the positively propensed group. When the DoD survey data on propensity are linked with DoD's administrative records of enlistments, the data reveal that positively propensed people are more likely to enlist.¹² But since most people—90 percent in 2022—are in the negatively propensed group, these results imply that most enlistments would come from the negative group. This finding helps explain why recruiting is so challenging: A large part of the military recruiting effort involves converting youth who are negatively propensed to join the military into actual enlistments. Not surprisingly, then, recruiting is also costly. For example, Army recruiting costs were \$1.5 billion annually on average between 2001 and 2014 in 2016 dollars.¹³

STRATEGIES FOR ADDRESSING THE CRISIS IN THE SHORT TERM

While rigorous analysis of the drivers of the crisis has yet to be done, past research can provide insight into what the armed services might do about the crisis in the short and long terms. In the short term, the services should focus on policies that research shows are effective.

First, the services should meet end strength mandated by Congress by increasing retention. Fortunately, notwithstanding pockets of retention problems in some skill areas, such as pilots, retention in each service, including the Coast Guard,¹⁴ has been strong. Even the Army, which missed its recruiting mission in 2018 and 2022, exceeded its retention goals from 2017 to 2022 and continues to do so, and it has set high retention goals for 2023. The Coast Guard should also set aggressive retention goals to meet end strength given its recruiting problems.

Second, the services should offer more people enlistment bonuses and increase the dollar amounts of those bonuses. Research shows that enlistment bonuses expand the supply of recruits overall and have an especially large effect when targeted to recruits who choose to train in critical specialties.¹⁵ An important advantage of enlistment bonuses, over and above their enlistment expansion effects, is that they can be deployed quickly when recruiting shortfalls arise, because the services have authority to reprogram or realign funds in their personnel budgets to make more bonus payments than originally funded without getting prior congressional approval. However, increasing enlistment bonuses is not a good long-term strategy

¹⁰The DoD survey is known as the *DoD Youth Poll*. Prior to 2001, DoD measured propensity using an alternative survey, known as the *Youth Attitude Tracking Study*. Consequently, DoD has propensity data dating back to the 1970s. The percentage of young people expressing a positive propensity varies across the services and over time within a service but has been mostly around 10 percent in aggregate in recent years. The trend in propensity since 2001 can be found in Office of People Analytics, "Spring 2022 Propensity Update," presentation slides, U.S. Department of Defense, February 23, 2023.

¹¹For example, the Army exceeded its total accession mission by 4 percent in 2012 and recruited 100 percent high school diploma graduates and 64 percent with above-average scores on the Armed Forces Qualification Test (AFQT), yet propensity hovered around 13 to 14 percent in 2012 (Lawrence Kapp, "Recruiting and Retention: An Overview of FY2011 and FY2012 Results for Active and Reserve Component Enlisted Personnel," Congressional Research Service, 7-5700, RL32965, May 2013; Office of People Analytics, "Spring 2022 Propensity Update," presentation slides, U.S. Department of Defense, February 23, 2023).

¹²Analysis of youth attitude tracking survey data shows that 33 percent of those said they "definitely will" enlist actually enlisted while 17 percent of those who said they "probably will" enlist actually enlisted. In contrast, only 5 percent of those with negative propensity actually enlisted (Bruce Orvis, Martin Gahart, and Alvin Ludwig, *Validity and Usefulness of Enlistment Intention Information*, RAND Corporation, R-3775-FMP, 1992).

¹³David Knapp, Bruce R. Orvis, Christopher E. Maerzluft, and Tiffany Tsai, *Resources Required to Meet the U.S. Army's Enlisted Recruiting Requirements Under Alternative Recruiting Goals, Conditions, and Eligibility Policies*, RAND Corporation, RR-2364-A, 2018, https://www.rand.org/pubs/research_reports/RR2364.html.

¹⁴Fagan, 2022.

¹⁵Beth J. Asch, Paul Heaton, James Hosek, Francisco Martorell, Curtis Simon, and John T. Warner, *Cash Incentives and Military Enlistment, Attrition, and Reenlistment*, RAND Corporation, MG-950-OSD, 2010, <https://www.rand.org/pubs/monographs/MG950.html>; Knapp et al., 2018; J. Michael Polich, James N. Dertouzos, and S. James Press, *The Enlistment Bonus Experiment*, RAND Corporation, R-3353-FMP, 1986, <https://www.rand.org/pubs/reports/R3353.html>; Curtis J. Simon and John T. Warner, *Cash Today or College Tomorrow? Enlistment Incentives and Intertemporal Choice in the Army and Navy*, Clemson University, 2003.

when used alone because they are costly and less effective than other resources, especially recruiters and advertising.

In the context of offering more money to enlist, it is useful to also mention what the research on recruiting has to say about military pay, since it is sometimes argued that military pay should be increased to address the recruiting crisis. Research shows that increasing military pay is the least cost-effective way to improve recruiting relative to other policies, including bonuses, recruiters, advertising, and educational benefits.¹⁶ While the research shows that the supply of high-quality enlistments to the armed services increases with increases in military pay relative to civilian pay, such increases are an expensive policy. To prevent pay compression, Congress would need to increase pay not just for the most-junior enlisted personnel but for all personnel across the force. In addition, unlike bonuses, those pay raises would be permanent and factor into future pay raises. Furthermore, they would factor into other benefits, such as retired pay. Increasing pay as a means of solving recruiting problems only begins to make sense when the services are also experiencing widespread retention problems, as was the case in the late 1990s.¹⁷ Today, there is no evidence of widespread retention problems.

Studies also find that military advertising is effective in expanding the supply of high-quality enlistments.¹⁸ Research shows that the effectiveness varies with media type and the scale of advertising and that advertising is more cost-effective than bonuses and pay increases in generating enlistments. A disadvantage of advertising as a short-term recruiting policy is that it takes time to get the authority to launch an advertising campaign and then to develop and deploy an effective campaign, especially in a fragmented market where different messages may resonate with different populations.

Another important short-term strategy supported by research is expanding the size of the recruiter force. Studies consistently find that high-quality enlistments increase with the number of production recruiters, other factors held constant.¹⁹ The research also points to the importance of recruiter management. That is, the positive relationship between recruiters and enlistments is not automatic. Recruiters compose a workforce, and they are a human resource that must be properly managed to be effective and efficient.

An important aspect of recruiter management is an incentive system that provides recruiters with incentives to be productive. Research shows that these incentive systems affect recruiter productivity in terms of the quality, number, and timing of enlistments.²⁰ Recruiters are incentivized to increase effort when these plans are designed properly, but the plans can have perverse unintended effects if not designed well. For example, one study found that Army recruit screening was poorer at the end of the recruiting month, when recruiters are incentivized to meet their monthly recruiting missions.²¹

The powerful effect of incentive plans (independent of quotas) was documented in an older study of Army guidance counselors.²² A key responsibility of guidance counselors is to channel applicants into the Army's priority occupations. During the period under study, guidance counselors were under an incentive plan that offered

¹⁶ Asch et al., 2010; Simon and Warner, 2003; Curtis J. Simon and John T. Warner, "Managing the All-Volunteer Force in a Time of War," *Economics of Peace and Security Journal*, Vol. 2, No. 1, 2007; John T. Warner, Curtis J. Simon, and Deborah M. Payne, *Enlistment Supply in the 1990's: A Study of the Navy College Fund and Other Enlistment Incentive Programs*, Defense Manpower Data Center, DMDC Report No. 2000-015, April 2001.

¹⁷ Beth J. Asch, *Setting Military Compensation to Support Recruitment, Retention, and Performance*, RAND Corporation, RR-3197-A, 2019, https://www.rand.org/pubs/research_reports/RR3197.html; James Hosek, Beth J. Asch, and Michael G. Mattock, *Should the Increase in Military Pay Be Slowed?* RAND Corporation, TR-1185-OSD, 2012, https://www.rand.org/pubs/technical_reports/TR1185.html.

¹⁸ James N. Dertouzos and Steven Garber, *Is Military Advertising Effective? An Estimation Methodology and Applications to Recruiting in the 1980s and 90s*, RAND Corporation, MR-1591-OSD, 2003, https://www.rand.org/pubs/monograph_reports/MR1591.html; Knapp et al., 2018.

¹⁹ Asch et al., 2010; Knapp et al., 2018; Simon and Warner, 2003; Simon and Warner, 2007; Warner, Simon, and Payne, 2001.

²⁰ Jeremy Arkes and Jesse M. Cunha, "Workplace Goals and Output Quality: Evidence from Time-Constrained Recruiting Goals in the US Navy," *Defence and Peace Economics*, Vol. 26, No. 5, 2015; Beth J. Asch, "Do Incentives Matter? The Case of Navy Recruiters," *Industrial and Labor Relations Review*, Vol. 43, No. 3, February 1990; Beth J. Asch and Paul Heaton, *An Analysis of the Incidence of Recruiter Irregularities*, RAND Corporation, TR-827-OSD, 2010, https://www.rand.org/pubs/technical_reports/TR827.html; Beth J. Asch and Lynn A. Karoly, *The Role of the Job Counselor in the Military Enlistment Process*, RAND Corporation, MR-315-P&R, 1993, https://www.rand.org/pubs/monograph_reports/MR315.html.

²¹ Asch and Heaton, 2010.

²² Asch and Karoly, 1993.

counselors additional points for selling a high-priority occupation. The study found that simply offering five more incentive plan points for selling a particular occupation was more than twice as effective as offering an enlistment bonus to a recruit. That is, it was more effective to give the seller (the guidance counselor) an incentive to “sell” the occupation than it was to give the buyer (the recruit) an incentive to “buy” the occupation. Furthermore, the budget outlay is dramatically lower; the cost of enlistment bonuses is substantial, while the cost of guidance counselor points is minimal. The study also found that the magnitude of the skill-channeling effect of bonuses depends crucially on the incentives of the guidance counselors.²³ Controlling for counselor effort, the estimated skill-channeling effect of bonuses was two-thirds lower.

Finally, the services have stated that they will not lower enlistment standards to solve the recruiting crisis. But a good short-term strategy would be to recruit more young people without high school diplomas. The Office of the Secretary of Defense sets a ceiling on the share of recruits that the military services can enlist without high school diplomas, equal to 10 percent.²⁴ The reason for the ceiling is that research shows that recruits without high school diplomas are more likely than those with diplomas to drop out and fail to complete their military enlistment obligations.²⁵ In the Army, RAND research found that the attrition rate for nongraduates was a third higher than for graduates, increasing from 33 percent to 44 percent.²⁶ Research from the civilian economy shows similar qualitative results: Specifically, GED holders have shorter job tenures than high school graduates do. They also have lower wages and are comparable to high school dropouts in terms of their labor market outcomes.²⁷

Despite their higher predicted attrition rate, increasing the share of accessions without high school diplomas is a sensible short-term strategy given the recent crisis. This is because the services have historically been below the 10-percent cap. For example, the Army has been below the ceiling since 2010. In 2022, the Army was at 6 percent, even despite missing its recruiting mission in 2022. The Coast Guard in 2018, the year for which data are available, recruited less than 2 percent nongraduates, far below the 10-percent cap.²⁸ Therefore, increasing this percentage to 10 percent would still be within the DoD standard. But more importantly, RAND research shows that across all recruits who enter in a year, an increase from 5 to 10 percent in the Army is predicted to have only a slight effect on the overall attrition rate of that entering cohort that translates to about a one-half-percentage point increase in the overall attrition rate.²⁹ While the services should always prioritize the enlistment of higher-quality recruits—those with at least a high school diploma and who score in the top half of the test score distribution of the AFQT—since they perform better and are less likely to drop from service, a modest increase in the enlistment of GED holders within the 10-percent cap could lower the risk of failing to meet accession missions in the current crisis, with minimal implications for readiness.

²³ Bonuses not only increase the number of enlistments but also channel recruits into critical skill areas, since they are often offered only to recruits who agree to enter specific skill areas (Polich, Dertouzos, and Press, 1986).

²⁴ Specifically, “DoD sets two recruit quality benchmarks for the population of accessions each [fiscal year]: 90 percent with Tier 1 educational credentials (e.g., primarily high school diplomas) and 60 percent with Armed Forces Qualification Test (AFQT) scores at or above the 50th percentile” (Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services, Fiscal Year 2019 Summary Report*, 2021, p. 4). Consequently, DoD requires that, at most, 10 percent of recruits can be “non-Tier 1” accessions, which include high school dropouts, as well as those with General Educational Development (GED) certificates (Office of the Under Secretary of Defense for Personnel and Readiness, 2021).

²⁵ Beth J. Asch, Michael L. Hansen, Rosanna Smart, David Knapp, and Daniel Schwam, *An Empirical Assessment of the U.S. Army’s Enlistment Waiver Policies: An Examination in Light of Emerging Societal Trends in Behavioral Health and the Legalization of Marijuana*, RAND Corporation, RR-4431-A, 2021, https://www.rand.org/pubs/research_reports/RR4431.html; Richard J. Buddin, *Success of First-Term Soldiers: The Effects of Recruiting Practices and Recruit Characteristics*, RAND Corporation, MG-262-A, 2005, <https://www.rand.org/pubs/monographs/MG262.html>; Bruce R. Orvis, Christopher E. Maerzluft, Sung-Bou Kim, Michael G. Shanley, and Heather Krull, *Prospective Outcome Assessment for Alternative Recruit Selection Policies*, RAND Corporation, RR-2267-A, 2018, https://www.rand.org/pubs/research_reports/RR2267.html.

²⁶ Orvis et al., 2018.

²⁷ Stephen V. Cameron and James J. Heckman, “The Nonequivalence of High School Equivalents,” *Journal of Labor Economics*, Vol. 11, No. 1, Part 1: Essays in Honor of Jacob Mincer, January 1993.

²⁸ Office of the Under Secretary of Defense for Personnel and Readiness, 2021, Appendix E.

²⁹ Orvis et al., 2018.

STRATEGIES FOR ADDRESSING THE CRISIS IN THE LONG TERM

The short-term strategies are aimed at getting through the coming year. For the long term, the armed services should focus on gaining a better understanding of relevant factors that are changing and identifying how to respond.

Research shows that improvements in the civilian economy, as measured by declines in the civilian unemployment rate, hurt recruiting success among high-quality applicants, all else equal, and, of course, the U.S. economy is currently strong, as measured by the civilian unemployment rate.³⁰ The armed services understand that good civilian opportunities adversely affect the supply of high-quality enlistments and help explain why recruiting is so difficult right now. But what are less understood by the armed services are some major shifts occurring in the U.S. labor market, especially for young men, who traditionally account for most enlistments (though the share of female recruits has been increasing).³¹

Perhaps the biggest shift relevant to the armed services is the decline since 2000 in the share of young men who are employed or looking for work—what economists call the *labor force participation rate*. Labor economists have devoted considerable effort to understanding why fewer people are working or looking for work, as well as to understanding what young men are doing with their time instead and how they might be supporting themselves. Research on these questions is still underway, but available research provides some insights.³²

Among the effects that research can quantify based on existing evidence, the research suggests that the factors driving the drop in the labor force participation rate are varied. They include factors that have reduced the demand for workers, such as import competition from China that has reduced manufacturing jobs, technological improvements that substitute industrial robots for workers, and rising minimum wage policies. They also include factors that have reduced the supply of workers, such as increased opioid prescriptions, increased receipt of disability benefits, and increased rates of incarceration. Research indicates that, in terms of how they spend their time and how they support themselves, younger men, ages 21 to 30, exhibited a sharp increase between 2000 and 2017 in the time devoted to gaming and leisure recreational computing,³³ while the Census Bureau reports that the share of men ages 25 to 34 living at home rose 45 percent between 2000 and 2022.³⁴ An important question that requires further investigation and is being considered by the upcoming 14th Quadrennial Review of Military Compensation is what these labor market shifts mean for recruiting for the armed services and the setting of military compensation.

Another notable recent trend is the decline in the share of Americans reporting a high level of trust in the U.S. military, documented in several recent surveys.³⁵ The decline is part of a larger trend of a decline in trust among Americans in institutions in general—and, from the military's perspective, part of an ongoing concern about a divide between the military and the civilian population in terms of culture, experiences, and values. The causes of this decline in trust have been a subject of considerable commentary among senior leaders, think tanks, and news outlets who

³⁰ Asch et al., 2010; Knapp et al., 2018; Simon and Warner, 2003; Simon and Warner, 2007; Warner, Simon, and Payne, 2001.

³¹ Office of the Under Secretary of Defense for Personnel and Readiness, "Population Representation in the Military Services," webpage with links to reports from 1997 to 2017, undated, <https://prhome.defense.gov/M-RA/Inside-M-RA/MPP/Accession-Policy/Pop-Rep/>.

³² Recent research documenting the decline and summarizing the academic literature on the causes can be found in Katharine G. Abraham and Melissa S. Kearney, "Explaining the Decline in the US Employment-to-Population Ratio: A Review of the Evidence," *Journal of Economic Literature*, Vol. 58, No. 3, September 2020; Ariel J. Binder and John Bound, "The Declining Labor Market Prospects of Less-Educated Men," *Journal of Economic Perspectives*, Vol. 33, No. 2, Spring 2019; Michael Dotsey, Shigeru Fujita, and Leena Rudanko, "Where Is Everybody? The Shrinking Labor Force Participation Rate," *Economic Insights*, Federal Reserve Bank of Philadelphia, 2017; Alan B. Krueger, "Where Have All the Workers Gone? An Inquiry into the Decline of the U.S. Labor Force Participation Rate," *Brookings Papers on Economic Activity*, Fall 2017; and Francisco Perez-Arce and Maria J. Prados, "The Decline in the U.S. Labor Force Participation Rate: A Literature Review," *Journal of Economic Surveys*, Vol. 35, No. 2, 2021.

³³ Mark Aguiar, Mark Bils, Kerwin Kofi Charles, and Erik Hurst, "Leisure Luxuries and the Labor Supply of Young Men," *Journal of Political Economy*, Vol. 129, No. 2, February 2021.

³⁴ U.S. Census Bureau, "Table AD-1. Young Adults, 18-34 Years Old, Living at Home: 1960 to Present," undated, <https://www.census.gov/data/tables/time-series/demo/families/adults.html>.

³⁵ Jeffrey M. Jones, "Confidence in U.S. Institutions Down; Average at New Low," Gallup, July 5, 2022; Brian Kennedy, Alec Tyson, and Cary Funk, "Americans' Trust in Scientists, Other Groups Declines," Pew Research Center, February 15, 2022; Ronald Reagan Presidential Foundation and Institute, "2022 Reagan National Defense Survey," webpage, undated, <https://www.reaganfoundation.org/reagan-institute/centers/peace-through-strength/reagan-institute-national-defense-survey/>.

have attributed the decline to such factors as the risks associated with service, specifically sexual assault or harassment, posttraumatic stress disorder, traumatic brain injury, suicide, and food insecurity. Other factors mentioned have been the handling of the withdrawal of forces from Afghanistan; extremist views in the military; “woke” diversity, equity, and inclusion initiatives; and the handling of the COVID-19 vaccine mandate.³⁶ Like other facets of the recruiting crisis, rigorous research has not yet been conducted that provides empirical support that these or other factors explain the services’ recent recruiting challenges, holding constant other factors that have changed, such as the civilian economy.

Another area where the services need a better understanding is effective marketing in digital media. Each service has an internet presence, such as the gocostguard.com website, to learn about the job requirements and benefits of service. But the services need to optimize their marketing strategy to make the best use of social media, such as Instagram and video games and other digital platforms where young people spend time. They need to develop effective marketing messages that not only inform but also speak to the values and life aspirations of the target audiences, and the messages must recognize the diversity of the market in terms of those values. The marketing strategy must also consider approaches other than the traditional roadside billboard and Super Bowl ad, such as military-themed shows on streaming services and the use of celebrities and sports figures as spokespeople. Finally, the services should mobilize veterans and active-duty members in an organized way to tell their stories about what service has meant to them and their families.

Another area requiring attention is the validity of current enlistment standards. DoD and the Department of Homeland Security should revalidate these standards to ensure that the analysis underlying them is current, rigorous, and peer-reviewed and that the standards are not screening out applicants who would otherwise perform successfully in the armed services. DoD is currently piloting a program to allow recruits who would otherwise require a waiver for certain medical conditions to enter without a waiver.³⁷ One standard that should be revalidated is the AFQT. An applicant’s AFQT score reflects their standing relative to the national population of Americans ages 18 to 23.³⁸ Applicants with scores below 10 and non-high school graduates with scores below 30 are ineligible to enlist, and DoD requires that the services enlist at least 60 percent of recruits with scores above 50. The AFQT was last normed using 1997 data from the National Longitudinal Survey of Youth. It is unclear how renorming will affect eligibility to enlist, but test scores for 4th graders on the National Assessment of Educational Progress increased from 2000 to 2013, stagnated with some decline thereafter, and then declined during COVID-19.³⁹

CONCLUSION

The key recommendations and areas for consideration are for the armed services, including the Coast Guard, to adopt short-term and long-term approaches to addressing the recruiting crisis.

In the short term, the services should focus on policies that research shows are effective:

- They should meet congressional end strength requirements by increasing retention. While the services are struggling to meet recruiting goals, all of them, including the Coast Guard, are meeting their retention objectives.
- The services should offer more enlistment bonuses and increase the dollar amounts of the bonuses. Research shows that bonuses expand the market and

³⁶ David Barno and Nora Bensahel, “Addressing the U.S. Military Recruiting Crisis,” *War on the Rocks*, March 10, 2023; Steve Beynon, “Army Secretary Blames Bad Press for Making Recruiting Woes Worse,” *Military.com*, September 14, 2022; Rebecca Kheel, “Vaccine Mandate Is Hurting Recruiting, Top Marine General Says,” *Military.com*, December 4, 2022; Hope Hodge Seck, “Facing a ‘Perfect Storm’: The Military Recruiting Crisis,” *Military Officers Association of America*, December 14, 2022; Thomas Spoehr, “The Rise of Wokeness in the Military,” *Heritage Foundation*, September 30, 2022.

³⁷ Rose L. Thayer, “Pentagon Reviews Whether 38 Medical Conditions Should Remain Disqualifiers for Military Service,” *Stars and Stripes*, March 7, 2023.

³⁸ Office of the Assistant Secretary of Defense for Force Management Policy, “Chapter 2: The Recruiting Process,” *Population Representation in the Military Services*, U.S. Department of Defense, November 2000, https://prhome.defense.gov/portals/52/Documents/POPREP/poprep99/html/chapter2/c2_recruiting.html.

³⁹ Michael Hansen, Elizabeth Mann Levesque, Jon Valant, and Diana Quintero, “2018 Brown Center Report on American Education: Trends in NAEP Math, Reading, and Civics Scores,” Brookings Institution, June 27, 2018; The Nation’s Report Card, “Reading and Mathematics Scores Decline During COVID-19 Pandemic,” undated, <https://www.nationsreportcard.gov/highlights/ltt/2022/#more-about>.

have a particularly large effect on channeling recruits into hard-to-fill specialties. Bonuses are a rapid-response policy because the services have the flexibility to turn them on quickly, but their disadvantage is that they are costly and less effective than other recruiting resources.

- The services should also focus in the short term on increasing their advertising and the size of their recruiter force; research shows that doing so increases enlistments and that these are cost-effective policies relative to increasing bonuses and pay.
- The services should modestly increase the share of recruits without high school diplomas, staying within the DoD guidelines to enlist at most only 10 percent of such recruits. While these recruits are more likely than recruits with high school diplomas to fail to complete their enlistment contracts and to have other performance issues, increasing their share is likely to have a minor effect on the performance of the entering cohort given that their share is so small. A modest increase in non-diploma graduate recruits should not take away from the overall priority given to high-quality enlistments, since such recruits perform better and are more likely to stay in service.

In the long term, the armed services should focus on gaining a better understanding of relevant factors that are changing and identifying how to respond. This includes

- gaining a better understanding of the factors explaining the decline in the labor force participation of young people and other shifts in the labor market and what they mean for recruiting
- understanding why public trust in the military has declined and how the factors explaining that decline affect recruiting, if at all, controlling for other factors
- identifying how to optimize marketing and advertising in the age of social media, developing an effective set of messages that connect with the target markets, and considering the use of nontraditional media to implement the marketing strategy
- opening the aperture of eligibility for enlistment by validating current enlistment standards and identifying whether some standards are out of date or are screening out applicants who would otherwise be successful in the armed services.

In addition, the services should aggressively experiment with promising new ideas for improving their recruiting efforts but be equally aggressive at dropping those that fail to live up to their promise. As more data become available, rigorous analysis will be needed to identify the underlying causes of the crisis, policy effects, and where to target future recruiting efforts.

I thank the subcommittee for the opportunity to testify, and I look forward to your questions.

Mr. WEBSTER OF FLORIDA. Thank you all for your testimony.

And we will turn now to the questions for the panel. I will recognize myself for 5 minutes for the first set of questions.

Vice Admiral Thomas, the Coast Guard Authorization Act of 2023, reported by the committee last month, includes \$9 million for the Coast Guard to streamline the application process.

How does the system compare with the systems used by other armed services? And does the current system negatively impact recruiting efforts?

Admiral THOMAS. Thank you for the question, Chairman. I am not exactly sure which system you are referring to in that question. Are you talking about the system that we use to bring recruits into the Service?

Mr. WEBSTER OF FLORIDA. Yes.

Admiral THOMAS. So, we are modernizing that system. We are about to launch in June an application that is called Gangway that will allow our recruiters to do a better job of maintaining contact with potential recruits.

In a manner now that is all on paper, this new technology will allow them to automatically send texts to our potential recruits and keep in contact with them; and then, also, not require recruits to

come into an office, but we can bring the office to them, including all the recruitment paperwork that can be signed digitally.

This is what the other services are doing. In fact, we are borrowing a capability that the Army developed, in order to bring the modern tools to our recruiters.

Mr. WEBSTER OF FLORIDA. So, is the money we authorized increasing your recruiting numbers?

Admiral THOMAS. Well, certainly, we have gotten money in fiscal year 2023 and 2024 that we have been using for a number of purposes: increased recruiting but also increased retention.

So, we have added recruiters to our fleet. We have opened new recruiting offices. We have opened one new one; we have another six or so in the queue to open up. We have increased bonuses. We have increased the number of people that we have doing cold-calling.

So, yes, the money has definitely been helpful. And we have seen an increase in the numbers in terms of people getting to boot camp.

Mr. WEBSTER OF FLORIDA. So, what progress have you made using the Junior ROTC? And how has that, kind of, worked out?

Admiral THOMAS. Well, thank you for that question, because, as I mentioned, we have six active JROTC units currently. That covers two of our Coast Guard districts. We have a requirement to have one in each district by the end of 2025. We are on track to meet that requirement. We should have, as I mentioned, four more JROTC units stood up by the beginning of the next academic year.

Right now, we have two former JROTC cadets at our Coast Guard Academy. We have one at one of our prep schools, so, they will be at the Coast Guard Academy.

And JROTC is a great way for us to get people into the Coast Guard, but it is also a great way for us to contribute to those communities. So, we are excited about it and moving forward.

Mr. WEBSTER OF FLORIDA. Rear Admiral Phillips, the Coast Guard Authorization Act of 2023, as reported by this committee, authorized \$11 million for the Coast Guard to modernize its outdated Merchant Mariner Licensing and Documentation System.

As MARAD relies on the Coast Guard's system to determine the number of available mariners for surge sealift operations, can you explain what capabilities MARAD needs from the system to make these determinations?

Admiral PHILLIPS. Mr. Chairman, thank you for that question.

As you highlighted, in the fiscal year 2023 NDAA, we are tasked to work with TRANSCOM to provide a requirements document to the Coast Guard in support of our needs. And we are doing that, and they will have that very shortly. They are certainly aware of it.

Putting it succinctly, we need an understanding of how many mariners there are and what qualification levels they hold, their medical status, and, as an aside and something we will need to do ourselves, their willingness to sail in times of crisis.

The current Coast Guard database is not queryable, and we are very optimistic, working with the Coast Guard, that the new database will permit us to query under such circumstances to have a better understanding of where we stand related to qualified mariners.

Mr. WEBSTER OF FLORIDA. Thank you very much.

Ranking Member Larsen, you are recognized for 5 minutes.

Mr. LARSEN OF WASHINGTON. Thank you, Mr. Chair.

On that point, I have a question for Admiral Thomas.

If Congress were to fund the \$11 million for the unfunded priorities list to modernize the credentialing system, how would that affect processing time? How quickly could you modernize to a standard to do a more efficient job of approving credentials?

Admiral THOMAS. Thank you for the question, Congressman. And although that is not currently my portfolio, I have worked in that area before, so, I am familiar. And we have a system now that was built in the nineties, and it was—

Mr. LARSEN OF WASHINGTON [interrupting]. In the 1990s?

Admiral THOMAS. Yes, sir. Right.

Mr. LARSEN OF WASHINGTON. Yes. Thanks.

Admiral THOMAS. The \$11 million that is on the UPL is a down-payment to the system that we actually need to build. And we are prepared to move out. We have a requirements working group that is working with MARAD and MSC. That will absolutely improve our processing time, but it will also absolutely improve the depth of knowledge about that particular workforce.

So, right now I could not, for example, tell you how many mariners are operating on a medical waiver associated with pacemakers. Can't do that. But when we build the new modern system, we will be able to answer a lot of those types of questions.

Mr. LARSEN OF WASHINGTON. If \$11 million is a start, what is the end?

Admiral THOMAS. Well, that is difficult to know right now until we have finalized the requirements, but it is somewhere between \$11 million and \$16 million, we think. And we are working with our FACAs, NMERPAC, et cetera, to really refine what those requirements are.

Mr. LARSEN OF WASHINGTON. Yes. Does \$11 million—you say it gets you started. Does it get us a result on moving quicker on credentialing? Or do we have to wait for the whole thing to get done?

Admiral THOMAS. Oh, no, sir. That absolutely is scalable. And with \$11 million, we ought to move out.

Mr. LARSEN OF WASHINGTON. Yes.

For Ms. MacLeod from GAO, can you talk a little bit more about—the Coast Guard might be able to answer this, too, but—enlisted versus officers, and are there differences in ability to recruit depending on an enlisted person versus an officer?

Ms. MACLEOD. Our work to date has really focused on the retention of the workforce, and we have found that recruiting additional civilian personnel for certain workforces can prove to be a benefit to the Coast Guard. But I do look forward to our upcoming studies of recruitment and retention issues within the Coast Guard.

Mr. LARSEN OF WASHINGTON. On the cyber workforce, I know that the National Guard provides support as well as frontline cyber support in the military. Is there something similar that can apply to the Coast Guard?

Ms. MACLEOD. Yes. I mean, the Coast Guard is in line with what we have observed with other Federal agencies in terms of bringing

its workforce up to speed and up to date and filling those necessary positions with personnel.

The Federal Government as a whole is a bit behind in this area, and the Coast Guard is one of those agencies as well.

Mr. LARSEN OF WASHINGTON. Yes. Admiral Thomas, could you address that?

Admiral THOMAS. Yes, Congressman, absolutely.

So, first, with regard to officer recruiting, we have a deficit in our officer corps, but it is not because of a recruiting problem. It is because of capacity at our accession points. We have no problem getting people to want to come into the Coast Guard to be an officer, but we are at max capacity.

With regard to our cyber workforce, we just recently stood up the first, what we call, functional flotilla in our Coast Guard auxiliary that are doing cyber work for us. These are cyber professionals in their real life, and they volunteer for the Coast Guard. And we also have a Reserve contingent in our cyber workforce.

We are challenged, like everyone, to retain highly trained cyber professionals, but that is where we focus our bonuses and education that comes with obligations. And so, we are trying to manage it that way.

Mr. LARSEN OF WASHINGTON. Yes.

Administrator Phillips, you mentioned in your testimony the calls for a legislative change that relates to the requirement that vessels be flagged in the U.S. for 3 years before carrying food aid cargoes.

How would that change benefit the fleet and increase opportunities for merchant mariners?

Admiral PHILLIPS. Congressman, thank you for that question, sir.

It would give us more access to more vessels. And we believe there are cargoes that they could carry, particularly in the civilian agency side, as you mentioned—USAID, USDA. We believe there is some capacity there. And so, flagging in additional vessels that could work with those agencies to carry that capacity will bring more mariners into the fleet. And, as you are aware, more ships generates more mariners because of the need.

Mr. LARSEN OF WASHINGTON. Thanks.

Thank you, Mr. Chair. I yield back.

Mr. WEBSTER OF FLORIDA. I am advised we have a couple of Coast Guard Academy cadets here, and I would like you to identify yourself.

Ezra Tetreault?

Mr. TETREAULT. Yes, Chairman, right here. Thank you.

Mr. WEBSTER OF FLORIDA. Thanks for coming.

OK. Somebody grab him.

[Laughter.]

Admiral THOMAS. We got him, sir.

Mr. WEBSTER OF FLORIDA. And there is John Bragaw?

Mr. BRAGAW. Yes, sir, I am right here. Thank you.

Mr. WEBSTER OF FLORIDA. Thanks for coming today. Good to see you.

Mr. BRAGAW. Thank you, sir.

Mr. WEBSTER OF FLORIDA. Representative Babin, you are recognized for 5 minutes.

Dr. BABIN. All right. Thank you, Mr. Chairman. I appreciate it. Thank you all, witnesses. I appreciate you being here as well.

The U.S. Coast Guard and American merchant mariners both are vital to keeping our ships moving and our waterways safe. However, as your testimony states, recruiting is way down, and we members of the subcommittee are deeply concerned with that.

And so, my first set of questions—Admiral Phillips, thank you for being here as well. I am hoping to get some clarification from you on an employee of the U.S. Merchant Marine Academy, which I know you have jurisdiction over.

Mr. Anton Tripolskii, the Merchant Marine Academy's sexual assault prevention and response director, has been outspoken, very outspoken, about race and gender in the United States. He has made it clear that he believes that White males—the same White males that make up the majority of the U.S. merchant marine—are to blame for sexual violence in the United States.

In fact, Mr. Tripolskii, who is White and male, has made these kinds of comments repeatedly. He has been very vocal on Twitter, and, as we all know, once you tweet something on Twitter, it is there forever.

And so, that means that the Merchant Marine Academy should have been very aware of his comments on Twitter before they hired him. And if they did, in fact, see his comments and then decided to hire him, these comments must not be of concern to those who are in charge of hiring the Academy's faculty and staff.

So, I am asking you: Do you believe that “misogyny and racism grow from the same White, male root,” quote/unquote, as Mr. Tripolskii stated?

Admiral PHILLIPS. Congressman, thank you for that question. And of course we are in receipt of your letter on this topic.

Dr. BABIN. Yes, ma'am.

Admiral PHILLIPS. And we have seen the tweet in that letter that is referred to that is several years old.

Irrespective of what this employee of the Academy may have done in the past, my focus and that of Vice Admiral Nunan, who is the superintendent, are looking towards the future and, in that context, building an environment of value that includes inclusiveness of all midshipmen, staff, parents, faculty, alumni at the Academy, that values people's participation based on their professionalism and skill, and that we build a team to produce the world's finest merchant mariners, which are vital to the Nation's economic and national security.

So, we are looking to the future here, and we are not——

Dr. BABIN [interrupting]. Well, I am not understanding what your answer is.

Admiral PHILLIPS [continuing]. Interested in reliving the past, so that we can move forward with a collective body to graduate, again——

Dr. BABIN [interrupting]. My question——

Admiral PHILLIPS [continuing]. The finest mariners.

Dr. BABIN. My question, Admiral, is: Do you believe that misogyny and racism grow from the same White, male root, as this gentleman who is employed as someone in control of the way things

are being done there at the Merchant Marine Academy—do you believe that what he said is true? Yes or no?

Admiral PHILLIPS. Well, sir, his statements were made a number of years ago, and I have no indication that they apply to his current position.

And, again, I have spoken with Vice Admiral Nunan. We are moving forward with a collective future for the Academy that values everyone, including White men, for their professionalism and skill and ensures that we have a team to move forward in the context of building mariners—

Dr. BABIN [interrupting]. Well, I understand what you are saying, and you are kind of dodging.

The U.S. Merchant Marine Academy needs experienced leaders training our merchant mariners, not some social justice warrior who is laser-focused on DEI ideology, expanding abortion, or accusing individuals of inherent racism based purely on their skin color—which is illegal, by the way, since 1965.

So, while military branches face a worsening recruiting crisis, our once-pristine service academies seem to be losing sight of their mission. And so, I would encourage you to consider this in your responsibilities over the Merchant Marine Academy.

I find your answer insufficient, and really am concerned when I see a shortfall of recruitment going on, really, throughout the services but especially here at the Merchant Marine Academy. That is very concerning to me, to see someone in charge of what Mr. Tripolskii's position is, and saying things as he says. Racism. That is all I can say. I hope you will consider that.

Thank you. I yield back.

Mr. WEBSTER OF FLORIDA. Mr. Garamendi, you are recognized for 5 minutes.

Mr. GARAMENDI. I thank you, Mr. Chairman.

I am hesitant to jump into the fray of the previous question, but I will simply say that there is ample evidence that there is a systemic problem existing in the maritime industry. It finds its way into the Merchant Mariner Academy. There are numerous reports of sexual assault, misogyny, and other activities going on not only at this academy but all of our academies, and it has to be dealt with.

Admiral Phillips, I know you are aggressively doing that, and I encourage you to continue to go at it. Whatever the root cause might be, it has to be dealt with.

Admiral PHILLIPS. Yes, sir.

Mr. GARAMENDI. Now, I won't comment on yesterday's court decision in New York with regard to a similar issue, but I will say that this must be dealt with.

Admiral Phillips, Admiral Thomas, I encourage you to do everything in your power to deal with these problems.

Generally—not generally—specifically, more than 50 percent of the American population is female. If we are going to recruit and fill the ranks, we are going to have to reach out to the women, young and not so young. And if this problem is not dealt with, we will not be able to successfully recruit 50 percent of the American population.

Whatever the root cause might be, it has to be dealt with.

Now, let me go to another matter here. In the years I have been on this subcommittee, including the years that I was not on it, with regard to the merchant mariner system and the merchant marine, I keep hearing it is all about cargo. If you don't have the cargo, you don't have the ships, and you don't have the personnel for the ships.

In 2012, in its lack of wisdom, the Congress reduced the compelled cargo from 75 percent to 50. As long as that remains in effect, we will not have the opportunity for cargo for American ships.

And I draw this to the attention of this committee that has this specific opportunity and responsibility to address this issue. Unfortunately, there are other committees involved.

But, beyond that, I want to address the issue of the availability or the nonavailability of American ships. Right now, the responsibility to determine the availability or nonavailability is basically to the American Government entity that is doing the shipments—for example, the military. The military can, on its own, decide that there is not an available ship. Similarly, USDA and USAID.

So, my question to you, Admiral Phillips, is: Why don't you take the responsibility, and why doesn't this committee straighten this out so that there is one Federal agency that is specifically responsible for this area that can make the determination of the availability?

Admiral Phillips, I would appreciate your comment on this.

Admiral PHILLIPS. So, Congressman Garamendi, sir, thank you very much for your comments all the way around. We appreciate them. We understand them.

From the context of cargo preference, we certainly understand the challenges that the agencies find in confirming whether or not there are ships available.

Of course, Department of Defense is in one circumstance. They have a 100-percent requirement. The others have a 50-percent requirement.

However, I would defer to Congress from the context of how such determinations—

Mr. GARAMENDI [interrupting]. Well, let me just—

Admiral PHILLIPS [continuing]. Should be made and who should make them.

Mr. GARAMENDI. Excuse my jumping in, but if you had the responsibility, could you effectively make the decision about the availability of American ships?

Admiral PHILLIPS. Sir, thank you again for that question.

Of course, we work today to be a part of that process, and so, we do have an understanding of it. And we work within the authorities that we have, which do involve others in making that decision. We are certainly familiar with the process.

Mr. GARAMENDI. Shall I take that as a "yes"?

Admiral PHILLIPS. Again, sir, we defer to Congress on how they would like this to be run. Thank you.

Mr. GARAMENDI. Thank you.

I yield back.

Mr. WEBSTER OF FLORIDA. OK.

Mr. Bean, you are recognized for 5 minutes.

Mr. BEAN OF FLORIDA. Thank you very much, Mr. Chair.

And good morning, T&I subcommittee. It is good to see you here. I got the privilege of visiting Coast Guard Mayport and spent the morning there and have fully recognized the mission of the Coast Guard, and it was very eye-opening. And I just appreciate everybody, the hospitality that they showed.

If you are in the audience and you are in the Coast Guard, you are planning to be in the Coast Guard, or have served in the Coast Guard, will you stand and let us recognize you? There are a whole lot of Coasties here.

Go ahead, stand up.

Very good. Thank you very much.

[Applause.]

Mr. BEAN OF FLORIDA. I will be so—I am going to make a bold statement. And you would think this isn't going to be a big deal, but it is. Something that I believe both sides agree on—how about that?—both sides agree that we want a very strong Coast Guard. A strong Coast Guard is a strong America.

So, I think we are on board that we want to make sure that we hit our goals and hit the retention mission of keeping qualified people who have already trained, and we have already invested in them, the skills and leadership, to make sure that our Coast Guard is strong.

Which leads into my question, which is: How many folks did we kick out because they refused the mRNA shot?

Admiral THOMAS. Well, Congressman, first of all, thanks for visiting our team there in Jacksonville. As a former sector Jacksonville commander, I know that area well, and our folks really love to live and serve there, so, thanks for that.

With regard to separations due to failure to get a COVID vaccine, we separated a total of 247 individuals. Since the mandate has been lifted by Congress, we have been in touch with every single one of them and offered them a pathway back to the Service. About 148 have indicated they want to come back.

And in addition to that, we are reaching out to every person who left the Service over the last 2 years, even if it was voluntary, because it may have been related to COVID, and we are offering them a pathway back.

Unlike the other services, everyone who left the Coast Guard left with an honorable discharge and with a reenlistment code that allows them to come back. So, I appreciate the question, and we are really actively—we have stood up a special team called the Return to Service Team that is just focused on this.

Mr. BEAN OF FLORIDA. Is it all about money? Is money the name of the game?

Admiral THOMAS. I am not sure what you mean by that.

Mr. BEAN OF FLORIDA. How big a part is money a part of coming back? Was that part of coming back? What did you offer them to come back? Or tell us about—

Admiral THOMAS [interrupting]. We offered them to come back, just like anyone who had served before and indicates they want to come back to the Service. There are no money issues involved.

Mr. BEAN OF FLORIDA. Got you. And it was like they never left, or that is what the invite was, come on back, and we will put you back where you were?

Admiral THOMAS. Absolutely. And back on advancement lists, promotion lists. Can't guarantee them the same assignment, but we are bringing them back at the same rank and rate.

Mr. BEAN OF FLORIDA. Very good. No, thank you. And those numbers are a lot better than some of the other branches.

I also serve on—I think there is a handful of us who serve on the Committee on Education and the Workforce. I chair the subcommittee on K–12. We are kind of reexamining what the future of K–12 should look like.

We realize now that two-thirds of our students are not going to go to college. One-third are. But the two-thirds, we are really focusing on getting everybody to college when in reality, that is not realistic.

We want to make sure that they have other options including vocational programs or access to vocational schools. What do we need to do—and this is a toss-up for anybody—what should we do to make sure that high school students, or even into middle school, to have a career track to go to the military, and, specifically, the Coast Guard? Is there anybody who has a thought on what that would look like?

Admiral THOMAS. We certainly are very active reaching out to high schools and also to trade schools. So, we have begun to bring people into our Service who have skills in what we call lateral entry.

So, we may have gone to a culinary school, and we found someone who knows how to cook. We can bring them into our Service as a second-class petty officer, teach them what they need to know about Coast Guard paperwork and Coast Guard history and leadership, but we are bringing them in that way, so they don't necessarily have to start at the bottom and work their way up.

Mr. BEAN OF FLORIDA. So, we are already reaching out to high schools, that is part of the recruitment process?

Admiral THOMAS. Absolutely.

Mr. BEAN OF FLORIDA. Very good.

So, with our last just few seconds, I am going to give the Rear Admiral one more chance of a yes or no, we only have time for a yes or no question. Do you want another bite of the apple, just a yes or no, do you want to repudiate the racist comments of the guy that you hired, yes or no?

Admiral PHILLIPS. Sir, as I have stated before, we are focused on the future—

Mr. BEAN OF FLORIDA [interrupting]. Oh, my time is expired. I am so sorry. I yield back.

Mr. WEBSTER OF FLORIDA. Mr. Ezell, you are recognized for 5 minutes.

Mr. EZELL. Thank you, Mr. Chairman.

This committee continues to hear from the maritime industry about the significant shortages of U.S. mariners. This deeply concerns me, especially as China continues to expand its shipbuilding capabilities.

To strengthen our national security and meet the needs of our Nation's economy, we must continue to promote and improve programs that support recruiting and training of mariners.

Admiral Phillips, we know that increasing the number of individuals with merchant mariner credentials will support the industry and ultimately sealift operations. As you also know, many jobs in the shipbuilding industry do not require these credentials, and, instead, require trade qualifications such as welders and electricians.

While we are well aware of the shortage of credentialed mariners, can you talk about some of the other sectors that lack qualified workers to carry out the job?

Admiral PHILLIPS. So, Congressman, sir, thank you for that question. Of course our focus at the maritime industry is on mariners who will sail, and to that end, on providing opportunities and to expand capacity there in particular.

As you point out, and as several Members have pointed out, there are opportunities here for young people to join the maritime industry, to come in as unlicensed mariners and work their way up. And this provides them good-paying jobs that can serve them for the rest of their lives.

From the context of working with other industries that support the maritime industry, particularly in ports and that kind of sector, we do oversee the Port Infrastructure Development Program, which, as you are aware, provides opportunities to strengthen capacity for ports and, in that context, provides jobs to many of the skill sets that you talk about, to support that work, to improve capacity across our ports and waterways.

Mr. EZELL. Ms. MacLeod, could you comment on that as well?

Ms. MACLEOD. Our work to date has focused on the credentialing process itself that we have underway, and as was noted earlier, this is a paper process. We have seen issues with the actual printers themselves that have caused some delays.

So, we do have a study underway looking at the process itself, the processing times, what those actually are. There can be a difference between the mariner experience and what are the official times for processing, as well as the performance of the processing itself. So, again, we have a study underway, and I expect that we will be sharing the results of that study later this summer.

Mr. EZELL. Thank you.

Admiral Phillips, what do you recommend that Congress should implement to boost employment?

Admiral PHILLIPS. Well, thank you for that question, sir. I think any opportunity to expand our capacity across the maritime industry, of course more broadly, but also to expand our capacity at shipyards and at ports is a way to drive a need, which will then drive capacity to bring more people into the industry.

I should add that our Small Shipyard Grant Program also can provide funds for small shipyards to do apprenticeship training, and that is yet another way to bring in young people into the shipyard or ship repair industry and give them opportunities.

And I would also add that the Small Shipyard Grant Program is vastly oversubscribed. It is a \$20-million-a-year program, and we typically get about \$80 million or so in applications for grants for that program alone. So, there are certainly opportunities there to improve capacity.

Mr. EZELL. Admiral Thomas, could you add anything to that?

Admiral THOMAS. Well, certainly—I mean, you asked the question about where else are we seeing critical skill shortages, and certainly in shipyards as we are building our new cutters, labor is a challenge, and it is one of the reasons why shipbuilding projects run behind schedule and over budget.

So, we are focused on helping to build the military industrial base. That is a challenge for our Nation, and we need to all stay focused on it.

Mr. EZELL. Thank you.

Mr. Chairman, I yield back.

Mr. WEBSTER OF FLORIDA. Ms. Scholten, you are recognized for 5 minutes.

Ms. SCHOLTEN. Thank you, Mr. Chair, and I appreciate all of our witnesses being here today. Hillary Scholten from Michigan's Third Congressional District, beautiful Coast Guard installation in Grand Haven and Muskegon.

I really appreciate you taking the time to talk about these critical recruitment and retention issues, which is truly a national security issue. Currently, the Coast Guard is operating with nearly 5,000 fewer guardsmen and guardswomen than they need and has consistently failed to meet recruiting goals. This is a serious problem.

We know that the Coast Guard is critical to a number of key security priorities, including drug interdiction, maritime law enforcement, antiterrorism responses, and icebreaking. We need to adopt some serious solutions.

Two concerns that have come up in my conversations with my local Coast Guard station in Grand Haven is pay stability and housing.

Vice Admiral Thomas, two-thirds of military members report that security and stability of the job had a great influence on their decision to join the military, and 31 percent report that military pay had a great or very great influence on their decision to join the military.

During the 2019 Government shutdown, Coast Guard men and women endured a 35-day lapse in pay, because, as you are aware, they do not receive pay as other branches of the military do in the event of a Government shutdown.

My first question for you is, if hypothetically, we were to experience another Government shutdown—I don't know why anyone would think we would be flirting with that idea right now—do you think our Coast Guard men and women, particularly some of the youngest recruits, are in a position to float that lapse in pay with their savings, pay for their own childcare, or is there a risk that they might seek alternative employment where they would have stable pay?

Admiral THOMAS. Well, first of all, thanks for the question, and I have been to Grand Haven twice in the last month recently.

Ms. SCHOLTEN. Wonderful.

Admiral THOMAS. So, our Coasties up there love the place, and obviously Grand Haven loves our Coast Guard, so, we appreciate that.

Ms. SCHOLTEN. We do.

Admiral THOMAS. Yes. I was a operational commander when we had that pay lapse, and it absolutely impacted our readiness. When you are about to get onto a helicopter to go put your life at risk, and you are wondering: Is my family all right? Or if you are at sea for an extended period of time, and you know that your family is at home without pay, those are hard things to deal with.

So, absolutely, pay stability is one of the reasons why the members join the military, and when we can't provide that, I think we break faith with our workforce.

Ms. SCHOLTEN. I couldn't agree more. Recently with Representative González-Colón we introduced the Pay Our Coast Guard Parity Act, which would ensure that our Coast Guard men and women get paid in the event of a Government shutdown. It is so critical that we pass this piece of legislation to ensure that we are able to meet our retention and recruitment goals.

What influence, if any, do you think that awareness of this lack of ability to pay is factoring in? And if not, and we are surprising individuals walking into this, do you think there is more that we should be doing to let them know, if my colleagues are not willing to take this bill up and to pass it into law?

Admiral THOMAS. Well, first, we thank you both for your support of that bill and for our Coast Guard members. I should mention, I mean, this is a total workforce issue, because our civilian employees are critical to our operations as well, and in the case of a lapse of appropriations, we often have to send them home.

I cannot quantify the impact of the potential pay lapse on our ability to recruit and retain folks, but certainly knowing that that is off the table is a great message to send.

Ms. SCHOLTEN. OK. Great. So, do you think it is fair to say that, yes, we should be paying our Coast Guard men and women in the event of a Government shutdown?

Admiral THOMAS. Well, as I said, we cannot afford to break faith with our workforce, and that certainly is one way to do that.

Ms. SCHOLTEN. Yes. As we experience increased cuts, we are seeing a 22-percent cut for Federal Government funding with these, in the lapse of appropriations, and it is just critical that we are continuing to pay these Coast Guard men and women.

In the remaining time, if you have any comments on ensuring safe and stable and affordable housing for our Coast Guard men and women, we know that is another critical issue.

Admiral THOMAS. It is. And as I said, we are different than the other services because most of our force is on the economy, not in Government housing. So, we really need to look at how BAH rates are set, and we need to look at how we can make them more adaptable quickly to market conditions.

Ms. SCHOLTEN. Thank you.

I am over time, so, I yield back.

Mr. WEBSTER OF FLORIDA. Thank you very much. Mr. Mast, you are recognized.

Mr. MAST. Thank you, Chairman. Semper paratus, Admiral.

Admiral THOMAS. Right back at you, Congressman.

Mr. MAST. Very good. Hey, when I first walked in, you were finishing up a statement, saying "following the other services." So, I am going to get into transgender policy and ask you very specifi-

cally, at the direction of the Department of Homeland Security, or at the direction of the Department of Defense, is the Coast Guard in any way following the direction of other services, or one of our service Secretaries, to do things other services have done, allegedly, support recruitment and retention by planning drag queen story hours on airbases as a “following the other services,” hiring influencers that are drag queens or transgender to specifically boost or have a program to specifically recruit transgender individuals? Does that exist in the Coast Guard?

Admiral THOMAS. Not to my knowledge, Congressman. We follow the other services with regard to our policies around transgender members. I am not aware of any specific recruiting efforts that are targeting that community.

Mr. MAST. Thank you. I couldn’t find any, so, I wanted to ask you outright if such a thing existed.

Going specifically to the policies, I am reading a number of different policies dated different times over the years by the Coast Guard. Is it still the policy of the United States Coast Guard that individuals with a history of gender dysphoria will be permitted to join the military if they are only stable for 18 consecutive months in their biological sex prior to accession as certified by a licensed medical professional? Is that still the policy of the United States Coast Guard?

Admiral THOMAS. I am going to have to take that for the record to make sure that 18 months is exactly the number, but generally, we do have a policy that allows stable members with gender dysphoria diagnosis to enter our Service, consistent with the other services.

Mr. MAST. Acknowledging that you don’t know the exact month number, I know reading numerous documents it was hard for me to find as well whether it was 36 or 18 or if there had been a change. So, conceding that there is confusion about the exact date, why does it exist that individuals have to be stabilized in their biological sex before allowing to access into the Coast Guard?

Admiral THOMAS. Well, I think what all the services are doing is, just like any other medical condition, we want to make sure that we know what we are getting and that we have somebody who is stable, and, therefore, they will be able to serve, similar to many others with many other medical conditions.

Mr. MAST. Can you describe the medical condition?

Admiral THOMAS. Excuse me?

Mr. MAST. Describe to me this medical condition.

Admiral THOMAS. Any other medical condition or—

Mr. MAST [interrupting]. This condition, gender dysphoria, individuals that need to be stabilized in their biological sex for 18 months or something close to that, in order to receive accession into the Coast Guard, other policies, and that have not transitioned to their preferred gender, and a licensed medical provider has determined that gender transition is not required to protect their, quote/unquote, “health,” and willing and able to adhere to all standards associated with their biological sex, other things listed out there. Can you just help me understand what is the medical condition of gender dysphoria?

Admiral THOMAS. Sir, Congressman, I am not a medical professional. I can certainly provide or offer a brief with our chief medical officer, and she could probably do a much better job than I in answering that question.

Mr. MAST. But I am going to say this, based upon the Coast Guard's guidance—and I agree with it—it does appear that they acknowledge that there are medical conditions associated with individuals identifying outside of their biological sex.

And I think that is a very real issue, and I think it is absolutely affecting retention in all of our branches of the military. I think for the branches that are specifically looking to recruit individuals that are transgender, they are losing more than they are recruiting, and I don't think it is a focus to make the fighting force that much better.

But I want to move to one other quick Coast Guard document here. Coast Guard human resources document. It is the last question on this, and I will submit it for the record in case you want to see it. But here is the question. This is from a Coast Guard document. This isn't my question.

Isn't focusing on diversity issues creating reverse discrimination and separating us further rather than uniting us? This is a United States Coast Guard human resources document, and I will just say this. The answer was an absolute nonanswer. So, it asks, Admiral, could you answer that question from a Coast Guard document: Isn't focusing on diversity issues creating reverse discrimination and separating us rather than unifying us?

Admiral THOMAS. I'm happy to answer that question. I don't know the context of that paper. What I can tell you as a military leader of 38 years—

Mr. MAST [interrupting]. I will submit it for the record, so you—

[The information follows:]

U.S. Coast Guard Updated Commandant Instruction on Leadership and Diversity Councils, COMDTINST 5350.9A, Flag Voice #545, April 22, 2021, Submitted for the Record by Hon. Brian J. Mast



FLAG VOICE #545

U.S. COAST GUARD INSTRUCTION ON LEADERSHIP AND DIVERSITY COUNCILS
22 APRIL 2021

I am pleased to announce the release of the updated Commandant Instruction on Leadership and Diversity Councils, COMDTINST 5350.9A. This updated Instruction reestablishes the Leadership, Excellence and Diversity (LEAD) Council to become a conduit for diversity issues and concerns from the field directly to the Commandant and renames it as the Inclusive Leadership Excellence and Diversity (ILEAD) Council to highlight the Coast Guard's focus on inclusion as a leadership concept.

Deputy Commandant and Area co-chairs will manage the ILEAD Council and this role will alternate between DCO and PACAREA, and DCMS and LANTAREA every

two years. This change empowers the ILEAD Council to drive solutions and organizational change more directly to operational and support commanders.

The ILEAD Council will engage the Leadership and Diversity Advisory Council (LDAC) network to develop and prioritize recommendations, as well as to share best practices, lessons learned, senior leadership direction and feedback. Additionally, the ILEAD Council will assess operational risks to leadership, diversity and inclusion (D&I); identify instances where policies and practices work counter to D&I goals; and provide command climate improvement and leadership development recommendations to the Commandant semi-annually.

The updated instruction provides commands with guidance on the appropriate designation of command LDAC Chair, Vice Chair and Secretary positions via administrative remarks to ensure reflection in an individual's official record.

COMDTINST 5350.9A will be posted on the Resources tab of CG Portal. Please encourage your personnel, especially subordinate commands and LDACs, to read through the instruction for updated guidance. Talking points and FAQ's are attached to this Flag Voice.

Any questions should be directed to the Office of Diversity and Inclusion at HQS-SMB-CG-127-Info@uscg.mil.

JOANNA M. NUNAN,

Rear Admiral, USCG, Assistant Commandant for Human Resources.

ATTACHMENT

U.S. COAST GUARD ILEAD COUNCIL POLICY ANNOUNCEMENT

Background

The Office of Diversity and Inclusion continues to implement the Coast Guard Diversity and Inclusion Action Plan (DIAP). These materials will help Coast Guard leaders inform employees of recent programmatic enhancements to the LEAD Council.

This information should be shared during an all hands or other applicable command gathering.

Changes to the former LEAD Council include:

- Reestablishing and renaming the Coast Guard's Leadership, Excellence and Diversity (LEAD) Council to the Inclusive Leadership, Excellence and Diversity (ILEAD) Council.
- Clarifying and describing an enhanced network of Leadership and Diversity Advisory Councils (LDACS) to support and extend the work of the ILEAD throughout the Service.
- Demonstrating the Coast Guard's ongoing commitment and implementation of critical DIAP initiatives, including improving processes, structure, and resources accessibility.

Overarching Communication Themes

- Renaming and reestablishing the ILEAD Council demonstrates systematic improvements, continued commitment, and success in implementing the DIAP.
- Clarifying the roles of the ILEAD Council and LDAC improves awareness and access, allowing total force participation in inclusive leadership practices and D&I.
- Changes initiated to engage field personal in leadership and D&I more directly.

Additional Commander Resources:

Given the current climate of incidents with the Asian American Pacific Islander, Black/African American, and LGBTQIA+ communities, managers/unit leaders can access the following diversity and inclusion resources to facilitate workplace discussions:

- *Leadership Guide for the D&I Action Plan Rollout* includes Techniques for Leaders to Engage in D&I Conversations.
- *D&I Command Resources* contains several D&I command best practices as resources for leaders.

ILEAD POLICY LEADERSHIP TALKING POINTS:

- During the recent State of the Coast Guard briefing, the Commandant outlined several initiatives to ensure that the Coast Guard remains a service of choice, retaining a ready, diverse and highly skilled workforce.

- These new programs will ensure that we have a Mission Ready Total Workforce, where all of our employees have the opportunity to achieve their full potential while contributing to the Coast Guard mission.
- The Coast Guard's ability to respond to emerging threats in a fast-paced, ever-changing world requires that we engage and maximize our workforce's full potential.
- In the coming weeks, we are launching a mentoring program and new D&I training programs that will directly improve professional development opportunities and working environments throughout our Service.
- We are equipping our leaders with new resources and tools to improve our working culture and environment, including focusing specifically on creating a more inclusive and diverse workplace.
- Inclusion is paramount to improving productivity, performance, innovation, job satisfaction and achieving mission excellence.
- Inclusivity ensures mission success, representation and engagement of diverse talent, strengthens leadership accountability. Diversity and inclusion embody the Coast Guard Core Values of honor, respect and devotion to duty.
- This week, the Commandant issued new guidance that impacts the ILEAD Council and LDACs.
- The ILEAD Council provides a forum for identifying and sharing challenges, solutions, programs, and practices that effectively enhance diversity and inclusion throughout our workplace culture.
- Program enhancements include:
 - Renaming the LEAD Council to the ILEAD Council to recognize the importance of inclusion as a leadership concept.
 - Establishing field unit co-chairs for the ILEAD Council, which will alternate between DCO and PAC, and DCMS and LANT.
 - Establishing new ILEAD Council responsibilities to more fully incorporate engagement and communications with field LDACs. ILEAD Council responsibilities include assessing operational risks to leadership, diversity and inclusion and identifying instances where policies and practices work counter to D&I goals.
 - Briefing the Commandant at least twice annually to present recommendations specific to policy and process that work counter to leadership, diversity and inclusion objectives.
 - Requiring DCMS, DCO, LANTAREA, PACAREA, District Commanders, and Commanding Officers with 50 or more personnel to establish a unit Leadership and Diversity Advisory Council (LDAC). Additionally, Commands must document the Chair, Vice-Chair and Secretary of each LDAC via Administrative Remarks.
- These changes allow us to drive solutions and organizational change at the unit level and throughout our total force.
- Every Coast Guard employee is represented by an LDAC and has the opportunity to communicate to senior leadership through the LDAC network to the Coast Guard's ILEAD Council. Everyone is encouraged to attend and participate in LDAC meetings.
- Mention Unit LDAC Contact or have them stand up in the all hands event.
- I rely on the LDAC to advise me on our organizational culture. These programs will only work if we all engage, communicate and participate. It's our LDAC—we make the process meaningful. So, once again, I encourage you to participate and seek out opportunities to work with the LDAC and ILEAD Council.
- The LDACs is an additional tool we can all deploy, along with our Affinity Groups, mentoring programs, and professional development opportunities to ensure we all embody the Coast Guard Core Values as we serve our Nation.

FREQUENTLY ASKED QUESTIONS

Q: What kinds of problems, issues, or concerns does the ILEAD Council address?

A: The Coast Guard's ILEAD Council assesses the command climate and leadership development of the total workforce and provides recommendations to the Commandant.

Q: How can I get in contact with the ILEAD Council?

A: Your unit LDAC provides you a direct link to the ILEAD Council. Additionally, the ILEAD Council portal page and website are being updated and will be available for future communications.

Q: How does the ILEAD Council work with the Leadership and Diversity Advisory Councils (LDACs)?

A: The ILEAD Council and LDAC network spans from headquarters to the unit level, empowering members to:

- Take an active role in promoting inclusion and diversity within the Coast Guard.
- Suggest best practices or issues to address that impact organizational climate.
- Engage with their local community to establish relationships and model leadership.
- Specifically, LDACs provide direct feedback to the ILEAD Council on D&I and leadership challenges that are being encountered at the unit level.

Q: How are the members of the ILEAD Council and LDAC selected?

A: The LDACs are made up of unit volunteers. Anyone is able and welcome to join their unit's LDAC.

The ILEAD Council membership is set forth in COMDTINST 5350.9A and each representative is selected by their respective organizations.

Q: Why is the Coast Guard focusing on diversity and inclusion? How does this directly impact our operational mission?

A: To remain the world's best Coast Guard, we must be seen as an employer of choice. Talent management is one of the greatest challenges and opportunities facing our Service. Within two tours, supervisors at all levels of the organization—including the next Commandant—will face a vastly different social landscape to build our future force. The Coast Guard needs the best people our Nation has to offer to defend our freedoms, ensure prosperity, and save those in peril. Our complex operating environment makes it critical that we harness the full power of the background, experience, and thought of every member of our workforce. Diverse teams demonstrate higher levels of innovation and creativity—precisely the attributes our Service needs to address a future of increasingly sophisticated and complex operations.

Q: Where can I get additional information on diversity and inclusion programs and resources?

A: For additional information about D&I Programs please access the CG-127 Portal site at: CG-127-Home (uscg.mil) or the CG-127 website at: Office of Diversity and Inclusion (CG-12B), U.S. Coast Guard (uscg.mil)

Q: How are Coast Guard Affinity Groups a part of the ILEAD or LDAC Councils?

A: The ILEAD Council is an internal organization, comprised of field representatives, that reports directly to the Commandant on diversity initiatives and concerns. Their work is informed by our unit level LDACs which are local diversity support for commanding officers. Affinity Groups are external organizations that partner with the Coast Guard to achieve organizational leadership, diversity and mentorship goals. Affinity Groups, the ILEAD and LDACs work together to support both local and Coast Guard wide diversity initiatives and dialogues.

Q: What is the definition of inclusion?

A: A dynamic state of operating in which diversity is leveraged to create a fair, healthy, and high-performing organization or community. An inclusive environment ensures equitable access to resources and opportunities for all. It also enables individuals and groups to feel safe, respected, engaged, motivated, and valued for who they are and for their contributions toward organizational goals.

Q: Isn't focusing on diversity issues creating reverse discrimination and separating us rather than unifying us?

A: The Coast Guard's Diversity and Inclusion Program is founded on creating an organization for everyone serving in the Coast Guard and draw top talent across the spectrum of American society to rise to the challenges of today and tomorrow. We do this by fostering intersectionality and looking holistically at our current and potential active duty, reserve, civilian and auxiliary members and not just a single dimension. Our goal is to ensure all of our members have a voice and a home with the Coast Guard.

Q: Do the ILEAD Council and LDAC address concerns of Coast Guard civilian and auxiliary members?

A: Yes, the Coast Guard's ILEAD Council assesses the command climate and leadership development of the total workforce.

Admiral THOMAS [continuing]. In a Service that relies on small teams at the tactical edge to get the mission done, there is no question diverse teams are more effective, and every single member needs to feel included or else they will not be as effective as they need to be. So, I do not agree that focusing on diversity causes reverse discrimination.

Mr. MAST. I would recommend you take a look at this document, and you all look to update it because, like I said, very much a non-answer. I don't have time to go into it, but very much a nonanswer given to a very important question. Thank you.

Mr. GARAMENDI. That was a very direct answer. He answered your question.

Mr. MAST. That they update it on here. It is a very nonanswer, a very——

Mr. GARAMENDI [interrupting]. But the Admiral——

Mr. MAST. Let's pause one second. I haven't yielded you any time. But as I said, a very nonanswer on the document, the document here, which I will submit for the record, Representative Garamendi. Did you want to read it? I don't think you have read it yet.

Mr. GARAMENDI. Pass it down.

Mr. MAST. I will pass it on down. There you go. You can read the nonanswer for yourself.

Ms. SCHOLTEN. I will take a look as well.

Mr. WEBSTER OF FLORIDA. Representative González-Colón, you are recognized for 5 minutes.

Mrs. GONZÁLEZ-COLÓN. Thank you, Mr. Chairman, and thank you to the witnesses for coming today.

Dr. Asch, I will have some questions for you.

The Armed Services Vocational Aptitude Battery, ASVAB, is being used by every service, including the Coast Guard, to assess an individual's developed abilities and determine appropriate occupational matches in the military for enlisted personnel.

For such a vital component of the selection and recruiting process, for me, it is surprising that that hasn't undergone comprehensive evaluation since the 1990s. We are talking about 30 years having the same ASVAB.

What recommendations do you have for updating the ASVAB, and how will this help with increasing accession into the Service?

Ms. ASCH. Thank you for that question. So, as you indicated, the AFQT, which is four of the—the ASVAB is, like, 13 tests. The AFQT is the part that is used to judge quality of recruits. The ASVAB scores are used for occupations, so, just to make the distinction.

So, the AFQT score reflects their standing relative to the national population. It is based currently norm that that relative population is based on a survey from 1997, and so, it is quite old. We don't know how test scores for the target population has changed. What we do know is for schoolchildren, fourth and eighth graders from——

Mrs. GONZÁLEZ-COLÓN [interrupting]. Do you recommend having any updating of that?

Ms. ASCH. Yes. So, we——

Mrs. GONZÁLEZ-COLÓN [interrupting]. OK. That was the question.

Ms. ASCH. I apologize. So, yes, I am sorry. So, yes, it should be updated. We don't know what updating will do because we don't know what has happened to test scores, but based on a younger population, we know test scores have declined.

And so, what that will mean, if it has declined relative to 1997, young people would have higher scores—like right now, they look like they have low scores, but all young people have low scores. If we re-norm, we would have more people who could qualify.

Mrs. GONZÁLEZ-COLÓN. Thank you, Doctor. There are also waiver policies creating a perception that we are lowering our standards and ultimately creating a substandard military force.

For instance, recently there has been a rise in waivers granted for marijuana use, misdemeanors, and certain medical conditions such as anxiety disorders and depression across the services due to its increased prevalence among today's youth.

Based on your research, what impact do such waivers have on military performance and readiness?

Ms. ASCH. OK. So, we did an extensive analysis for the Army on waivers. Army, over the period we studied—about 15 percent were getting waivers—what we found was that waived recruits were not uniformly risky across all the performance, that dimensions we looked at.

Among the ones where they did have issues, it was related to what the waiver was. So, if it was a waiver for drugs, if they separated, it was likely because of drugs.

That said, what we also found was that it was possible to offset some of those performance risks by changing the characteristics. So, for example, if an individual had a higher likelihood of separating because of their waiver, bring in a kid who was a high school diploma graduate or older, these are people who tend to have a lower probability of leaving, could offset it. Bottom line is—

Mrs. GONZÁLEZ-COLÓN [interrupting]. Doctor, what is the impact? What is the impact of those waivers in the performance?

Ms. ASCH. So, the impact of the waivers was that it was not necessarily negative and often positive, and that even where it was negative, there were ways to offset that.

Mrs. GONZÁLEZ-COLÓN. And the readiness, same thing?

Ms. ASCH. Yes, these were readiness, to the extent we can measure readiness.

Mrs. GONZÁLEZ-COLÓN. There is a whole list of articles attempting to explain the reduction in recruiting numbers in recent years experienced by all branches of the military. Young Americans born between 1997 and 2012, also known as Generation Z, for many reasons, known and unknown, are simply not interested in serving in our military.

Can you expound on Generation Z culture and disclose a few of the main factors contributing to this generation's apprehension with joining the Service, and where best do you recommend the Coast Guard target its resources to attract these young men and women to our organization?

Ms. ASCH. So, my testimony was about the second question, so, let me speak to the first. The evidence on whether Gen Z is fundamentally different than previous ones is still unclear in the academic literature. So, let me just start with that.

The point being that even other generations faced with a tight economy, we are seeing might be having the same attitude. So, it is not clear it is specific to this generation, part 1.

Part 2 is that when we look at why people don't join, the kind of things they say in surveys, has to do with the risk, such as women often mention sexual assault, other kinds: PTSD, the military lifestyle interfering with their plans, and, yes, just disliking the military life, but also the economy, having good external opportunities.

Mrs. GONZÁLEZ-COLÓN. Thank you.

Mr. Chairman, I yield back.

Mr. WEBSTER OF FLORIDA. Mr. Van Drew, you are recognized for 5 minutes.

Dr. VAN DREW. Thank you, Chairman, and welcome, everybody. It is always good to see the Coast Guard. Wonderful evening the other evening at the gala in Cape May.

It is good to see you again, Admiral.

Beside me in this crowded room, but we are going to do it somehow, is a photo of a 240-foot-long cargo vessel. It collided with an offshore wind structure in Europe's North Sea. The ship's hull was shredded from top to bottom, and the ship was nearly sheered in half.

I have spent my time on this particular committee highlighting the dangers of offshore wind to maritime navigation safety. And this is why I did so [indicating photo]. This is just one example.

Administrator Phillips, you once described safety as your, quote, "North Star." Do you believe that a vessel colliding with an offshore wind structure is safe?

Admiral PHILLIPS. I do not believe that, sir.

Dr. VAN DREW. OK. Thank you. It is unbelievable that this administration is forcing these projects through, despite what many believe are the dangers, and in fact, interestingly enough today, there was a Fairleigh Dickinson University poll in the State of New Jersey that showed not just South Jersey, where these things are going to really affect the particular State of New Jersey, not just Florida, not just certain areas, but along the entire State, that the majority of people did not want to see them. It just came out today. I don't know if you saw it.

I am concerned that we are ignoring the fundamental safety principles for political experience.

Administrator Phillips, have you been a vocal advocate of the offshore wind industry in your official capacity as a Maritime Administrator?

Admiral PHILLIPS. Sir, thank you for that question of my mission, and my obligation, as the Maritime Administrator, is to foster, promote, and develop the maritime industry of the United States.

Dr. VAN DREW. OK. So, and in your mind, and I guess their mind, to be fair, that would be also being a vocal advocate of the offshore wind industry.

Admiral PHILLIPS. I advocate for all aspects of the maritime industry within this country, sir.

Dr. VAN DREW. OK. Including the wind industry no more or less, you would say.

Admiral PHILLIPS. We support the wind industry through our Port Infrastructure Development Program and through our title XI loan program, which provides loans to shipyards to build vessels in support of the offshore wind industry and other aspects of the maritime industry.

Dr. VAN DREW. So, you loan money to them so that they can build these vessels? Is that correct?

Admiral PHILLIPS. It is correct.

Dr. VAN DREW. Thank you.

When you last appeared before this committee, I asked you about your work for the consulting firm Burdeshaw Associates. You stated that you, quote, “did work for Burdeshaw probably more than a decade ago.” Actually, in fact, you worked for Burdeshaw Associates a little more recently, up to 2018.

More recently—that was more recent than you described in your previous testimony, but nevertheless. Burdeshaw Associates, your former employer, who you used to work for, was active in the wind energy space while you were there. Is that correct?

Admiral PHILLIPS. I am not aware of that, sir. My work with Burdeshaw, which actually ended in 2016 as far as any work I did for them, was all on the Department of Defense side.

Dr. VAN DREW. OK. Well, I thank you for that answer. We have information that we will get to you that states 2018, you were still related to them, and they were active in the wind energy space while you were there.

Burdeshaw maintains staff with expertise in wind energy, as we all know. One of your colleagues at Burdeshaw was a Mr. William Fetzner, whose LinkedIn profile describes his work as involving, quote, “international wind farms, wind turbine manufacturers, and wind service industries,” end quote. Would you say that that is an accurate quote?

It is quoted right from the information——

Admiral PHILLIPS [interrupting]. I do not know this gentleman, sir.

Dr. VAN DREW. OK. Well, we will get you a lot of information, which is hard because you were all working together. But in any event, I guess things can happen.

Burdeshaw Associates also has a client named Apex Clean Energy. Apex is based in Virginia and operates in both onshore and offshore wind development. In 2018 after leaving Burdeshaw, you began working as a special assistant to Governor Northam of the State of Virginia. Is that correct, ma’am?

Admiral PHILLIPS. I did work for Governor Northam starting in 2018, yes, sir.

Dr. VAN DREW. OK. Thank you.

In October 2019, Governor Northam and Apex Clean Energy announced the power purchasing agreement for Virginia’s first onshore wind farm. Is that correct, ma’am?

Admiral PHILLIPS. I don’t know, sir. I have no knowledge of that activity.

Dr. VAN DREW. OK. In 2021, Governor Northam announced a major deal with a manufacturer named Siemens to construct an offshore wind manufacturing facility. It turns out that Siemens is also a client of Burdeshaw Associates, your former employer.

Incidentally, Siemens is also the company who manufactured a turbine that resulted in the devastating collision that you now see in this picture.

Administrator Phillips, the past decade of your career is surrounded by businesses and individuals involved in wind energy development in the United States of America. I personally believe you have used your office to promote offshore wind, including testifying before Congress to request millions—millions—of dollars in public funding that would, quote, “advance offshore wind farm development.”

[Sound of gavel.]

Dr. VAN DREW. I feel that your willingness and expertise in advocating for wind energy development is possibly a reason why this administration has selected you as Administrator. How do you feel about that?

And I am done. I yield.

Mr. WEBSTER OF FLORIDA. OK. Well—

Dr. VAN DREW [interrupting]. Can she just finish her answer?

Mr. WEBSTER OF FLORIDA. She can in the second round.

Dr. VAN DREW. OK. Thank you.

That is an ugly picture. You can take it down. I don't want them staring at that.

Mr. WEBSTER OF FLORIDA. Mr. Carbajal, you are recognized for 5 minutes.

Mr. CARBAJAL. Thank you. I will try to do my best to be Perry Mason as well.

Ms. MacLeod and Admiral Thomas, can you please explain Coast Guard retention rates for women and minorities over time, and what is the Coast Guard doing to ensure that its leaders better reflect America?

Admiral THOMAS. Congressman, happy to answer that question because it obviously is important to us, and our Commandant has made it very clear that we need to look different in the future. So, we are focused on developing robust candidate pools that represent the mix of our Nation.

With regard to retention, particularly retention of women in our Service has actually—the gap between the retention of women and men in the Service has tightened. URMs, we recently did an under-represented minority study which gave us several recommendations on how to improve retention.

Some of that has to do with our military justice system, which we have adjusted. Some of it has to do with building tighter communities, particularly communities where URM seem to want to serve, and we are doing that as well. So, there is a lot of activity in that space, particularly around retaining women and URM.

Mr. CARBAJAL. Thank you.

Ms. MacLeod?

Ms. MACLEOD. Yes. So, we have studied female Active Duty personnel in the services and found that female servicemembers are 28 percent more likely to leave military service than male

servicemembers. And some of the reasons we found are related to work schedules, organizational culture, family planning issues, sexual assault, and dependent care. So, again, that is military servicewide and the Coast Guard being one.

Mr. CARBAJAL. Thank you.

Admiral Thomas, a GAO report highlights 29 recommendations, as you mentioned, to address recruiting, of which 24 the Coast Guard has not taken action on. Many of these recommendations include suggestions to utilize metrics and benchmarks which are important to track progress and understand how strategies work. If you can't measure it, you can't evaluate it.

Admiral Thomas, what metrics are the Coast Guard using to track recruitment progress, how does the Coast Guard measure its recruiting efforts, and what have these measurements shown?

Admiral THOMAS. Thank you for that question, Congressman. There is absolutely no question that our IT systems around HR, around our workforce, we need to invest, because the current systems we have are built for a workforce that is monolithic, and that is not where we are anymore.

We need to have a deeper understanding of our workforce down to the individual level so that we can manage them and help them better. That absolutely includes our recruiting numbers as well.

I mentioned earlier the new technology we are bringing on for our recruiters is called Gangway. That will allow us to have metrics. It will allow us to measure every step of the process. We will know how many people fall off at what point, and then we will be able to make some adjustments. Right now, that is very difficult for us to do. It is a valid recommendation from the GAO, and we are investing in order to get after it.

Mr. CARBAJAL. And what is the timeframe for the implementation of that?

Admiral THOMAS. We will implement Gangway in the first week of June.

Mr. CARBAJAL. Thank you.

Ms. MacLeod, what sort of metrics should the Coast Guard utilize, and do you care to comment on the strategies Admiral Thomas mentioned?

Ms. MACLEOD. Yes. I think that we will be looking at the strategies that the admiral mentioned and comparing those against best practices in our work.

But in terms of our prior recommendations, many of these studies that we have discussed today are fairly recent. We have seen some Coast Guard action on establishing some of the metrics as strategies and timelines going forward. We would like to see them move out a little quicker on those recommendations.

In particular, one of our foundational recommendations in terms of Coast Guard workforce, is related to its assessing its own workforce. At the time of our report a couple of years ago, the Coast Guard had assessed only 6 percent of its units and workforce needs, and now we have seen that increase to 15 percent, but we still think there would be some benefit to the Coast Guard taking a broader look across its workforce needs, across its units, in order to establish the workforce that it needs going forward.

And we are awaiting response from the Coast Guard on how it is going to respond to that recommendation in terms of timelines when they anticipate being able to respond.

Mr. CARBAJAL. Thank you very much.

Mr. Chair, I yield back.

Mr. WEBSTER OF FLORIDA. OK. We will now begin our second round of questions, starting with myself. I recognize myself for 5 minutes.

Ms. MacLeod, GAO recently released a snapshot of Active Duty recruitment and retention challenges in the military. Though the report primarily focused on the challenges faced by the Department of Defense, do you believe the same concerns identified in your study apply to the Coast Guard, and could you please highlight a few of the most concerning challenges from this report?

Ms. MACLEOD. Yes. I certainly—we haven't done this work specific to the Coast Guard in every case. Although some of these studies that are included in the snapshot do include Coast Guard personnel, I think Servicewide, we are seeing these challenges.

One that I will point out is that only about one in four people, according to DoD, one in four people in the United States between the age of 17 and 24 are able to meet the recruitment requirements for military service, which include, for example, education and physical fitness requirements.

Mr. WEBSTER OF FLORIDA. Dr. Asch, there is a whole host of articles attempting to explain the weak recruiting numbers in recent years experienced by all the branches of the military, especially in the younger generation Americans call Gen Z.

Can you discuss just a few of the main factors contributing to the generation's apprehension with serving in the military and give your recommendation on how the Coast Guard can focus resources to recruit these young men and women?

Ms. ASCH. I will follow what I said before which is, some of the factors that come up in surveys have to do with risk to physical being, and risk of death often gets mentioned, risk related to sexual assault and sexual harassment. People mentioned the problems leaving family and friends, other career interests, pursuing—the role of the civilian economy.

In terms of what the Coast Guard can do, it needs, in the short term, to focus on increasing recruiters and advertising in an effective way. By that, I mean it is not just increasing recruiters but selecting them well, training them well, deploying them well, and motivating them to produce; having effective advertising messages.

I also believe there is more that can be done in the waiver and eligibility space. I will say that while it is true that about one-quarter are eligible to enlist, it is also the case that low eligibility has been persistent for many years, and so, it is hard to see that as the driving force of current difficulties.

Mr. WEBSTER OF FLORIDA. Thank you very much.

I yield back the balance of my time.

Mr. Carbajal, you are recognized for 5 minutes.

Mr. CARBAJAL. Thank you, Mr. Chair.

Administrator Phillips, in recent years, the U.S. merchant marine has been reckoning with incidents of sexual assault and sexual harassment which have, no doubt, harmed recruitment.

I am glad to see that under the direction of Congress, the Maritime Administration is enforcing compliance with sexual assault and harassment policies for cadets' senior training program. We have a long way to go to create a safe, supportive work environment. What is your plan for promoting a safe culture across the U.S. merchant marine?

Admiral PHILLIPS. Congressman, thank you for that question, and we certainly thank this committee for their assistance in supporting us as we endeavor to change the culture broadly across the maritime industry, and in particular, in your support of the EMBARC program and what it is doing to ensure the safety of our cadets at sea, and by ensuring our safety of cadets at sea, the safety of all mariners at sea.

So, as you are aware, we are very much focused on the EMBARC program. It is now law. All 16 of our operators and carriers are in the program. We are moving forward in that context to create a rule this year which we have been tasked by law to do.

In addition to that, as you are aware, we strengthened sexual assault, prevention, and response capacity and capability at the Academy in particular, hiring a staff of experienced professionals to ensure that midshipmen have the safety that they need there and they require, and the capacity to support their needs onsite at the Academy.

We have also ensured that midshipmen sail with voice-activated phones so they can contact anyone they care to in the context—while they are at sea. We have enforced concurrent jurisdiction now. We have entered a concurrent jurisdiction at the Academy so that when or should the unfortunate circumstance occur where there is some sort of criminal activity, the local police, Nassau County, Kings Point Police can respond which, was not true in the past.

So, all of these things serve collectively to strengthen support for midshipmen—all midshipmen—at the Merchant Marine Academy, and broadly through the EMBARC program, support them at sea and also support mariners at sea in expanding safety such that they are valued for their professionalism and skill, and they can serve with confidence that any activity that should take place that would be a detriment to their service, can be handled through us and through the Coast Guard who has law enforcement authority.

Mr. CARBAJAL. Thank you, Admiral Phillips. And let me just say how much I value your leadership and all that you are doing. When you consider the credentials that you bring to the table, I am really in awe of your leadership and your capability and all that you are doing to address these very important issues, so, thank you very much.

Admiral Thomas, access to quality healthcare is a critical factor in recruiting and retaining servicemembers. A GAO report stated that the Coast Guard's clinics reported difficulty recruiting and retaining healthcare providers, particularly in remote areas. Twenty-five percent of the Coast Guard's clinics surveyed were located in a geographic health-provider-shortage area.

What is the Coast Guard doing to better recruit and retain health and mental healthcare providers so that the Coasties can re-

ceive adequate medical care, not just the Coasties, but their families?

I have been to some remote areas where Coasties and their families have had many challenges making appointments and seeking the care that they deserve and want. If you could touch on that, I would greatly appreciate it.

Admiral THOMAS. Yes, thank you, Congressman. Thank you for visiting all of our Coast Guard men and women. I know you have been out there, and it makes an impression.

So, access to healthcare is a challenge across this Nation for everyone. It is an acute challenge for the Coast Guard when we are in those remote areas. We have, in the past, relied on DoD and military treatment facilities and Public Health Service doctors. We are going to continue to do that, but we realize we need to build our organic capacity.

So, we are, right now, hiring dentists and doctors into the Coast Guard, wearing a Coast Guard uniform. We haven't done that before. We are going to need some help from Congress to get some authorities to treat them differently in our workforce, you will see that, and I don't think that will be a problem.

We are building behavioral health technicians from our corpsmen. We have put more mental health professionals out there. We have mobile medical units that we will now move to places where we know we have medical—but there is a lot more work to be done. But there is, for the first time in the history of the Coast Guard, a pathway from our boot camp in Cape May to med school and then to serve as a doctor or a dentist in the Coast Guard.

Mr. CARBAJAL. Thank you.

Mr. Chair, I yield back.

Dr. VAN DREW [presiding]. Thank you, Congressman.

I am going to yield 5 minutes to myself.

Just a thought I have, too: You all have such a great history in the Coast Guard, a strong military history, a history of strength, and I personally think that that is part of the concern of some of these young people. The type of people that enlist in any of the services are people that very much believe in America and a strong America, and I think it is good.

In fact, interestingly enough, if you look at the stats, the Marines were also down but are down the least, and I think part of it is that kind of feeling that they put out there about this is America, the greatest country on the face of the Earth, and we are going to be a strong unit.

We are so concerned with so many issues other than the military issues, I think, at times, in my humble opinion, that actually can hurt us.

Anyhow, I wanted to lead off, Administrator, with you where we were before and just ask you a few more questions. Have you ever spoken with any of the following individuals or organizations about wind energy development—and I won't go fast. Mr. William Fetzner of Burdeshaw?

Admiral PHILLIPS. Not to my knowledge, sir.

Dr. VAN DREW. OK. Not even shaking hands or casual conversation?

Admiral PHILLIPS. Not to my knowledge, sir.

Dr. VAN DREW. OK. Thank you.

Apex Clean Energy?

Admiral PHILLIPS. Not to my knowledge.

Dr. VAN DREW. Because they were all working in the same area as you were, that is the only reason I ask.

Admiral PHILLIPS. I did not work offshore wind.

Dr. VAN DREW. Siemens or Siemens Gamesa.

Admiral PHILLIPS. Not to my knowledge.

Dr. VAN DREW. Liz Klein of the Bureau of Ocean Energy Management.

Admiral PHILLIPS. I speak to the Bureau of Ocean Energy Management on occasion. I cannot single out a specific individual, sir.

Dr. VAN DREW. OK. You don't know them by name. OK.

Has promoting wind energy benefited your career, do you think, at all?

Admiral PHILLIPS. Sir, I have promoted wind energy as the Maritime Administrator in the context of promoting the maritime industry's contribution to that industry.

Dr. VAN DREW. And has the administration instructed you, in any way, to promote wind energy, that that would be a good thing? Because they are very, very strong supporters of it.

Admiral PHILLIPS. Again, in the context of my role as the Maritime Administrator, I promote the maritime industry.

Dr. VAN DREW. OK. Have you been instructed by the administration to not talk about any of the negative impacts of wind energy or offshore wind?

Admiral PHILLIPS. I have not been instructed by the administration to talk about anything in particular. I talk about the wind industry in the context of promoting the maritime industry.

Dr. VAN DREW. Do you believe there is a possibility that offshore wind structures—because I have spoken to people in the Coast Guard, offline, many, who have real concerns with this—in the United States of America will make maritime navigation less safe?

Admiral PHILLIPS. Sir, I would defer on navigation measures to the Coast Guard who regulates navigation and safety at sea. No particular—

Dr. VAN DREW [interrupting]. OK. So, you have no particular thoughts on that?

Admiral PHILLIPS. I would defer regulatory navigation matters to the Coast Guard who oversees them.

Dr. VAN DREW. OK. I will yield to—who is next—Mr. Garamendi. Thank you.

Mr. GARAMENDI. Thank you very much.

This committee has historically been a committee that focused on really critical issues. We have heard today a divergence from that, and I had hoped that Mr. Babin and Mr. Mast would have stayed around, or had asked Admiral Phillips the question that our ranking member asked you, so that they could have heard your answer on the critical issue of how we deal with the sexual assault, misogyny, and other problems that do exist in the maritime industry.

Unfortunately, they were not here to hear your response. I thank you for your response. I thank you for attacking this issue directly and appropriately.

Mr. Van Drew, I understand why you would find offshore wind to be a problem, given your district and the impact that it may have on your district. But I think it inappropriate to single out a specific individual as being the reason why or trying to find out if the reason why there is support for the offshore wind industry. Going after Admiral Phillips in such a manner as you have done, I believe to be inappropriate.

Your opposition to offshore wind is your choice, and you should, in my view, do anything you can on the policy side of it, rather than on the personal side.

Admiral Phillips has an extraordinary record of service to this Nation. She is an appointee of the President, and she is carrying out the policy of the administration. It is inappropriate to go after her history and background to try to somehow impugn her integrity.

Now—

Dr. VAN DREW [interrupting]. Mr. Garamendi, would you yield a few moments?

Mr. GARAMENDI. As acting chair of this committee, you can take this issue on when I finish my time, which is 2 minutes and 16 seconds from now. So, no, I will not yield.

Now, to address the question of policy, you might have asked Ms. Phillips, Admiral Phillips, how she is carrying out the administration's policy, but you chose instead to go at her background and her integrity.

This committee has not done that in the 13 years that I have been involved in this committee, and I would hope that we would not make that a common practice. Although we have heard it three times today, three times, from three different members of the committee.

So, there are profoundly important issues, one of which you raised, Mr. Van Drew, and that is the issue of navigation. It is an important issue: Where are these towers going to be built? Are they going to be placed in places where there is a navigation issue?

That is a profoundly important issue. That line of questioning to Admiral Thomas may have yielded a useful data point for this committee's work.

We have profound issues, and we ought to be getting to those, many of which were raised by members of the committee, Democrat and Republican alike. So, I am going to let it go at that, and I yield back my time.

Dr. VAN DREW. Thank you, Mr. Garamendi. I am going to yield myself 5 additional minutes as acting chair.

I don't know where to begin. Number one, I didn't attack you personally, nor would I. That is about as gentlemanly as I can be. I am pretty rough in committee. As you know, I say what I feel, and I say what I believe is right, and there is no attempt to hurt you or anybody else.

But I think it is important in this process that we connect all the dots. This is a big deal. This is a really big deal. We are going to have millions of acres of our ocean, and thousands upon thousands of wind turbines that are going to affect the environment, that are going to affect the floor of the sea, that are going to affect people's jobs, whether they are in the real estate industry—because even

the companies themselves, some of which I mentioned, have openly said that it is going to reduce the revenues that come into our area—we are very heavily a tourist area—by about \$1 billion. And they said they didn't think that was a really big deal.

It is going to affect us in ways that we can't even imagine yet. Imagine thousands, eventually, of these windmills, over 1,000 feet tall, that make a considerable amount of noise, that have killed birds—I don't know if you have seen the pictures of the bald eagles that have actually been sucked into the wind that has been created by this—and the energy that we are going to net is not going to be that great.

And it is also one of the safety and the security of the United States of America. Our energy is going to be controlled not by America. This energy is going to be controlled by foreign countries. So, this affects the Coast Guard. It affects the military. It affects the economic sector.

And I have got to be honest with you, Mr. Garamendi, when I believe in something, and when I believe that I am doing the right thing, usually I will be like a pit bull when I am up here and—no, you wouldn't yield to me. Right now I am not going to yield to you.

So, the truth is that this is Jeff Van Drew light, to be honest with you. And I also will tell you, there is probably nobody that has greater respect and love for the Coast Guard. We have brought in millions of dollars, we are doing a lot of work over there, and we are going to bring in more, particularly into Cape May because we want to make sure that these barracks are updated, and we are going to continue the process to do that and advocate for that and fight for that and stand up for that.

But when I think something that is being done that is very wrong and very harmful, I will go down every avenue, every street, every direction I can take to find out—and boy, if that is being hard on somebody individually, to be honest with you, to give you credit, I think you are a whole lot tougher than that, to be honest with you. You are in the military, and I think you are a lot tougher than that. I didn't say anything negative about your personality.

So, I appreciate the Coast Guard, I appreciate what you do, but I also appreciate we have to find out every single fact, every iota of information that we can.

Mr. Garamendi, I will yield to you.

Mr. GARAMENDI. If I might, sir—

Dr. VAN DREW [interrupting]. And then Mr. Carbajal. Is that OK?

Mr. GARAMENDI. Thank you so much for yielding. In your comments, you went through a litany of very, very important issues pertaining to wind energy. All of those, from bald eagles to navigation, those are pertinent issues, and yes, you should, and we should, address those issues.

My concern is that you were going after the admiral's background and veracity in your line of questioning, which had little or nothing to do with the profoundly important issues that you just listed. And I would hope that you would pursue all of those issues without pursuing the integrity of the witnesses.

Dr. VAN DREW. I am going to reclaim my time again. I never, ever questioned anybody's integrity. I asked simple questions which we are certainly allowed to do and encouraged to do, and respectfully, I disagree with you.

Mr. Carbajal.

Mr. CARBAJAL. Thank you, Mr. Chair. Mr. Chair, I am going to give you Representative Salud Carbajal—marine—light as well. I am trying to make a point, and so, I wanted to ask you one question: Do you believe oil production is more environmentally friendly than offshore wind?

Dr. VAN DREW. I believe that currently, offshore wind, in this aggressive way that we are going about it, is really forming a great danger to the coast of New Jersey, but not only New Jersey, actually to Florida, you can see, of both parties, a lot of the Floridians who represent Florida and actually the coast, the east coast of the United States.

Mr. CARBAJAL. I will reclaim my time, Mr. Van Drew. Let me just say that I am informed that you have been very supportive of the oil industry and——

Dr. VAN DREW [interrupting]. Well, you are informed incorrectly. In fact——

Mr. CARBAJAL. I reclaim my time.

Dr. VAN DREW [interrupting]. I am going to reclaim my time. I am sorry.

Mr. CARBAJAL. But Mr. Chair, I think I still have my time. Let me just finish. The reason I say that is that while I understand that you may not be a proponent of offshore wind energy, it is something that is being considered off my coast in my district. We are going through extensive environmental review and extensive public process.

But there are tradeoffs, and no doubt, even renewable energy is not devoid of impacts. But when you consider the impacts of the alternative, fossil fuels, it is much, much better. And you may not be a supporter of it, but it is something that we are considering in my district.

And I only pipe up because I hear you really focusing on things that, when you compare it to alternatives, it is not necessarily accurate. So, I only share that with you and wanted to give you a little bit of Salud light. And I will send you information about your position on oil and oil votes in the past.

Thank you very much, Mr. Chair. I yield back.

Dr. VAN DREW. And let me just—let me answer that.

I have actually stood on our beaches, and have actually been part of those people who have opposed putting any kind of oil rigs or any—including President Trump, who I consider a friend and work with. However, always disagreed with him, personally spoke to him about it.

I think it is easy to throw something out when—you disagree with me on this issue, and that is fine. That is America. But just to say that I have been a big, huge supporter of the oil industry, I never received \$1 in donation from the oil industry. And I stood, again, with the people who were fighting oil—any kind of oil exploration off our coast, on the east coast there, and would continue to

do so. I think that is bad as well and would be harmful on our east coast.

But I think there is a lot more—everybody is—because of—and, again, forgive me for using this word. It is the only word that comes to my head—the wokeness of the issue. And we are all worried about the—let's face it. Everybody in this room is concerned, Am I being careful enough? Am I saying the right thing about so many issues? We all have to be so woke.

I frankly don't worry about that. I do what I believe is right. And I believe in the Coast Guard and the work it does. I do not believe that these windmills are going to be good.

And, by the way, let me tell you. You want to know where the real problem is—and you know this—it is in India. It is in Russia. It is in China. China, we still consider a developing nation. They build a coal plant every week of every month.

You want to know where the carbon footprint is coming from? It is not coming from natural gas. And that, I will say openly, it is not our problem. And we are going to spend a lot of money, a lot of time, make ourselves more vulnerable, make ourselves weaker as a Nation, have our energy controlled by other nations, hurt our economy, hurt the economy of the entire area, not just New Jersey, but the whole coastal area, and hurt our environment.

Do you know how heartbreaking it was to see—we usually might have one or two whales that get beached. We have had about 26 of them so far, along with the dolphins. I have people that are concerned with this and supporting me that never voted for me in their life, and probably still won't. But they are really concerned about what is going on with these whales, and they are really concerned about what is happening to our environment.

This is the environmental issue of our time. We are saying that this is good for the environment. I don't believe it is, and I am going to fight this fight.

I will probably lose. There is so much big money, so much power behind this, so many foreign countries involved with this. I understand that. But I respect both of your opinions. I disagree with you both. And, if you want to say mean things about me, that is OK. I think you guys were tougher on me than I was on her.

So, I—and, if there is any other—do we have anybody else, anybody seeking time?

OK. So, let me—I want to thank you. I yield back.

If there are any further questions, members of the committee who have not been recognized—we all have. Seeing none, that concludes our hearing for today.

I would like to thank you—sincerely, I would like to thank all of you, for the witnesses and for your testimony.

I ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing.

Without objection, so ordered.

I will also ask unanimous consent that the record remain open for 15 days for any additional comments and for information submitted by Members or witnesses to be included in the record of today's hearing.

Without objection, so ordered.

The subcommittee is adjourned.

[Whereupon, at 12:03 p.m., the subcommittee was adjourned.]

APPENDIX

QUESTIONS FROM HON. HILLARY J. SCHOLTEN TO VICE ADMIRAL PAUL F. THOMAS, DEPUTY COMMANDANT FOR MISSION SUPPORT, U.S. COAST GUARD

Question 1. Admiral Thomas, during the hearing you were asked if creating a more diverse workforce leads to reverse discrimination, but you were interrupted before given a chance to finish your response.

Question 1.a. Does ensuring fair and equitable opportunities to serve, including for those of all sexual orientations and gender identities, create a stronger or weaker Coast Guard workforce?

ANSWER. Ensuring fair and equitable opportunities to serve our Nation, regardless of sexual orientation, gender identity, or any other protected status, leads to a stronger Coast Guard. A professional, innovative, and mission-ready workforce is essential to our success and our ability to remain competitive and effective. The Coast Guard must continue cultivating a work environment that embraces fairness and equity so that every qualified American can serve and thrive.

Question 1.b. Does the attention to diversity, equity, and inclusion in any way hinder the Service's ability to be mission ready or does it in fact improve the Coast Guard?

ANSWER. Attention to diversity, equity, and inclusion improves readiness. Coast Guard members come from across the country and from different walks of life, all with a desire to serve. Understanding and acknowledging different perspectives and experiences enhances communication and collaboration and informs decision-making.

Question 2. Flag Voice #545 "U.S. Coast Guard Instruction on Leadership and Diversity Councils" from April 22, 2021, was brought up and submitted to the record during the hearing. Admiral Thomas, you were not given an opportunity to explain this document and I believe it was misrepresented during the hearing regarding the Coast Guard's stance on DE&I leading to reverse racism. Please describe the intent of this document and if it in fact points to the need for diversity, equity, and inclusion within the Coast Guard.

ANSWER. Flag Voice #545 doesn't explicitly identify the need for DEI within the Coast Guard, but rather announces an update to the Commandant Instruction 5350.9a, Leadership and Diversity Councils. This updated instruction reestablishes the Leadership, Excellence and Diversity Council to become a conduit for diversity issues and concerns from the field to be provided to the Commandant and renames it as the Inclusive Leadership Excellence and Diversity Council (ILEAD) to highlight the Coast Guard's focus on inclusion as a leadership concept. It further outlines the role of the unit level Leadership and Diversity Councils (LDACs) in this process. LDACs, composed of members of the Coast Guard's total workforce, evaluate organizational risk to leadership, diversity, and inclusion performance. They identify organizational gaps where policy and process may not align with leadership, diversity, and inclusion goals. LDACs suggest best practices to positively impact organizational climate. Flag Voice #545 "U.S. Coast Guard Instruction on Leadership and Diversity Councils" was intended to build awareness concerning the Commandant Instruction that describes how Leadership and Diversity Councils may operate. With the increasing demand for Coast Guard services, no team can afford to exclude anyone from mission execution or team cohesion. LDACs help every Coast Guard leader build fair, open, cooperative, supportive, and empowering climates that are essential to readiness.