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COAST GUARD AUTHORIZATION

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HEARING

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BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

NINETY-SIXTH CONGRESS

FIRST SESSION

ON

S. 709

TO AUTHORIZE APPROPRIATIONS FOR THE COAST GUARD
FOR FISCAL YEARS 1980 AND 1981, AND FOR OTHER PURPOSES

APRIL 9, 1979

Serial No. 96-13

Printed for the use of the
Committee on Commerce, Science, and Transportation



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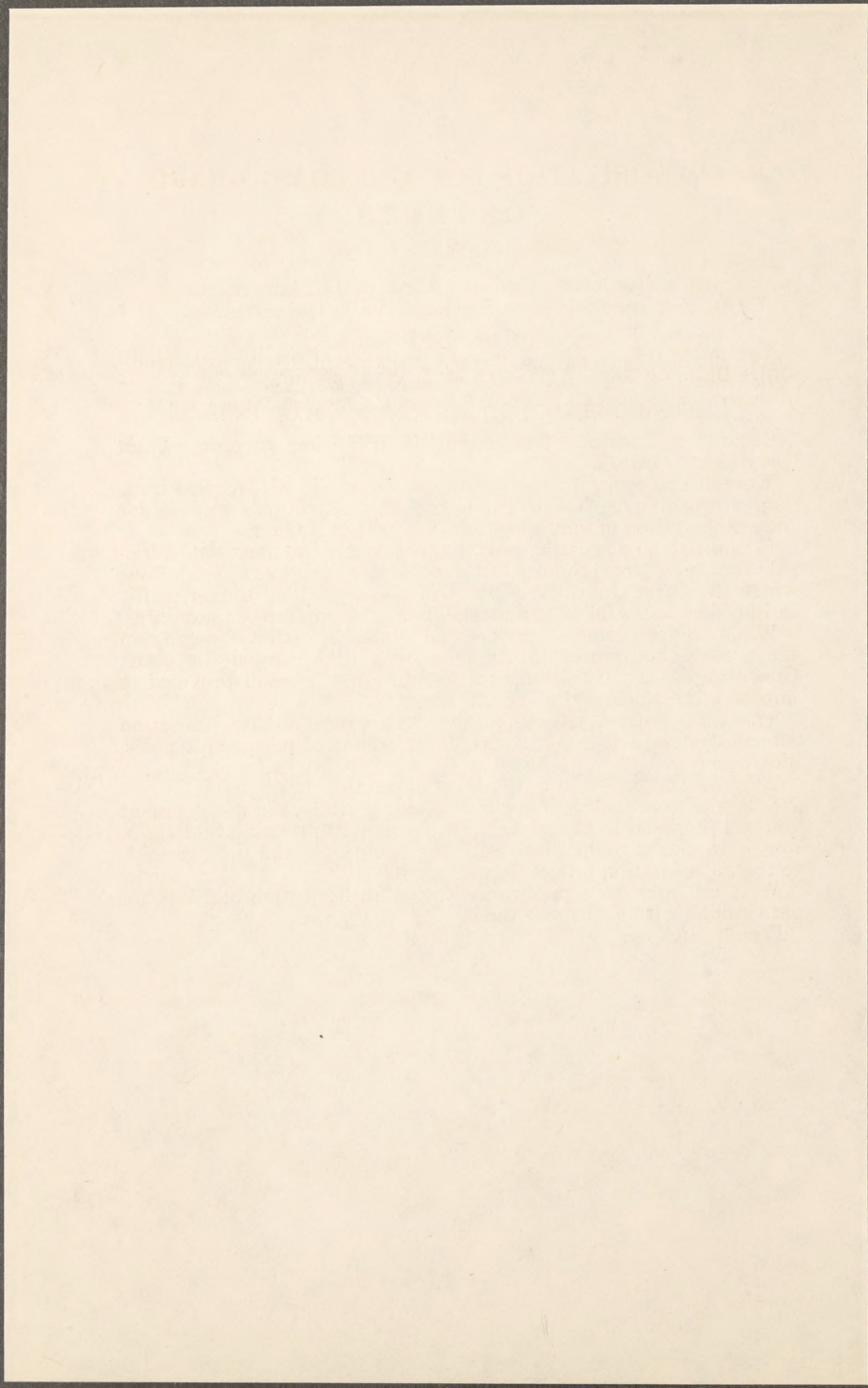
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REAUTHORIZATION FOR THE COAST GUARD

MONDAY, APRIL 9, 1979

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, D.C.

The committee met at 11 a.m., in room 235 of the Russell Senate Office Building, Hon. Warren G. Magnuson presiding.

OPENING STATEMENT BY SENATOR MAGNUSON

Senator MAGNUSON. The committee will come to order. I am sorry I was a little late.

We will proceed with the testimony today. We will receive testimony regarding S. 709, which is the administration's request for the authorization of appropriations for the Coast Guard.

In addition to discussing next year's budget, I understand, Admiral, that you are prepared to explain the proposed regulations which the Coast Guard is issuing today to control oil tanker traffic in Puget Sound. And of course I believe in strong tanker standards.

When the Supreme Court decided a year ago that Washington State could not protect itself from oil spills, I urged the Coast Guard and Secretary Adams to use authority we had provided to impose protections at the Federal level.

The Coast Guard reinstated the State's tanker size limitation interim regulations pending the development of permanent rules, didn't you?

Admiral HAYES. Yes, we did, Mr. Chairman.

Senator MAGNUSON. Now after a year of study and development you are prepared to announce your permanent proposal. So I think maybe we ought to go ahead with that item first and then go back to the authorization bill. Is that all right?

Well, all right, let's go ahead with the authorization bill. We can get through with that fairly quickly.

[The bill follows:]

96TH CONGRESS
1ST SESSION

S. 709

To authorize appropriations for the Coast Guard for fiscal years 1980 and 1981,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 21 (legislative day, FEBRUARY 22), 1979

Mr. CANNON (by request) introduced the following bill; which was read twice and
referred to the Committee on Commerce, Science, and Transportation

A BILL

To authorize appropriations for the Coast Guard for fiscal years
1980 and 1981, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are authorized to be appropriated for
4 the United States Coast Guard for the fiscal years 1980 and
5 1981:

6 (1) For necessary expenses for the operation and main-
7 tenance of the Coast Guard including those relating to the
8 Capehart housing debt reduction:

II—E

1 For fiscal year 1980—\$1,037,175,000 and such
2 additional sums as may be necessary to meet unfore-
3 seen circumstances;

4 For fiscal year 1981—such sums as may be nec-
5 essary.

6 (2) For acquisition, construction, rebuilding, and im-
7 provement of aids to navigation, shore, and off-shore estab-
8 lishments, vessels, aircraft, and pollution abatement including
9 equipment and necessary administrative expenses relating
10 thereto:

11 AIRCRAFT

12 For fiscal year 1980—\$90,955,000;

13 For fiscal year 1981—such sums as may be nec-
14 essary.

15 VESSELS

16 For fiscal year 1980—\$134,272,000;

17 For fiscal year 1981—such sums as may be nec-
18 essary.

19 SHORE AND OFF-SHORE ESTABLISHMENTS, AIDS TO
20 NAVIGATION, POLLUTION ABATEMENT, ADMINISTRA-
21 TIVE EXPENSES

22 For fiscal year 1980—\$59,134,000;

23 For fiscal year 1981—such sums as may be nec-
24 essary.

1 (3) For alteration or removal of railroad and highway
2 bridges in order to eliminate obstructions to navigation in the
3 navigable waters of the United States:

4 For fiscal year 1980—\$14,900,000;

5 For fiscal year 1981—such sums as may be nec-
6 essary.

7 (4) For necessary expenses for basic and applied scien-
8 tific research, development, testing, or evaluation of pro-
9 grams and activities of the Coast Guard:

10 For fiscal year 1980—\$21,825,000;

11 For fiscal year 1981—such sums as may be nec-
12 essary.

13 SEC. 2. The Coast Guard is authorized an end strength
14 for active duty personnel of 39,027 for fiscal year 1980;
15 except that the ceiling shall not include members of the
16 Ready Reserve called to active duty under the authority of
17 section 764 of title 14, United States Code.

18 SEC. 3. Average military training student loads for the
19 Coast Guard are authorized as follows:

20 (1) Recruit and special training—students equals stu-
21 dent years:

22 For fiscal year 1980—3,940 students.

23 (2) Flight training:

24 For fiscal year 1980—110 students.

1 (3) Professional training in military and civilian institu-
2 tions:

3 For fiscal year 1980—438 students.

4 (4) Officer acquisition:

5 For fiscal year 1980—940 students.

6 SEC. 4. Subsection 42(a) of title 14 United States Code,
7 is amended to read as follows:

8 “(a) The total number of commissioned officers, exclud-
9 ing commissioned warrant officers, on active duty in the
10 Coast Guard shall not exceed 6,000.”.

11 SEC. 5. For the recovery of overseas vessel inspection
12 costs from merchant vessel categories not covered by the
13 Port and Tanker Safety Act of 1978 (Public Law 95-474)
14 and notwithstanding the provisions of section 1 of the Act of
15 June 19, 1886, as amended (46 U.S.C. 331), the Secretary
16 of the Department in which the Coast Guard is operating
17 may prescribe by regulation reasonable fees for an inspection
18 or examination conducted outside the geographic limits of the
19 United States. The owner or operator of a vessel so inspected
20 or examined is liable for these fees. Fees received shall be
21 credited to the general fund of the Treasury.

22 SEC. 6. (a) Subsection 432(g) of title 14, United States
23 Code, is amended by striking out “\$7,500” in the fourth sen-
24 tence and inserting “\$15,000” in its place so that, in perti-

1 nent part, it reads as follows: "In no case shall basic compen-
2 sation exceed \$15,000 per annum."

3 (b) The Coast Guard may issue retroactive pay to its
4 remaining civilian lighthouse keeper in an amount equal to
5 the difference between what the keeper actually received and
6 what he would have received under the General Schedule
7 salary rates had there not been a statutory limitation of
8 \$7,500 on his annual salary. This amount is to be calculated
9 from the time at which his salary reached the statutory limi-
10 tation to the date of enactment of this Act.

Senator MAGNUSON. We will be glad to hear from you.

STATEMENT OF ADM. JOHN B. HAYES, COMMANDANT, U.S. COAST GUARD; ACCOMPANIED BY VICE ADM. ROBERT H. SCARBOROUGH, VICE COMMANDANT; REAR ADM. JAMES P. STEWART, CHIEF OF STAFF; CAPT. CLYDE E. ROBBINS, CHIEF, PROGRAMS DIVISION; AND CAPT. ROBERT E. LARSON, CHIEF, BUDGET DIVISION

Admiral HAYES. I have with me at the table this morning my Vice Commandant, Vice Admiral Scarborough; my Chief of Staff, Rear Admiral Stewart; the Chief of the Programs Division, Captain Robbins, on my right; and the Chief of the Budget Division, Captain Larson, on my left.

I might, as an aside, Mr. Chairman, say that of course this is my first opportunity to appear before your committee as the Commandant, and I really welcome the opportunity this morning.

I think you will find that this request is in keeping with the national desire to limit the growth of Government spending. It is aimed at meeting our most important responsibilities without contributing to inflation.

In the area of personnel strength in particular we have attempted to hold the line and have offset all new personnel requirements by reductions in ongoing programs.

In order to provide for proper management of the corps of commissioned officers, it is necessary however to increase the ceiling from the current limit of 5,000. Since this total was established in 1968, legislation has tasked the Coast Guard to assume numerous new regulatory and enforcement responsibilities.

Presently there are over 4,900 officer billets authorized. To fully staff this number of billets requires a number temporarily on hand in excess of 5,000 during the period between the commissioning of new officers in the spring and retirements in the summer.

Raising the ceiling to 6,000 would permit adequate flexibility to manage our officer personnel. The proposal would not in itself increase the number of officers on active duty but would permit increases as higher program strength levels are authorized.

There are no costs directly associated with this request.

Also requested is an increase in the statutory limitation of \$7,500 on the annual pay of lighthouse keepers to \$15,000 and our proposal to pay the only remaining, full-time civilian keeper at Coney Island Light, back pay of about \$2,900—the difference between what the keeper actually received after his salary reached the statutory ceiling in 1974 and what he would have received under the general schedule salary rates had there been no such limitation.

Equity requires favorable consideration of this request. The individual, though eligible for retirement, intends to work through age 70. Since his retired pay is based on the highest 3 consecutive years of earnings, this individual's annuity will be adversely affected unless legislative relief is granted.

The following details highlight our budget request. In our Operating Expenses appropriation we are asking for a total of \$1,037 million—the bulk of which of course provides for continuation of ongoing operations and only \$17 million represents increases in

program activity which is less than 2 percent above fiscal year 1979.

Our use of personnel in this appropriation is of particular note. In order to provide personnel to meet new responsibilities and operate new or expanded facilities which have been provided in previous years, I have elected to draw down on personnel now assigned at operating Coast Guard units.

The bulk of these resources will be made available by reducing our traditional 24-hour standby capability for immediate search and rescue responses in several locations where historical data indicates a lesser degree of readiness would achieve acceptable results.

Our acquisition, construction, and improvements appropriation request, as in the past few years, is heavily weighted toward hardware. The purchase of three medium endurance cutters in this budget is the next increment in our program to enable our fleet to meet its commitments. The budget also contains requests which would allow us to continue both the HU16-E Aircraft and HH52-A helicopter replacement procurements.

These three major hardware buys represent about 66 percent of our total A.C. & I. request. It gives you an idea of how important I consider these projects.

Mr. Chairman, most of the remainder of our A.C. & I. appropriation generally concentrates on renovating and replacing existing shore facilities and improvement of our oil containment and recovery capability in high risk areas. These latter projects will help support the President's initiative on oil pollution and further our capability to meet the requirements of the Federal Water Pollution Control Act.

We are also continuing the replacement program of outdated tube-type transmitters at Loran-C stations with new solid state transmitters which are both energy efficient and reliable.

Finally, several projects have been included in this appropriation which are aimed at improving training facilities to cope with the changing needs of the service.

While I'm on the subject of training I am pleased to announce that the first class in our new Boatswain's Mate School located at our Reserve Training Center in Yorktown, Va., will convene in April of this year. Also, we are gearing up for full-scale operation and plan on graduating 300 personnel each year.

I cannot stress enough my commitment to a solid training base for the Coast Guard. Training is vitally important at all times but my recent travels throughout the Coast Guard have convinced me that we are not keeping abreast of the need for increased professionalism caused by the growing complexities of our society.

The myriad of new programs that the Coast Guard has assumed in recent years has stretched our resources—especially our personnel—to the limit. Recently we have experienced a reduction in our retention rate of enlisted personnel whose initial enlistment is expiring from 26 to 16 percent. Add to that today's difficulties in recruiting and our training problem is magnified. We must increase our efforts in this area.

Our research and development appropriation is basically a follow-on to prior years. The slightly less than \$22 million we are

requesting will continue to place a heavy emphasis on marine environmental protection, most notably in the integration of our airborne sensor package for the medium range search aircraft—AIREYE.

I think it's worthy to note that although research will continue on individual sensors in the future, fiscal year 1980 will be the last year we will request R. & D. funding for AIREYE. We expect the contract integrating the basic AIREYE components will be awarded in fiscal year 1980 bringing to a close one of the most ambitious projects we have undertaken in the field of R. & D.

However, the completion in R. & D. is but a single chapter in what will be a mild revolution in the way the Coast Guard conducts its operations.

Mr. Chairman, I would like to point out the addition of a new appropriation in our request. I refer of course to the new Outer Continental Shelf Lands Act Fund which responds to enactment of Public Law 95-372, the Outer Continental Shelf Lands Act Amendments of 1978.

Once again, the personnel required to manage this fund, which will provide compensation for damages resulting from oil spills, will be provided by reprogramming from other areas within the Coast Guard.

Although we have managed special purpose funds for many years, the addition of this fund and the probable passage of the more comprehensive "Superfund" clearly projects the Coast Guard into a new arena of responsibility.

I am certain that as in our traditional programs Coast Guard personnel will quickly establish a standard of excellence in these new areas.

Mr. Chairman, before closing I would like to share with you the impressions that I have gained as a result of my travels around the Coast Guard since becoming Commandant.

I have been highly impressed by what I have seen of the men and women in the Coast Guard. They continue to be enthusiastic and dedicated. It is these very attributes that have allowed them to respond to the new missions and steady expansion in your historic responsibilities.

I do feel, however, that the service is as lean as it can possibly be. We have been stretched to the limit. Our recruiting, retention, and training problems must be addressed, as I mentioned earlier, in order to maintain the level of professionalism that the American public has come to expect of the Coast Guard.

I would be less than candid if I didn't also mention my particular concern with the condition of the Coast Guard fleet. It needs attention. We are running our ships harder than we've ever had to and it's taking its toll. This is a problem on which we are currently focusing a good deal of attention.

I have only touched upon a few of the areas that were noted during my visits throughout the Coast Guard. Recently I gave an address on the overall "state of the Coast Guard" and I would be pleased to provide this separately for your consideration.

I appreciate the support that you and your committee have provided the Coast Guard in the past and I promise to do my part

to ensure that our fine working relationship continues during my assignment as Commandant.

Thank you, Mr. Chairman.

Senator MAGNUSON. I appreciate your statement and your covering in general the Coast Guard authorization. Now this year's budget totals \$1.6 billion. That is the budget authority, and that is 5½ percent larger than last year, but it doesn't give you any growth in personnel, as you pointed out in your statement.

You are trying to keep that down. I don't know that that personnel level is sufficient to expand the efforts that you have in other areas. The increased fisheries law enforcement, which is one of those programs, results from new fishery management plans taking effect, and you people are in a quandary.

The fisheries management plans are up for realignment—the foreign quotas and our quotas—so year to year you've got to play it almost by ear, don't you?

Admiral HAYES. Pretty much so.

Mr. Chairman, as you are aware, I just came from the job that was quite closely associated with the fisheries plans, and I am aware of the chairman's interests.

Senator MAGNUSON. They don't change substantially, but they do change enough to affect your operations.

And then the increased inspection and enforcement of tanker safety standards, and the implementation and enforcement of the Outer Continental Shelf and Lands Act Amendment of 1978 will put an additional burden on you. There is no question about that.

So we are going to take a look at those items and see if there might be room for a little change, or a little more flexibility in what you have to do, or what you are going to be required to do.

That is, if the Budget Committee will give us the chance. But it poses a problem for you, and I compliment the Coast Guard for keeping this down and doing the best they can.

Now I made a note here on one part of your statement. You increased the current limit of 5,000 for officers?

AUTHORIZED OFFICE BILLET LEVEL

Admiral HAYES. The problem here, Mr. Chairman, is as much a bookkeeping one as anything. We have arrived at the point in terms of number of authorized billets for commissioned officers that in order to satisfy that number and take care of the cyclical variations that occur in personnel management we need to raise the lid on our commissioned officer personnel from 5,000 to some number, and we felt that since we have in the past made a practice of doing it in roughly 1,000-billet increments, this works out fairly well, and we are recommending that it be increased to 6,000.

Senator MAGNUSON. Is that provided for in the authorization?

Admiral HAYES. Yes; it is included.

Senator MAGNUSON. It allows you to get within that 6,000 figure?

Admiral HAYES. That is correct. It does not authorize additional billets to that extent, Mr. Chairman; it just gives us a new limit.

Senator MAGNUSON. There is flexibility.

Admiral HAYES. Precisely.

Senator MAGNUSON. Now you say: "In order to provide personnel to meet some new responsibilities to operate new or expanded facilities," of which you have several—there are some in this budget aren't there?

Admiral HAYES. Yes, sir.

Senator MAGNUSON. You elected to draw them from personnel now assigned to operate other Coast Guard units. Isn't that going to seriously handicap those operating units?

Admiral HAYES. We feel not.

Senator MAGNUSON. I don't mean "seriously," but it is going to make a dent, isn't it?

Admiral HAYES. It may have an impact. We have to see, Mr. Chairman. What we are planning to do here is sort of a combination of things: (1) at those stations that clearly do not have much in the way of operational commitments at certain times of the day and certain times of the week, we would just stand down from the level of readiness we had in the past. We would fill that gap partially with other Coast Guard operating units that will retain a full 24-hour readiness responsibility and the addition of our Coast Guard Auxiliary, and in some locations our Coast Guard Reserves.

So that the net result should be a very minimal impact on the overall readiness of the Coast Guard to do its job. Basically it is an attempt to better utilize resources that are not fully utilized.

Senator MAGNUSON. Well, you've got a mix. You've just got to better utilize. And there are several locations where historically a lesser degree of readiness may not be called for, but that is the tough decision you have to make.

Admiral HAYES. At some point obviously, Mr. Chairman, something has to give.

A.C. & I. REQUEST

Senator MAGNUSON. Now you also mentioned that you are heavily weighted toward hardware, and you say that we will undoubtedly continue the HU16-E aircraft——

Admiral HAYES. That is the old Grumman Albatross replacement.

Senator MAGNUSON. Are you building new ones?

Admiral HAYES. The replacement, Mr. Chairman, is a new twin-jet medium range surveillance aircraft, the Falcon 20.

Senator MAGNUSON. That is the HH52-A?

Admiral HAYES. No, the HH52-A is a helicopter. This aircraft has a HU25-A designation.

Senator MAGNUSON. Now I haven't checked carefully—which ship replacement have you got in this budget?

Admiral HAYES. The principal ship replacement program right now, Mr. Chairman, is our new 270-foot cutter, which when they come off the line in 1981, will then begin to replace our old larger medium-endurance cutters, and high-endurance cutters, such as the old Hamilton class, the 327-foot vessel.

We also of course, Mr. Chairman, hope to take advantage in that program of multiship, multiyear buying, to the extent we can. This would be for the purpose of reducing total cost, and also to provide us greater standardization among those vessels.

Senator MAGNUSON. And you are going to continue to place orders for those ships?

140 FOOT ICEBREAKING TUG

Admiral HAYES. Yes, sir.

Senator MAGNUSON. There was some criticism of that, wasn't there, by the GAO?

Admiral HAYES. I think, Mr. Chairman, you may be referring to our 140-foot icebreaking tug.

Senator MAGNUSON. That's right, the icebreaker. Are you prepared to answer that criticism?

Admiral HAYES. I believe so, Mr. Chairman.

First of all, let me say that that vessel was originally designed for both purposes. The GAO, in looking at the 140-foot icebreaking tug, in our judgment, made a good recommendation and we should reevaluate it, but they overlooked the fact that that is a multimission vessel. It is not, in the east coast area, just going to be limited to icebreaking.

We designed it to fulfill a number of Coast Guard missions, part of which would include offshore operations. So it needs to be a seaworthy vessel. We are doing that reevaluation. But our initial judgment is that our earlier decision was correct.

Senator MAGNUSON. Well, I did not read totally their criticism, but it was mainly on design, wasn't it?

Admiral HAYES. Yes, sir. Basically the GAO felt that for purposes of east coast operations, in the rivers particularly in the New England area, it was too much vessel, too large a vessel for that purpose.

And as I just pointed out, really we were looking at it from a much broader standpoint when we designed it.

Senator MAGNUSON. And for variable use.

Admiral HAYES. That's correct.

Senator MAGNUSON. It is going to be used in different places?

Admiral HAYES. Precisely.

Senator MAGNUSON. The problem is, if you build the ship to the specification for a certain area, you find you are limited to that area, and you may want to use it someplace else.

Admiral HAYES. I think one of the great assets to the taxpayer of this country and flexibility that we have ourselves is in the fact that our vessels are multimission.

COLUMBIA RIVER LIGHTSHIP

Senator MAGNUSON. Well, all right.

We will have the full committee take a look at this. I'm sorry there aren't more Senators here, but we go out tomorrow and everybody is gone, I guess.

Now I received several complaints about a decommissioning of the lightship station in the Columbia River. Do you have any explanation of that?

Admiral HAYES. I'm aware of the concern, of course, particularly by one of the members of this committee with respect to the Columbia lightship. In evaluating the need for it, once again we are in a situation, Mr. Chairman, where we are trying to look at

priorities, and wherever we can find personnel resources to reprogram, we're trying to do so. And this really fits that particular bill of goods.

Now our plan here, Mr. Chairman, is to do precisely, on a year-round basis, what we have been doing in the past on a short term basis. And that is, to replace the light vessel with a very capable offshore buoy as an aid to navigation. We have run it through several periods of evaluation in the past, and feel that it will fit the bill very nicely. So that is, yes, sir, our intention to replace that lightship.

Senator MAGNUSON. Well, that is the sort of decision you're going to have to make.

Admiral HAYES. I might point out, Mr. Chairman, that it is one of the very few remaining lightships still in service. And incidentally, Mr. Chairman, one final point—and a good one my staff points out—is that we will have public hearings on this decision before a final decision is made.

Senator MAGNUSON. You will have hearings out there to determine what the local people think?

Admiral HAYES. Absolutely, Mr. Chairman.

Senator MAGNUSON. Before you make a final decision. And that is good because it may be that you may want to keep it going temporarily. Now, let's get down to tanker standards. Now, will you explain what the new standards are going to be?

TANKER STANDARDS

Admiral HAYES. I think, Mr. Chairman, if it is all right, sir, what I would like to do is to read——

Senator MAGNUSON. Let's start out this way: There are temporary standards in effect. Let's point out the difference between your suggested permanent standards and the temporary standards.

Admiral HAYES. The temporary standard that is in effect at the present time, Mr. Chairman, is an extension of the 125,000 dead-weight ton size limitation on tankers operating in that Puget Sound area. Now, you may recall that that was a notice published in the Federal Register by the Secretary sometime back, and we have since that time extended it to June of this year.

The effect of the time element associated with our notice of proposed rulemaking, which I will read you excerpts from in a moment, is that we will probably have to extend that interim regulation one more time before the final regulations go into effect. So that is the current situation, and the new situation is a combination of some additional safety requirements as well as dealing with the size limitation question.

If it pleases the chairman, at this time I could read some excerpts from the notice of proposed rulemaking to indicate the effect of that rulemaking.

Senator MAGNUSON. Now, generally speaking, leaving out the size of the tankers, the proposed regulations are—can I put it—tougher than the temporary regulations?

Admiral HAYES. That is correct, Mr. Chairman.

Senator MAGNUSON. They are more conducive to safety in your opinion?

Admiral HAYES. Most certainly, and the protection of the environment.

Senator MAGNUSON. All right, go ahead.

Admiral HAYES. This is an excerpt from the Coast Guard's notice of proposed rulemaking, which I signed this morning and transmitted to the Federal Register.

The proposed regulations prescribe additional equipment and operating requirements for tank vessels of 40,000 dead weight tons and greater in specified portions of the Puget Sound VTS area, [VTS being an abbreviation for vessel traffic services.]

The proposal would also continue the current 125,000 dead weight ton size limit on tank vessel operation in the VTS area.

Additionally, the proposed regulations incorporate several changes to the Puget Sound VTS regulations.

Senator MAGNUSON. Now, before you leave that, so we can get this in perspective, the 125,000 tons was a State law.

Admiral HAYES. That is correct, sir.

Senator MAGNUSON. And then the Supreme Court said it didn't question the 125,000 tons, whether it should be that or 180 or whether it should be less or more. What they said was that in effect that the question of the size of tankers should be a Federal matter, and that therefore the question has to be resolved by the Coast Guard and the Department of Transportation, and so you accepted temporarily at least the 125,000-ton figure.

Admiral HAYES. That is correct, Mr. Chairman.

Continuing the quote where I believe I stopped—

Senator MAGNUSON. In which I heartily concur.

Admiral HAYES. I suspected that you might, Mr. Chairman.

The changes to the VTS Puget Sound regulations that are directly related to the operation of tank vessels and that effect other vessels.

Supplementary information: interested persons are invited to participate in this rulemaking.

I pointed this out, Mr. Chairman. This is a notice of proposed rulemaking and of course the invitation to participate in this will extend to June 30.

Interested persons are invited to participate in this rule making by submitting written data, views or arguments; each comment should include the name and address of the person submitting a comment, reference to the docket number, (which is initialed CGD-78-041); identify the specific section of the proposal to which each comment applies and include sufficient detail to indicate the basis on which comment is made.

All comments received before the expiration of the comment period will be considered before final action is taken on this proposal.

Interested persons are invited to attend the public hearings and present oral or written statements on this proposal.

There is some additional material here on the address and so on, Mr. Chairman; I don't know whether you want that for the record at this time or not.

Senator MAGNUSON. No; that's all right. Well, put it in the record so everybody will know when they can appear and when they can't.

Admiral HAYES. All right. I will continue it then.

It is requested that anyone desiring to make oral comments notify Capt. P. J. Danahy, U.S. Coast Guard, Marine Safety Council (G-CMC/81), Room 8117, Department of Transportation, NASSIF Building, 400 7th Street SW., Washington, D. C. The zip is 20590, and the telephone number is 202-426-1477.

This must be provided at least 10 days before the scheduled date of the public hearing, and specify the approximate length of time needed for the presentation. Comments at the public hearings will normally be heard in the order that the request to comment was received.

Senator MAGNUSON. Now, the public hearings will be held out in the area——

Admiral HAYES. That is correct, sir.

Senator MAGNUSON. I want it clear that those who want to appear should contact here first.

Admiral HAYES. Mr. Chairman, the hearings will be held in Seattle, Wash., on June 11; in Mount Vernon, Wash., on June 13; and Port Angeles, Wash., on June 14; and there are times of the day associated with each of those hearings that are available in this public document.

Senator MAGNUSON. So everybody that wants a say in this matter can appear at any one of those three hearings. But you would like to get the list of witnesses back here.

Admiral HAYES. That's correct. Also, Mr. Chairman, they do not have to appear personally. That should be clearly understood. They may write in and provide the information.

Senator MAGNUSON. I imagine you will have a lot appear in person.

Admiral HAYES. I'm sure of that, sir. I do have some additional background information, Mr. Chairman, if you would like to receive it.

Senator MAGNUSON. Well, I have a few questions I would like to ask.

Admiral HAYES. All right, sir.

Senator MAGNUSON. The proposed rulemaking indicates that existing studies are inconclusive as to whether maximum tanker size limits can protect the environment. How many years do you think it will take before this question can be resolved?

Admiral HAYES. I suppose, Mr. Chairman, this has been the most difficult rulemaking that the Coast Guard has been involved in, perhaps in its history. The technical analyses that we have done, I would say to the committee, is inconclusive from the standpoint that there is not a strong preponderance of evidence that clearly one direction is better than another. We will look strictly at the analytical side of it. It tends to show, as our background information and study identify, that the larger tanker is perhaps on balance a safer approach. On the other hand, when one looks at the concerns of the people in the area and the potential, shall we say, for one massive spill, certainly that suggests that one should proceed cautiously.

And I think the Coast Guard, therefore, has taken a conservative position on this.

Senator MAGNUSON. The proposed rulemaking states that as tanker sizes increase there is a point at which it becomes increasingly difficult to determine the proper control measures adequately based solely on visual perception and human errors or human judgment, and that point appears to occur in the 100,000 to 200,000 deadweight ton range. Is that correct?

Admiral HAYES. Yes. And of course, Mr. Chairman, this is one of our difficulties; it is hard to nail that down as to where that may

occur. And again I suppose this is one of the reasons that we tend in our evaluation to proceed a little more on the conservative or cautious side. Obviously, one of the areas that is being given a great deal of attention right now has to do with personnel error and trying to take actions to minimize personnel error.

Senator MAGNUSON. Now, why didn't the Coast Guard include restrictions on tanker movement at night during periods of limited visibility?

Admiral HAYES. I suspect, Mr. Chairman, the answer here is much the same as it would be in Prince William Sound or anywhere else during certain conditions of weather. We provide in our regulations authority for the commanding officer of the vessel traffic center or marine safety office that has responsibility for those decisions to close the port area or to minimize the movement of traffic or to change perhaps to one way traffic.

There are a variety of steps he can take within his authority, and rather than try to deal with a question in regulations, that under certain conditions of weather we would take a specific action; we felt that it was much better to leave that decision in the hands of the person who is most familiar with the port area and the safety hazards that might be associated with continuing traffic under reduced visibility.

Senator MAGNUSON. Now, I remember one incident—I don't think Dewey was involved in this; I don't know why—where the Chinese ship was coming in and nobody aboard could understand English, and so on and so forth. What do the regulations do about that? I'm thinking we're going to have our first Chinese ship come into Seattle next week on Tuesday, and I suppose the regulation will require a pilot to be aboard; isn't that correct?

Admiral HAYES. That is correct. Furthermore, there must be a person in charge who has command of the English language. That person must have the capability of interacting with our vessel traffic center. I feel that one cannot say absolutely that something will never happen, but at least the present regulations will minimize that possibility in the future.

Senator MAGNUSON. Well, I'm not picking on the Chinese; I just remembered that was an incident that happened.

Admiral HAYES. I remember it well, Mr. Chairman.

Senator MAGNUSON. That could happen to the Indonesians or the Portuguese or anyone else.

Admiral HAYES. Also I would point out, Mr. Chairman, that once through our bureaucratic processes we have the VTS radars in place, that that would greatly improve our ability to monitor what is happening.

VESSEL TRAFFIC SERVICE—PUGET SOUND

Senator MAGNUSON. Now, on that point, how are we coming with our traffic system?

Admiral HAYES. Right on schedule, sir, even though I know it doesn't meet the chairman's entire approval. We are about to proceed with installation. We got a very favorable final bid for the radars, which was a little under our estimate, for a change, and we

still expect to meet the final on-air time that you have been advised of, Mr. Chairman.

Senator MAGNUSON. Will that then coincide with the Canadian operation?

Admiral HAYES. I believe, Mr. Chairman, their operation is already going on at this time. I think they managed to get their radar already.

Senator MAGNUSON. This will bring it up to their level?

Admiral HAYES. That's correct.

Senator MAGNUSON. So the two then can do a better job.

Admiral HAYES. No doubt about it, Mr. Chairman.

Senator MAGNUSON. Now, I want to go into another matter here, and I will look with interest on the release of the proposed new regulations. I haven't seen them yet, so I don't know exactly what they are, but it makes it tougher.

Admiral HAYES. No question about it. I think I would prefer, Mr. Chairman, really to say it makes it safer and more environmentally protective, which obviously is the objective.

Senator MAGNUSON. And they are tougher regulations because you can't fool around with Puget Sound, and your people understand that. Now, how are you getting along with NOAA in the study of oil spill potential?

OIL SPILL RESPONSE—COORDINATION WITH NOAA

Admiral HAYES. I feel we are getting along very well, Mr. Chairman. We have instituted a series of meetings. We have had the first, and I'm planning a second one here in a month or so with the agency heads associated with various enterprises going on in that Outer Continental Shelf arena. And as you well know, there are many, and the purpose of these get togethers is to try and identify the principal problems and principal conflicts and see if we can't resolve them before they become crises. We feel this is going to be a very useful, ad hoc approach to solving that kind of thing.

As far as NOAA itself is concerned, I feel we work very well with them, and our mutual efforts, particularly with respect to fisheries, Mr. Chairman, have been very successful.

Senator MAGNUSON. And there is no interdepartmental conflict?

Admiral HAYES. As far as I'm concerned, of course not; there are obviously disagreements, as always happens among intelligent people.

Senator MAGNUSON. Well, of course everybody speaks their mind and then you come to agreement.

Admiral HAYES. I feel it is working very well, Mr. Chairman.

FOREIGN BUILT FISHING VESSELS

Senator MAGNUSON. Now, I want to propose another matter here. It has been recently discovered that a foreign built, foreign flag fishing vessel can come into the United States, switch over and be documented under the U.S. flag, and then, because of a Coast Guard and Customs Service interpretation, go fishing as a U.S. vessel outside 3 miles.

Admiral HAYES. I'm really not competent to respond to that, Mr. Chairman. I can provide you an answer for the record, if that is fine.

Senator MAGNUSON. Well, I'm not surprised at that because it surprised me to find out that this could be done. It is in the nature of a loophole that we didn't even consider.

Admiral HAYES. Recalling my Fisheries Council days, Mr. Chairman, I'm not sure that that isn't a correct statement, but I would like to check it to make sure.

Senator MAGNUSON. We never anticipated that it might happen or anything else when we were discussing it; in the complex 200 mile limit, we had all kinds of matters, and that is why we are having it up for review because we realize that we couldn't take care of every possible occurrence or some anticipatory things that might happen.

And that is why we are having it up for review. It is such a big, complex, and somewhat controversial bill. But that being as it may, these vessels are by the terms of their document prohibited from engaging in the fisheries. But that term has been interpreted to mean "fishing only within 3 miles and not within the 200-mile limitation."

And this was clearly not our intent when we passed the 200-mile bill. It is also unfair to U.S. fishermen who build their vessels in the U.S. yards—and there are plenty being built. The success of the 200-mile limit, I think, can be pointed out most vividly by the fact that if you want to build a new ship in the United States flying an American flag, you've got to wait 2½ years for the delivery of a fishing boat.

That is how much the American fishermen are relying on the success of the 200-mile limit and putting their hard money into it. But it is unfair to these fishermen who build their vessels in the U.S. yards on the assumption that the law meant what it said. And, too, it jeopardizes the dollars that have been committed to U.S. shipyards by fishermen who want to take advantage of the bill. So I am introducing today legislation that would plug this loophole and make the law work the way we intended; that is, a U.S. fishing vessel within the 200-mile zone must be U.S. built.

That is what we thought we were doing, but if it is unclear, we want to make it clearer. And so I would say to the Coast Guard, do not issue any document to a foreign fishing vessel that's going to take advantage of this loophole because we are going to close it. And I don't think you will be pressed too much for someone to try to take advantage of it before we can get the job done because we have the 200-mile limit.

We have markup on the bill starting tomorrow, and I don't think there is any question that I can get this amendment in the bill because that was our basic intention. And it is not your fault because you have to strictly interpret the law. But I hope that you will not issue any permits until we can get the matter straightened around, and I don't think you will be pressed for this; maybe one or something like that.

[The following information was subsequently received for the record:]

Enactment of the Fisheries Conservation and Management Act of 1976 (FCMA) did not affect existing vessel documentation laws which, in large part, have been in effect since 1793. The result is that foreign-built, U.S.-owned, vessels documented with a restriction prohibiting their employment in the fisheries can legally fish within the Fisheries Conservation Zone (200 miles) but not within the territorial waters (3 miles).

For vessel documentation purposes, "fishing" means the planting, cultivation, or taking of fish, shellfish, marine animals, pearls, shells, or marine vegetation, or the transportation of any of those marine products to the United States by the taking vessel. The "American fisheries" means "fishing" within the territorial waters, or "fishing" anywhere else if the taking vessel transports the catch to the United States.

To be entitled to engage in the American fisheries, a vessel measuring 5 or more net tons must be documented and have a marine document permitting such employment. To be eligible for a marine document permitting employment in the American fisheries, a vessel must be built in the United States and be owned by a citizen of the United States.

The FCMA did not affect existing vessel documentation laws, nor was such intent indicated in the legislative history of the Act. For purposes of the Act, the definition of "vessel of the United States" includes "any vessel documented under the laws of the United States." A foreign-built vessel owned by a U.S. citizen may be issued a marine document which prohibits employment in the American fisheries. Notwithstanding that prohibition, such a vessel can fish beyond the territorial waters (3 miles) but within the Fisheries Conservation Zone (200 miles) without violating either the FCMA or vessel documentation laws, provided they do not transport the catch to the U.S.

If a vessel, its owner and its crew meet all the requirements for documentation, we have no alternative under the law but to document the vessel.

Senator MAGNUSON. Well, I thank you very much for coming. And we will take a look in the authorization about possibly giving you a little more flexibility, although I don't know whether we can get the bill ready with the budget limitations as they are.

Admiral HAYES. Well, I certainly appreciate the chairman's interest.

Senator MAGNUSON. At least in the authorization we may have it authorized, but this year's appropriation committee may not give it to you, but you have still got it authorized, and you've got a chance. If something new comes up, you would have a chance for a supplemental if it is not in the regular appropriation bill because some emergency may show up that's going to require you to do much more work than you think.

I hope they don't show up, but they could.

Thank you very much.

Admiral HAYES. Thank you, Mr. Chairman.

[Whereupon, at 11:50 a.m., the hearing was adjourned.]

[The following information was subsequently received for the record:]

DEPARTMENT OF TRANSPORTATION,
U.S. COAST GUARD,
April 18, 1979.

Hon. HOWARD W. CANNON,
Chairman, Committee on Commerce, Science, and Transportation,
U.S. Senate, Washington, D.C.

DEAR SENATOR CANNON: Enclosed are replies to questions submitted to be answered for the record at the fiscal year 1980 Senate authorization hearings. The hearings were held on April 9, 1979.

Sincerely,

T. H. RUTLEDGE,
Captain, U.S. Coast Guard,
Chief, Congressional Affairs.

Enclosure.

Senator Magnuson: Admiral Hayes, you have been Commandant for almost a year now, during which time you have had a chance to see most of the Coast Guard's operations and make some plans for the rest of your term. Please describe what you see as the current state of the Coast Guard and identify your goals for the Coast Guard.

Admiral Hayes: Mr. Chairman, I have divided my goals and objectives into two categories. I would call them internal objectives that deal with the internal working conditions of the Coast Guard, and external, which deal with our relationships with others outside of the Coast Guard. With respect to our internal goals and objectives, I would call to your attention two which specifically concern people. The first is the goal of assuring that we have adequate professionalism in our people. Secondly, we must assure that we have adequate retention of our trained personnel. Obviously, the two are closely interrelated. With respect to those goals, I have identified a triad of serious concerns that have to do with the leadership, the training, and the support of our people. When I talk about our people, I would like to emphasize one point which perhaps we may come back to later. I am really concerned about our bachelors in the Coast Guard, I feel that they, and this is true in the other services as well, are not receiving the kind of support that they deserve. The bachelors are paid differently than the married personnel. When a ship at sea returns to port, the married personnel, unless they have the duty, go home to their families, their own homes, their own stereo systems. But the bachelors really do not have a home to which to go in port. I consider that in today's world, the bunk on a ship in port is inadequate housing. I am going to take some steps to correct that in a manner similar to actions taken by the Navy.

With respect to what I would call the glue that holds the Coast Guard together, and I feel makes it the kind of organization that it is, I have identified two specific areas that I will continue to pursue and to enhance. The first is the military character of the Coast Guard. Our military character greatly enhances our ability to perform our missions, and I certainly intend to continue that capability within the Coast Guard. The other, which is perhaps more philosophical in nature, is our humanitarian concern. This, I think, is an important attitudinal motivator for our people. Within this arena, I look upon search and rescue as the prime motivator. Occasionally, I think we agonize too much over what the Coast Guard should do, and what we ought to share with others. My observation in the field of search and rescue, is that there is plenty of work for everyone; our Coast Guard Auxilliary, along with the Coast Guard Reserve, are welcome additions in performing those humanitarian missions.

Turning now to material conditions, I would give you this assessment as a result of my travels. With respect to the aviation side of the Coast Guard, I feel material condition is, on the whole, excellent. With respect to our shore establishment, that is that portion of the Coast Guard which supports the ships and aircraft and small boats, it is from fair to good. My view of our ships is that on the average, the overall material condition is poor. I intend to take steps to improve that. That will be one of my major goals.

With respect to the management of the Coast Guard, I have reviewed very carefully the present concept under which we operate; that is, the multi-mission approach that we take with both facilities and personnel. It is my view that even though it is inefficient at times, from a standpoint of effectiveness, it remains our best approach and the best way to manage the taxpayers' dollars. It does mean, however, greater emphasis on the need for training. I feel that, with increasing Congressional concern over how Federal agencies are spending the appropriations that they receive, we do have to find better ways of measuring our performance and evaluating how well we are doing. Also in the management arena, it is clear to me that we have come to the point where we should establish Coast Guard staffed schools that will fill the gap that exists in training our own people to manage our multiplicity of missions. When I speak about that, I am talking about middle management, specifically the new chief warrant officer, when he is promoted, and the new chief petty officer, when he is advanced. Finally, in the management arena, I hope to make progress in the way in which we deal with information systems.

Turning now to our external relationships, I would like to run through these very quickly. First, I hope to continue and perhaps expand on a strong leadership role which my predecessor took in the matter of ocean affairs and ocean policy. It is obvious to me that we are going to find more and more activity offshore. I do see a great deal more responsibility for the Coast Guard, which has the missions, the capital plant, and the communications and logistics to assume and to maintain a strong leadership role in this area.

I see an increasing involvement on the part of State and local governments in our affairs. No longer are they willing to let us make decisions without questioning them. They want to be involved, and I think it is a good part of our democratic process. I hope, through my field commanders, to establish cooperation between these governments, and to coordinate the resolution of problems that are of concern to all of us.

Both internally and externally, I would like to see perhaps a better awareness of what the Coast Guard is and does. I do not like to categorize that as the Coast Guard image. Rather, just an understanding of what a complex organization we are, and what we do, will greatly enhance our ability to interact with interest groups and other governmental entities.

In the regulatory arena, Mr. Chairman, we are increasingly going to have to look at the energy and the economic implications, as well as the political implications, of our regulatory decision making. In the past, and more recently, we have been concerned with safety and the environment. Today that has to be expanded, and that also makes our decision making more complex. Having said that, I would hope that at least we can simplify some of the regulations and some of the regulatory impact that we have on industry.

Concerning Outer Continental Shelf development, one of my most significant objectives is to participate strongly in the activities that are going on in that area by looking at the services which we should be performing as well as the regulatory actions that we should be taking. I see the need for a lot of strategic planning in this area, as well as the tactics of how to go about it. To that end, I anticipate that I will be establishing within our organization the capability to do this a little bit better. Finally, and by no means last, I do intend that our relations with the Congress are promoted and continued in the way which my predecessor established.

That is a pretty quick rundown, Mr. Chairman, of the most significant goals and objectives that I see. An interesting thing which we have encountered recently is that we have shifted gradually from a major emphasis on our seagoing activities to increasing emphasis on regulatory activities as we lost the ocean stations and decommissioned about 18 to 21 major Coast Guard cutters. In the process of doing that, what we did was to decrease our capability of training people in those seagoing functions in which they must become expert in order to become competent regulators. That, too, has increased our professionalism problem.

Thank you very much, Mr. Chairman, for giving me this opportunity.

Question: During the last couple of years you have needed additional Authorization to cover increases caused by inflation. In view of the nationwide increased fuel costs and the heavy demands being placed upon your fleet with the enforcement of such laws as the Fisheries Conservation and Management Act, can you estimate what these costs will be over and above what you have included in this budget request.

Answer: Mr. Chairman, our fuel costs could require an additional \$10M in Authorization.

Senator Magnuson. The proposed rulemaking indicates that existing studies are inconclusive as to whether maximum tanker size standards protect the environment. How many years do you think it will take before this question can be resolved? What is the Coast Guard planning to do to resolve this question?

Admiral Hayes. The proposed rulemaking described the results of studies as being "inconclusive" because adequate historical data is not available to make a statistically valid comparison of the actual operating experiences of small and large tankers in harbor areas replicating the geographic, environmental, and operational conditions that exist in the Puget Sound area. The CAORF study, which concludes that large tankers can navigate as safely as small tankers within the study region, did replicate Puget Sound operating conditions. However, this study was based on mathematical and computer generated data, and again cannot be described as statistically valid or "conclusive".

Another very significant reason why these studies cannot be categorized as "conclusive", is that different evaluators can and did generate widely differing conclusions based on the same data. It is not possible to specify a time that this question may be resolved. External factors such as the establishment of one of the proposed crude oil pipeline and terminal systems to service the local refineries and the mid-western states could reduce the requirement for any size of tankers to operate in Puget Sound. The Coast Guard plans to evaluate the effect of the requirements and limitations of these proposed regulations on vessel safety as well as the effectiveness of other requirements being developed for the safe operation of large vessels any where in the world. For example, foreign experience with large vessels suggests that multiple pilots and additional shiphandling training is essential for operating large vessels in confined waterways. The Coast Guard is examining the feasibility of developing emergency shiphandling simulator training programs for pilots which would be a prerequisite for bringing large ships in any U. S. port. Human engineering, in its infancy in the marine industry, is being actively studied in attempting to further answer this vexing question.

QUESTION: I am deeply concerned over what the recent loss of the CUYAHOGA will have on your overall training posture. Have you considered what you will do to replace this training capability, and if so, have you given thought to using something like the new 140' cutters now under construction.

ANSWER: Mr. Chairman, I too, am concerned over this training problem, and I think the 140' cutter would be an excellent replacement for the CUYAHOGA. In the near term, to try to keep our training level up, I am going to temporarily use one of our older 110 ft. icebreaking tugs. This is a compromise which will provide limited training capability. The age and space limitations of the 110' cutter makes this a temporary solution at best.

Senator Magnuson. The proposed rulemaking states, "As tanker sizes increase, there is a point at which it becomes increasingly difficult to determine proper control measures accurately, based solely on visual perception and human judgment. This point...appears to occur in the 100,000 to 200,000 DWT range." Doesn't this suggest that maximum tanker size standards do protect the environment?

Admiral Hayes. This statement is used in the proposed rulemaking as the basis for requiring more sophisticated navigational equipment on the larger tank vessels that can operate in the study area. An analogy can be made in the aviation industry where a large airliner is not considered less safe than a small light aircraft because it requires more sophisticated equipment to operate safely. The use of more sophisticated equipment on larger vessels makes their operation safer and comparable to smaller vessels as it reduces the human judgment factor which is a major contributing cause in most worldwide vessel casualty statistics.

Senator Magnuson. The definition of "VTS Area," in which these standards apply extend the standards to include tankers involved in the Northern Tier proposal. Would they also include tankers involved in Trans Mountain's proposal for a terminal at Low Point, which is west of Port Angeles?

Admiral Hayes. No, Low Point is not included within "VTS Area." The existing western limit of the "VTS Area," which remains unchanged in the present proposal, is Angeles Point. At the time the Coast Guard decided the proposed tank vessel regulations should be part of the vessel traffic management scheme provided within the "VTS Area," specific geographic commitments had not been made by either Northern Tier or Trans Mountain for their presently proposed sites. The Coast Guard invites and encourages comments concerning this proposal including recommendations concerning the specific geographic limits of applicability within the VTS Area for the proposed tank vessel regulations.

Senator Magnuson. Why didn't the Coast Guard include restrictions on tanker movement at night and during periods of limited visibility?

Admiral Hayes. Proposed § 161.107(a) provides that: "During conditions of vessel congestion, adverse weather, reduced visibility, or other hazardous circumstances in the VTS Area, the VTC may issue directions to control and supervise traffic, and may specify times when vessels may enter, move within or through, or depart from ports, harbors, or other waters in the VTS Area." It is felt that this section provides broad authority for the Coast Guard to control the movement of any vessel in the VTS Area taking into consideration all existing circumstances, and that this authority provides for safer and more responsible traffic management than prescribing limitations based solely on conditions of visibility.

Senator Magnuson. What actions has the Coast Guard taken since the sinking of the CUYAHOGA last year to assure that its training programs are safe and that such a tragedy will not be repeated?

Admiral Hayes. Following the accident a joint USCG/DOT assessment of Coast Guard afloat training was made and the findings, combined with those of the various investigations that were conducted after the incident, have resulted in a number of actions to improve the afloat training program and facilities. Among these actions are:

- a. Safety improvements to CGC EAGLE including improved watertight integrity, a damage-control book, and auxiliary propulsion system rehabilitation have been made or are programmed.

- b. The permanent crew size of CGC RELIANCE was increased to meet the servicewide standard for that class vessel. Extensive Yard availability was scheduled to resolve problem maintenance difficulties.

- c. All afloat training curricula have been revised to include survival training prior to embarkation in training vessels.

- d. A major study is in progress examining qualitative training factors, training needs, and training facilities. The study will be completed in the summer of 1979.

In addition, two schools that were planned prior to the CUYAHOGA incident will serve to improve the skill and professionalism of many of our sea going personnel. These new courses are Boatswains Mate "A" course (established) and Heavy Weather Coxswain course (planned).

Budgetary action necessary to accomplish the training improvements, that can only be done with additional resources, has been initiated.

Senator Magnuson. How has the Coast Guard responded to the GAO Study which criticized the Coast Guard's acquisition of 140-foot tugs for use on the East Coast? What has been the performance of these tugs?

Admiral Hayes. The Coast Guard feels that the GAO analysis is inconclusive with regard to the suitability of the 140-foot tug as a replacement for the east coast tugs. The GAO study did not fully consider the shortcomings of the present 110-foot tugs (e.g. inadequate towing ability and poor seakeeping capability) and future east coast operational requirements. The Coast Guard is reassessing its east coast mission requirements to determine if the 140-foot tug remains the proper replacement vessel for the medium harbor tugs.

Preliminary test results of the initial 140-foot tug in the Great Lakes indicate that she is meeting all design capabilities and may possibly exceed some design requirements. A final report of these tests will be issued later this summer when all the information and data have been carefully analyzed.

Senator Magnuson. Why is the Coast Guard considering decommissioning the lightship which is stationed at the Columbia River bar?

Admiral Hayes. We review and evaluate on a regular basis the aids to navigation system to assure that the mariner is receiving the greatest possible benefit from the way in which we use our limited resources. It was through such an evaluation of the aids which mark the Columbia River entrance that we determined that the lightship was no longer required. There are a number of other aids in the area which adequately serve the navigation needs, including area-wide Loran-C coverage, a 20-mile light and 50-mile radiobeacon at Cape Disappointment, and a 26-mile light at North Head. These aids used in conjunction with customary shipboard navigation devices such as radar and depth sounders provide sufficient navigation information to vessels approaching or exiting the river mouth. Our tentative plans are to replace the lightship with a lighted buoy equipped with a fog signal and a radar transponder. We have, in fact, replaced the lightship for several months each summer for the past four years with a lighted buoy while the lightship was undergoing scheduled maintenance. This, I believe, has demonstrated that our plan is sound. Over the past several years, we have replaced with buoys or decommissioned the majority of our formerly numerous lightships. This has been done without degrading essential service, and it has allowed the use of personnel billets in other important mission areas such as search and rescue, marine environmental protection and fisheries/law enforcement. I am confident that the outcome will be the same with our plan for the Columbia River entrance.

Senator Magnuson. What is the current status of the Coast Guard's program to expand the Puget Sound Vessel Traffic Service?

Admiral Hayes. The Puget Sound Vessel Traffic Service Radar Expansion Project is on schedule. Contracts for the radar and radar relay services will be awarded in June 1979. Installation will be completed by 15 December 1980. The Coast Guard has requested approval to reprogram \$1.3 million to cover increased costs related to site acquisition, preparation and construction. Further automation and traffic center renovation will be requested in the future.

Senator Magnuson. Has the Coast Guard considered replacing its aging 95-foot patrol boat? Please Explain.

Admiral Hayes. The Coast Guard has considered replacing the 95-foot patrol boats. In 1975, a program was envisioned to ensure the availability of a sufficient number of patrol boats to support operational requirements as the patrol boats were near or had exceeded the expected service life. Initial plans were to replace the 95-foot patrol boats with a new class of patrol boat. A study and analysis were conducted which indicated that the high cost and time needed to develop a new class of patrol boat could be avoided by modernization. The decision was made to modernize in a five year program all twenty six 95-foot patrol boats to extend service life ten years. Three boats have been modernized to date and completion of the program is currently expected by FY84.

Senator Magnuson. Has the Coast Guard's Foreign Tanker Inspection program been effective to insure compliance with our standards?

Admiral Hayes. Yes, the Foreign Tanker Inspection program has been effective in raising the overall safety of tankers calling at our ports. Every foreign tanker is examined at least once per year. Problem tankers are selected for more frequent examinations through the use of the Marine Safety Information System (MSIS). The following data reflects the results realized through the foreign tanker examination program:

1. In 2 years (77 & 78) 4225 examinations were conducted on 1600 different foreign flag tankers.
2. 46% of the exams - no deficiencies (1,934)
 - 9 ships denied entry into U.S.
 - 34 cases in which we intervened in tanker operations under international convention authority.
- 11,359 defects discovered (average 5/ship of those having deficiencies.)
3. The vessels examined represented 46 flag nations.

Flag Nations	Vessels Examined % of total	Deficiencies % of total
Liberia	34.9%	33.7%
Greece	15.1%	22.7%
Norway	11.0%	11.4%
United Kingdom	7.8%	6.4%
Panama	7.1%	6.0%
Singapore	3.1%	1.4%
Japan	2.8%	2.9%
39 others	18.2%	15.5%

4. Largest group of tankers was 20,000 to 40,000 DWT, averaging 10 years old. 54% of the tankers over 10 yrs old accounted for 71.3% of the deficiencies.

5. Cargo ventilation defects accounted for 3474 discrepancies of the total. Piping and Cargo handling systems accounted for 25%. Navigation equipment 12%, others widely disbursed among such things as fire protection, electrical, structural, personnel protection and navigation equipment.

Senator Magnuson. What has been the record of the Coast Guard's fisheries enforcement program in the last year? Will this program be expanding in the future?

Admiral Hayes. Fisheries law enforcement continues to be a highly demanding and active program for the Coast Guard. The majority of our operations in calendar 1978 were associated with the Fishery Conservation and Management Act of 1976 (FCMA). By concentrating our efforts to the active fishing areas within the 200-mile fishery conservation zone, Coast Guard law enforcement personnel conducted 1200 boardings of foreign fishing vessels. Concurrently, some 1400 boardings and inspections were conducted aboard domestic fishing vessels which were subject to FCMA jurisdiction under approved fishery management plans. (A statistical abstract of Coast Guard FCMA enforcement operations for 1978 follows.)

	<u>ATLANTIC AREA</u>	<u>PACIFIC AREA</u>	<u>TOTAL</u>
<u>Foreign Fishing Vessels</u>			
Boardings Conducted.....	323.....	877.....	1,200
Citations Issued.....	110.....	96.....	206
Reports of Violations Issued.....	46.....	48.....	94
Seizures Effectuated.....	6.....	4.....	10
Penalties Collected from			
Seizure Cases.....	\$421,600.....	\$261,000.....	\$682,600
<u>Domestic Fishing Vessels</u>			
Boardings Conducted.....	927.....	500.....	1,427
Citations Issued.....	38.....	5.....	43
Reports of Violations Issued.....	35.....	12.....	47
Seizures Effectuated.....	0.....	0.....	0

In addition to the concern for FCMA enforcement, we continue to enforce various statutes regarding marine mammals, endangered species, marine sanctuaries, and international agreements regarding salmon, halibut and highly migratory species of tuna.

The Coast Guard was also very active in the patrol of the Washington State salmon fisheries in 1978. These operations, occurring primarily in the Strait of Juan de Fuca/Puget Sound area, involved more than 2,700 vessel and aircraft resource hours and nearly 15,200 operational man-hours in the enforcement of the Sockeye and Pink Salmon Act of 1947 (16 U.S.C. 776) and several court orders and injunctions --issued by the Federal District Court of Western Washington--which were designed to manage and protect the salmon fisheries as well as to allow "treaty Indian" access to their share, as determined by the Court. Coast Guard boarding officers issued 38 citations for violations of the Salmon Act and 271 contempt of court citations for violations of the Court's orders.

In looking to the future, it is my judgment that our fisheries law enforcement program will, of necessity, expand. I make this statement in the light of our experiences during the first two years of FCMA enforcement and in recognition of the growing national concern for the protection of the marine environment in general and the conservation and management of its resources in particular. The continuing introduction of new or revised fishery management plans which govern domestic fishing activities will undoubtedly require at-sea enforcement to give them proper effect. There are eight such plans at the moment; it is anticipated that in excess of fifty will enter into effect within the next twelve to eighteen months. If the new plans contain the fishery management techniques reflected in the existing plans, their requirement for at-sea enforcement by the Coast

Guard will exceed any reduction in FCMA enforcement activity associated with the expected gradual decline in foreign fishing operations within the fishery conservation zone. Programs designed to protect marine mammals and endangered species are being expanded; the same is true with regard to the marine sanctuaries program. In the international arena, I would expect that current initiatives to provide for the rational management of highly migratory and anadromous species of fish will come to fruition within the not too distant future. These developments, coupled with the growth of various offshore enterprises within the 200-mile zone--oil and gas exploration and seabed mining, for example--will require the at-sea capabilities and law enforcement expertise of the Coast Guard. With this in mind, and in an effort to meet our mandated responsibilities as the plenary maritime law enforcement organization for the United States, we are working internally and in cooperation with the other agencies involved to assess and plan for the projected activity in the maritime areas of concern to the United States.

Senator Magnuson. What is the status of Tank Barge Standards which the Coast Guard has been developing?

Admiral Hayes. A notice of proposed rulemaking (NPRM) for new tank barges and an advance notice of proposed rulemaking (ANPRM) for existing tank barges which carry oil in bulk will be published in May 1979.

The NPRM for new tank barges will require double hulls on all new tank barges which carry oil in bulk that are less than 20,000 DWT and carry crude oil, or less than 30,000 DWT and carry oil products and are constructed or converted to oil service after December 31, 1979.

The ANPRM for existing tank barges is a detailed proposal for phasing the tank barges out of service. A detailed proposal is considered necessary to stimulate comments from the public. The proposal includes:

1. Single hull tank barges more than 20 years old would not be certificated for the carriage of oil after 1985 with a few exceptions;
2. Barges that have been constructed with double sides and single bottoms and single sides, or independent tanks would continue in operation;
3. Barges converted as above, before the barge is 20 years of age and before December 31, 1985, would continue in service;
4. The Coast Guard will look at specific cargoes (e.g. asphalts, waxes) to see if some cargoes having properties which would inhibit their release in case of damage can be carried in single hull barges;
5. The Coast Guard will look at specific areas where barges are not fleeted and the nature of their operations. If physical characteristics of the total waterway are considered sufficiently safe, then a single hull barge could operate with minimal probability of pollution due to hull damage.

Senator Magnuson: What is the status of the Coast Guard's regulations regarding Liquefied Gas facilities?

Admiral Hayes: July 1979 is the target date for a notice of proposed rule making which will include liquefied gas terminals. Then, July 1980 is the target date for publication of final rules. The Liquefied gas portion of comprehensive waterfront facility regulations is now being drafted.

Senator Magnuson: What are the Coast Guard's funding requirements to fulfill its responsibilities under the OCS Lands Act Amendments?

Admiral Hayes: The first year costs are estimated at \$2,674,000 and \$3,000,000 AC&I, which includes 65 military and 20 civilians. A three year phase-in is planned because new marine inspectors have to be obtained and trained, and our support needs also have to be sequentially staged. Three year appropriation outlays will most likely total about \$9,950,000, which will provide 247 military, 28 civilians; also training, helicopter transportation, personnel documentation and program administration costs. The Title III Oil Spill Pollution Fund Budget includes 28 positions and billets for field and central administration staff, and an appropriation of \$12,000,000 plus authority to borrow an additional \$2,000,000.

Senator Magnuson. What are the reasons for the proposal in the Administration's bill to authorize the Coast Guard to collect inspection fees from foreign vessels not covered by last year's Tanker Safety Act?

Admiral Hayes. The proposal in the Administration's bill does not relate to foreign vessels but to all U.S. vessels which are constructed, repaired or drydocked outside of the Continental United States. These vessels are required to be inspected to remain in compliance with the laws of the United States. So long as these vessels engage only in foreign trade, there are no restrictions on foreign construction insofar as the vessel documentation laws are concerned. Changing trade patterns have led to a proliferation of construction and overhaul in foreign shipyards. In some cases these vessels, although manned by U.S. crews and documented in the U.S., never return to U.S. ports. The extraordinary cost associated with an inspection outside of the Continental U.S. (Travel/per diem, overseas allowances, and permanent change of station costs) are burdensome within our budgetary limits. The Administration's bill is consistent with government policy of charging for special service performed for an identifiable segment of the public. As the Tanker Safety Act addresses fees for these services when applied only to tankers, the Administration's bill will make this uniform for all U.S. vessels inspected outside of the Continental U.S.

Senator Magnuson: What would the Coast Guard's position be with respect to a proposal requiring it to purchase all of its vessels from American shipbuilders?

Admiral Hayes: Limiting purchase of vessels is a complex question and is probably beyond the cognizance of the Coast Guard. My personal inclination would be to have the vessels constructed in U.S. shipyards. My official concern is to get the best overall price for the taxpayer. To do this we cannot look simply to original construction costs; but must rather look to full life cycle costs including maintaining these ships for perhaps a 40 year period. Maintaining a ship built with material and parts procured in the U.S. has to be more economical and efficient than maintaining a vessel constructed outside of the U.S.

I must also comment that it seems strange to contemplate having our cutters constructed in foreign yards when the Jones Act requires commercial vessels involved in coastwise trade to be U.S. built.

Senator Magnuson. Why does the Coast Guard want to enter into a multi-year contract for the purchase of Medium Endurance Cutters?

Admiral Hayes. In procuring a large class of ships, the single, multi-year contract approach means real savings for the taxpayer and long term savings for the Coast Guard due to the high degree of standardization achieved within the class.

A single multi-year contract for an entire class takes advantage of the low unit cost which is achievable in large quantity purchases. It also avoids the need for unusually large sums of money at the time of award thus minimum tax money is put on the shelf just to make the award.

The contractor has the assurance of a long term, fixed quantity contract, and is able to take maximum advantage of the cost savings available in learning and production techniques. These are passed on to the government in the bid prices if good competition exists and large quantity buys tend to encourage bid participation. The contractor is protected by the government's agreement to pay significant penalties if it chooses to cancel a portion of the order subsequent to award.

On the other hand, the government achieves significant unit cost savings due to the large quantity buy, avoids needless reprocurement costs, administers a single contract more effectively and at less cost than would be expected with several contracts, and enjoys the long term cost benefits of maximum ship class standardization. For example, if we were to procure just five 270' WMEC's rather than carry out our plan to procure 9 on a single multi-year contract, we expect the unit cost to be about \$1.7 million more for each of these five ships. Further, we expect that the nine ships would cost about \$35.6 million more if they were purchased on two contracts of five and four respectively, rather than on the single multi-year contract.

