

**REVIEW OF FISCAL YEAR 2025 MARITIME TRANSPORTATION BUDGET REQUESTS, PT. 2: THE COAST GUARD**

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(118-59)

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

SECOND SESSION

MAY 23, 2024

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<sup>†</sup> Master Chief Heath B. Jones did not submit a prepared statement for the record.





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

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MAY 17, 2024

**SUMMARY OF SUBJECT MATTER**

TO: Members, Subcommittee on Coast Guard and Maritime Transportation  
FROM: Staff, Subcommittee on Coast Guard and Maritime Transportation  
RE: Coast Guard and Maritime Transportation Subcommittee Hearing on  
“Review of the Fiscal Year 2025 Maritime Transportation Budget Requests, Pt 2: The Coast Guard”

I. PURPOSE

The Subcommittee on Coast Guard and Maritime Transportation of the Committee on Transportation and Infrastructure will hold a hearing on Thursday, May 23, 2024, at 10:00 a.m. EDT in 2167 Rayburn House Office Building to receive testimony on the President’s Fiscal Year (FY) 2025 Budget Request for the United States Coast Guard (Coast Guard or Service). The Subcommittee will hear testimony from the Commandant and Master Chief Petty Officer of the United States Coast Guard.

II. BACKGROUND

The Coast Guard was established on January 28, 1915, through the consolidation of the Revenue Cutter Service (established in 1790) and the Lifesaving Service (established in 1848).<sup>1</sup> The Coast Guard later assumed the duties of three other agencies: the Lighthouse Service (established in 1789), the Steamboat Inspection Service (established in 1838), and the Bureau of Navigation (established in 1884).<sup>2</sup>

Under Section 102 of Title 14, United States Code, the Coast Guard has primary responsibility to enforce or assist in the enforcement of all applicable Federal laws on, under, and over the high seas and waters subject to the jurisdiction of the United States; to ensure the safety of life and property at sea; to carry out domestic and international icebreaking activities; and, as one of the six armed forces of the United States, to maintain defense readiness to operate as a specialized service in the Navy upon the declaration of war or when the President directs.<sup>3</sup> Its 11 statutory missions are codified in the Homeland Security Act of 2002: Ports, Waterways and Coastal Security; Drug Interdiction; Aids to Navigation; Search and Rescue; Living Marine Resources; Marine Safety; Defense Readiness; Migrant Interdiction; Maritime Environmental Protection; Polar, Ice, and Alaska Operations; and Law Enforcement.<sup>4</sup>

<sup>1</sup> UNITED STATES COAST GUARD, *History Timeline*, available at <https://www.history.uscg.mil/home/history-program/>.

<sup>2</sup> *Id.*

<sup>3</sup> 14 U.S.C. § 102.

<sup>4</sup> 6 U.S.C. § 468.

The Coast Guard is directed by a Commandant appointed by the President, with the advice and consent of the Senate, to a four-year term.<sup>5</sup> Admiral Linda L. Fagan was sworn in as the 27th Commandant of the Coast Guard in June 2022.<sup>6</sup> The Commandant selects a Master Chief Petty Officer of the Coast Guard, who is her principal advisor on enlisted personnel matters.<sup>7</sup> Master Chief Heath Jones assumed the duties of the 14th Master Chief Petty Officer of the Coast Guard on May 19, 2022.<sup>8</sup>

### III. BUDGET FOR THE COAST GUARD

The President's FY 2025 budget request for the Coast Guard and the FY 2024 enacted funding levels are shown below.<sup>9</sup> A comparison to the FY 2024 and FY2025 authorized levels as reported out of the Transportation and Infrastructure Committee (T&I) and as passed by the House of Representatives, respectively, is included in Appendix I.

#### Coast Guard FY 2024 Enacted to FY 2025 President's Budget Request Comparison

(Dollars in Thousands)

Program	FY 2024 Enacted	President's FY 2025 Budget Request	FY 2024 to FY 2025 Change (\$)	FY 2024 to FY 2025 Change (%)
Operations and Support (O&S) .....	\$ 10,054,771	\$ 10,466,283	\$ 411,512	4.1%
Medicare-Eligible Retiree Health Care Fund (MERHCF) .....	\$ 277,000	\$ 281,851	\$ 4,851	1.8%
Procurement, Construction and Improvements (PC&I) ...	\$ 1,413,950	\$ 1,564,650	\$ 150,700	10.7%
Research and Development (R&D) .....	\$ 7,476	\$ 6,763	\$ (713)	-9.5%
Housing Fund † .....	\$ 4,000	\$ 4,000	\$ -	0%
Subtotal, Discretionary .....	\$ 11,753,197	\$ 12,319,547	\$ 566,350	4.8%
Retired Pay .....	\$ 1,147,244	\$ 1,210,840	\$ 63,596	5.5%
State Boating Safety Grants .....	\$ 144,340	\$ 144,480	\$ 140	0.1%
Maritime Oil Spill Program .....	\$ 101,000	\$ 101,000	\$ -	0%
General Gift Funds .....	\$ 2,864	\$ 2,864	\$ -	0%
Subtotal, Mandatory .....	\$ 1,395,448	\$ 1,459,184	\$ 63,736	4.6%
Total, Coast Guard .....	\$ 13,148,645	\$ 13,778,713	\$ 630,086	4.8%

† Housing Funds are classified as a discretionary offsetting fee, meaning net spending totals to \$0, in the Coast Guard Congressional Justification. This figure reflects the spending of these collections. Housing Funds appear as Administrative Provisions in the Joint Explanatory Statement as multiple line items.

#### FY 2025 COAST GUARD BUDGET REQUEST:

The President requests \$13.8 billion for FY 2025 for the activities of the Coast Guard, including \$12.3 billion in total discretionary funding.<sup>10</sup> The FY 2025 request for discretionary funding represents an increase of \$566 million (4.8 percent) from the FY 2024 enacted level. H.R. 7659, as passed by the House of Representatives on May 14, 2024, authorizes \$14.8 billion in discretionary funding for FY 2025.<sup>11</sup>

#### OPERATIONS AND SUPPORT (O&S):

The President requests \$10.47 billion for the O&S account for FY 2025, a \$412 million (4.1 percent) increase from the FY 2024 enacted level.<sup>12</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$11.3 billion for the O&S ac-

<sup>5</sup> 14 U.S.C. § 302.

<sup>6</sup> UNITED STATES COAST GUARD, *Biographies*, available at <https://www.uscg.mil/leadership/Senior-Leadership/MCPOCG/>.

<sup>7</sup> UNITED STATES COAST GUARD, *Senior Coast Guard Leadership*, available at <https://www.uscg.mil/Biographies/Display/Article/3048180/admiral-linda-l-fagan/>.

<sup>8</sup> *Id.*

<sup>9</sup> UNITED STATES COAST GUARD, FY 2025 CONGRESSIONAL BUDGET JUSTIFICATION (2024), available at [https://www.dhs.gov/sites/default/files/2024-04/2024\\_0322\\_us\\_coast\\_guard.pdf](https://www.dhs.gov/sites/default/files/2024-04/2024_0322_us_coast_guard.pdf) [hereinafter BUDGET JUSTIFICATION]; Consolidated Appropriations Act, 2024, Pub. L. No. 118-47 [hereinafter 2024 CAA].

<sup>10</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>11</sup> Coast Guard Authorization Act of 2024, H.R. 7659, 118th Cong. (2024) (noting this legislation was passed out of the House of Representatives on May 14, 2024) [hereinafter CGAA 2024].

<sup>12</sup> BUDGET JUSTIFICATION, *supra* note 9.

count for FY 2025.<sup>13</sup> The O&S account supports the day-to-day activities of the Coast Guard including administrative expenses, support costs, travel, lease payments, and the operation and maintenance of infrastructure and assets. The O&S account also funds personnel compensation and benefits for approximately 44,000 military personnel and 9,000 civilian employees.<sup>14</sup> Included in this request is \$5.5 billion for military pay and personnel support, \$439 million for mission support, including enterprise management and environmental compliance and restoration, and \$4.5 billion for field operations.<sup>15</sup>

The O&S budget request includes increases in funding to cover follow-on costs for the operation and maintenance of newly acquired assets and technology and increases in other administrative expenses.<sup>16</sup> This includes \$40 million for personnel and operations and maintenance sustainment funding for new cutters, boats, aircraft and capabilities—six Fast Response cutters; four MH-60 helicopters; eight Maritime Security Response Team boats; shoreside maintenance and support personnel for Offshore Patrol Cutters #3 and #4; crew for Waterways Commerce Cutter #1; and four hyperbaric recompression chambers. The President’s budget also requests \$10 million for the operations and maintenance of newly acquired or recapitalized shore facilities in Puerto Rico, Florida, New York, and Maryland.<sup>17</sup>

The President’s budget requests \$1.8 million in additional resources to field the investigators and legal personnel necessary to improve the Coast Guard’s ability to combat sexual misconduct and enabling behaviors in the maritime community.<sup>18</sup> It also requests \$4.9 million in additional resources to support the transformation of the mariner credentialing program, \$4.2 million for the purchase of body worn cameras, and \$22 million in additional resources for additional Fast Response Cutter mission support and personnel to increase engagement in the Indo-Pacific region.<sup>19</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$11 million to fund the acquisition, development, and implementation of a new credentialing system for the Merchant Mariner credentialing program.<sup>20</sup>

The proposed O&S increases are offset in part by proposed cuts derived through program decreases totaling \$84.9 million and decommissioning and retiring certain legacy assets for \$24.3 million, which will result in a total cost savings of \$109 million and 995 full-time equivalent positions.<sup>21</sup> Specifically, the FY 2025 budget request proposes program decreases of \$17 million for the National Coast Guard Museum, \$55 million for military workforce gap temporary reduction, \$4.6 million in travel reductions, and \$7 million in contract reductions.<sup>22</sup> It also proposes the decommissioning of:

- One 210-foot Reliance Class Medium Endurance Cutter (\$10 million);
- One 110-foot legacy Island Class Patrol Boat (\$2.7 million);
- Eight MH-65 helicopters in Kodiak (\$9.4 million); and
- Temporary disestablishment of a 175-foot legacy Keeper Class Crew (\$2.0 million).<sup>23</sup>

*PROCUREMENT, CONSTRUCTION, AND IMPROVEMENTS (PC&I):*

The President requests \$1.56 billion for the PC&I account, a \$151 million (10.7 percent) increase over the FY 2024 enacted level.<sup>24</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$3.5 billion for the PC&I account for FY 2025.<sup>25</sup> The PC&I account funds the acquisition, procurement, construction, rebuilding, and physical improvements of Coast Guard owned and operated vessels, aircraft, facilities, aids-to-navigation (ATON), communications and information technology systems, and related equipment.<sup>26</sup> Specifically, the budget request includes

<sup>13</sup> CGAA 2024, *supra* note 11.

<sup>14</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> UNITED STATES COAST GUARD FACT SHEET, FY 2025 PRESIDENT’S BUDGET, *available at* <https://www.uscg.mil/Portals/0/documents/budget/2025/FY%202025%20Budget%20Fact%20Sheet.pdf>.

<sup>18</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>19</sup> *Id.*

<sup>20</sup> CGAA 2024, *supra* note 11.

<sup>21</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> *Id.*

<sup>25</sup> CGAA 2024, *supra* note 11.

<sup>26</sup> BUDGET JUSTIFICATION, *supra* note 9.

funding requests for sustainment and acquisition of several assets under PC&I which are broken down below.<sup>27</sup>

#### *In-Service Vessel Sustainment*

Major Maintenance Availabilities (MMA) ensure in-service vessels continue to meet their designed service life through the recapitalization of hull, mechanical, electrical and electronic systems that have been identified as the highest contributors to maintenance costs and operational availability degradation.<sup>28</sup> Service Life Extension Programs (SLEPs) increase the service life of in-service vessels without significantly modifying capabilities. The budget requests: \$148 million for in-service vessel sustainment, including \$36 million for 47-ft Motor Life Boat SLEP; \$65 million for 270-ft Medium Endurance Cutter SLEP; \$15 million for 175-ft Coastal Buoy Tender MMA; and \$20 million for CGC Healy SLEP, and \$12 million for a National Security Cutter.<sup>29</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$36 million for the service life extension program and any necessary upgrades to the 47-foot Motor Life Boat.<sup>30</sup>

#### *National Security Cutter (NSC)*

The budget requests \$7 million for post-delivery of an 11th NSC and program close-out costs.<sup>31</sup> The Coast Guard's Program of Record (POR) originally called for eight NSCs to replace the Service's fleet of twelve high endurance cutters.<sup>32</sup> The NSCs were originally intended to operate in excess of 185 days per year to maximize operational capability, but based on crewing and maintenance concerns, the Coast Guard now intends to operate the vessels for a maximum of 185 days per year.<sup>33</sup> Congress has funded eleven vessels.<sup>34</sup> The tenth vessel is scheduled for delivery later this year.<sup>35</sup>

#### *Offshore Patrol Cutter (OPC)*

The budget requests \$530 million for the construction of OPC #7 and Long Lead Time Materials (LLTMs) for OPC #8.<sup>36</sup> The Coast Guard's POR calls for 25 OPCs to replace the Service's aging fleet of 29 Medium Endurance Cutters (WMECs).<sup>37</sup> Delivery of the first OPC is expected later in 2024, and delivery of the second vessel is expected next year.<sup>38</sup>

#### *Fast Response Cutter (FRC)*

The budget requests \$216 million for two FRCs to support the Service's operations in the Indo-Pacific.<sup>39</sup> The final two boats of the program would bring the program total to 69 FRCs to replace the Service's fleet of 110-ft Island Class Patrol Boats (WPBs). To date, 54 vessels have been delivered.<sup>40</sup> Delivery of hulls 55 through 57 is anticipated to occur in FY 2023.<sup>41</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$216 million for the acquisition of two Fast Response Cutters.<sup>42</sup>

#### *Polar Security Cutter (PSC)*

The budget does not call for additional funding for FY 2025 for the PSC.<sup>43</sup> Sustainment of the program will occur with prior years authorized funds.<sup>44</sup> The Service's POR calls for three PSCs to replace the service's two heavy icebreakers—only one of which is still operational. The first PSC was expected to be delivered

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*

<sup>29</sup> *Id.*

<sup>30</sup> CGAA 2024, *supra* note 11.

<sup>31</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>32</sup> CONG. RESEARCH SERV., R42567, COAST GUARD CUTTER PROCUREMENT: BACKGROUND AND ISSUES FOR CONGRESS (2023), available at <https://crsreports.congress.gov/product/pdf/R/R42567>.

<sup>33</sup> UNITED STATES COAST GUARD, REPORT TO CONGRESS: ANALYZING COST AND PERFORMANCE FOR NATIONAL SECURITY CUTTER OPERATIONAL EMPLOYMENT (on file with Comm.).

<sup>34</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>35</sup> *Id.*

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> *Id.*

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> CGAA 2024, *supra* note 11.

<sup>43</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>44</sup> *Id.*



in 2027.<sup>45</sup> However, at best, the first hull will likely not be delivered until the end of the decade.<sup>46</sup> The program suffers from significant delays, and the Coast Guard has failed to produce an updated cost estimate or delivery estimate to the Committee.

#### *Waterways Commerce Cutter Program*

The budget requests \$135 million to support project management and production activities associated with the current recapitalization of the Coast Guard's fleet of inland tenders and barges.<sup>47</sup>

#### *Aircraft*

The budget requests \$205.9 million for aircraft, which includes funding and sustainment of the HC-27Js received from the United States Air Force, missionization for the HC-130J aircraft, sustainment of MH-65 and MH-60 helicopters, and installation of small unmanned aircraft systems (UAS) capability on the NSC fleet.<sup>48</sup> In its Unfunded Priority List (UPL), the Coast Guard included \$138.5 million for the purchase of one missionized HC-130J.<sup>49</sup>

#### *Other Acquisition Programs*

The budget requests \$141.7 million for other acquisition programs, including investments in the Service's antiquated IT technology.<sup>50</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$36.3 million to modernize IT technology.<sup>51</sup>

#### *Construction and Facilities Maintenance*

The budget request also includes \$166.75 million for shore facilities and ATON.<sup>52</sup> This request is a decrease of approximately \$248 million from the FY 2024 enacted level.<sup>53</sup> The Coast Guard estimates that there is a \$1 billion deferred shore facility maintenance backlog, while the Government Accountability Office (GAO) approximated that number at \$2.6 billion in February 2019 (likely higher today).<sup>54</sup> As of 2018, the deferred maintenance backlog included more than 5,600 projects, while the recapitalization and new construction backlog included 125 projects.<sup>55</sup> GAO's analysis of Coast Guard data found that as of November 2018, there were hundreds of recapitalization projects without cost estimates—representing a majority of recapitalization projects.<sup>56</sup> Coast Guard officials told GAO that these projects were in the preliminary stages of development.<sup>57</sup> From that report, GAO recommended that the Commandant of the Coast Guard employ models for its asset lines to predict the outcome of investments, analyze trade-offs, and optimize decisions among competing investments.<sup>58</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$500 million to fund maintenance, construction, and repairs for Coast Guard shoreside infrastructure.<sup>59</sup> Of this amount, \$225 million is authorized for the improvements to facilities at Training Center Cape May, \$10 million to create an infrastructure development plan for the Coast Guard Academy, \$50 million to complete repairs and improvements of Chase Hall at the Academy, \$70 million for a floating drydock at Coast Guard yard in Baltimore, \$40 million for a HC-130J

<sup>45</sup> CONG. RESEARCH SERV., R34391, COAST GUARD POLAR SECURITY CUTTER PROGRAM: BACKGROUND AND ISSUES FOR CONGRESS (2023), available at <https://crsreports.congress.gov/product/pdf/RL/RL34391>.

<sup>46</sup> Allyson Park, *Coast Guard Reevaluating Polar Security Cutter Schedule (Mar. 20, 2024)*, NATIONAL DEFENSE, available at: <https://www.nationaldefensemagazine.org/articles/2024/3/20/just-in-coast-guard-reevaluating-polar-security-cutter-schedule>.

<sup>47</sup> *Id.*

<sup>48</sup> *Id.*

<sup>49</sup> UNITED STATES COAST GUARD, FY 2024 UNFUNDED PRIORITIES LIST (2023), available at [https://www.uscg.mil/Portals/0/documents/budget/2025/USCG\\_Unfunded%20Priorities%20List%20\(FY2025\).pdf](https://www.uscg.mil/Portals/0/documents/budget/2025/USCG_Unfunded%20Priorities%20List%20(FY2025).pdf) [hereinafter 2025 UPL].

<sup>50</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>51</sup> CGAA 2024, *supra* note 11.

<sup>52</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>53</sup> 2024 CAA, *supra* note 9.

<sup>54</sup> GAO, GAO-19-711T, COAST GUARD SHORE INFRASTRUCTURE: ACTIONS NEEDED TO BETTER MANAGE ASSETS AND REDUCE RISKS AND COSTS (2019), available at <https://www.gao.gov/assets/gao-19-711t.pdf>.

<sup>55</sup> *Id.*

<sup>56</sup> *Id.*

<sup>57</sup> *Id.*

<sup>58</sup> *Id.*

<sup>59</sup> CGAA 2024, *supra* note 11.

Hangar at Air Station Barbers Point in Hawaii, and \$90 million for waterfront improvements of Base Seattle.<sup>60</sup>

*RESEARCH AND DEVELOPMENT (R&D):*

The President requests \$6.76 million in FY 2025 for the Coast Guard's R&D account, which represents a \$713,000 reduction compared to the previous year's request.<sup>61</sup> H.R. 7659, as passed by the House of Representatives, authorizes \$15.4 million for the R&D account for FY 2025.<sup>62</sup> The R&D account supports improved mission performance for the Service's 11 statutory missions through applied research and development of new technology and methods.

The Coast Guard intends to use the requested \$6.76 million in FY 2025 to develop technologies and systems that improve operational presence and response, including the use of uncrewed systems, polar operations, sensor optimization, automation and visualization, intelligence and cyber, and space based operations.<sup>63</sup> Of the funding, \$500,000 is derived from the Oil Spill Liability Trust Fund as authorized by the Oil Pollution Act of 1990 (33 U.S.C. § 2701–2761).<sup>64</sup>

IV. WITNESSES

- Admiral Linda L. Fagan, Commandant, United States Coast Guard
- Master Chief Heath B. Jones, Master Chief Petty Officer of the Coast Guard, United States Coast Guard

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<sup>60</sup> *Id.*

<sup>61</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>62</sup> CGAA 2024, *supra* note 11.

<sup>63</sup> BUDGET JUSTIFICATION, *supra* note 9.

<sup>64</sup> *Id.*

APPENDIX I: COAST GUARD FY 2024 ENACTED TO FY 2025 PRESIDENT'S BUDGET  
REQUEST COMPARISON

**Coast Guard FY 2024 Enacted to FY 2025 President's Budget Request Comparison**

(Dollars in Thousands)

Program	FY 2024 Authorized <sup>65</sup>	FY 2024 Enacted <sup>66</sup>	FY 2025 Authorized <sup>67</sup>	President's FY 2025 Budget Request <sup>68</sup>	FY 2024 to FY 2025 Change (\$)	FY 2024 to FY 2025 Change (%)
Operations and Support (O&S)	\$ 10,750,000	\$ 10,054,771	\$ 11,287,500	\$ 10,446,283	\$ 411,512	4.1%
Medicare-Eligible Retiree Health Care Fund (MERHCF) .....	\$	\$ 277,000	\$	\$ 281,851	\$ 4,851	1.8%
Procurement, Construction, and Improvements (PC&I) .....	\$ 3,477,600	\$ 1,413,950	\$ 3,477,600	\$ 1,564,650	\$ 150,700	10.7%
Research and Development (R&D) .....	\$ 14,681	\$ 7,476	\$ 15,415	\$ 6,763	\$ (713)	-9.5%
Housing Fund † .....	\$	\$ 4,000	\$	\$ 4,000	\$ -	0%
Subtotal, Discretionary .....	\$ 14,242,281	\$ 11,753,197	\$ 14,780,515	\$ 12,319,547	\$ 566,350	4.8%
Retired Pay .....	\$ 1,147,244	\$ 1,147,244	\$ 1,210,840	\$ 1,210,840	\$ 63,596	5.5%
State Boating Safety Grants .....	\$	\$ 144,340	\$	\$ 144,480	\$ 140	0.1%
Maritime Oil Spill Program .....	\$	\$ 101,000	\$	\$ 101,000	\$ -	0%
General Gift Funds .....	\$	\$ 2,864	\$	\$ 2,864	\$ -	0%
Subtotal, Mandatory .....	\$	\$ 1,395,448	\$	\$ 1,459,184	\$ 63,736	4.6%
Total .....	\$ 15,389,525	\$ 13,148,645	\$ 15,991,355	\$ 13,778,731	\$ 630,086	4.8%

† Housing Funds are classified as discretionary offsetting fees. This figure reflects the spending of these collections. Housing funds appear as Administrative Provisions in the Joint Explanatory Statement as multiple line items.

<sup>65</sup> Coast Guard Authorization Act of 2023, H.R. 2741 [118th Cong.]. This was reported with an amendment and committed to the House of Representatives on June 27, 2023, but never was passed into law.

<sup>66</sup> 2024 CAA, *supra* note 9.

<sup>67</sup> CGAA 2024, *supra* note 11.

<sup>68</sup> BUDGET JUSTIFICATION, *supra* note 9.



**REVIEW OF FISCAL YEAR 2025 MARITIME  
TRANSPORTATION BUDGET REQUESTS, PT.  
2: THE COAST GUARD**

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**THURSDAY, MAY 23, 2024**

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

The subcommittee met, pursuant to call, at 10:02 a.m., in room 2167 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 for the chairman to be authorized to declare a recess at any time during today's hearing.

Without objection, show that ordered.

I ask unanimous consent that the Members not on the subcommittee be permitted in the subcommittee today to ask questions.

Without objection, show that ordered.

As a reminder to the Members, to insert a document into the record, please also email it to DocumentsTI@mail.house.gov.

OK. I will now recognize myself for 5 minutes for the purpose of an opening statement.

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

Mr. WEBSTER OF FLORIDA. We meet today to receive testimony from the Coast Guard on the fiscal year 2025 budget request.

I would like to welcome our witnesses, Admiral Linda Fagan, who is the Commandant of the Coast Guard, and Master Chief Heath Jones, the Master Chief Petty Officer of the Coast Guard.

First, I would like to recognize the Coast Guard's leadership in recovery and response efforts for the Francis Scott Key Bridge collapse in Baltimore. I had a chance to go view that. That was pretty awesome. This reminds us of the vital importance of the Coast Guard in protecting our Nation's waterways. We are here today to discuss what the Coast Guard needs to continue that, providing that service.

While I applaud the increase in the President's budget for both the operations and support and the procurement, construction, and

improvements accounts, I urge funding levels in line with H.R. 7659, the Coast Guard Authorization Act of 2024, which recently passed the House. That measure authorizes nearly double the currently requested amount for new vessels, aircraft, IT, and shoreside infrastructure investments.

But even the House-passed authorization levels are not generous. Funding at that level would only stop the growth of the construction and maintenance backlog and fund those acquisition programs already approved by the Department of Homeland Security.

Admiral Fagan, during your address on the state of the Coast Guard, you rightly recognized your Service's funding challenges, admitting that your maintenance budget will only cover half of the planned cutter maintenance projects in 2024. I look forward to hearing you share what you are doing to address those challenges.

I also look forward to hearing the update about your recapitalization priorities, including plans for the Polar Security Cutter and shoreside infrastructure. This subcommittee has serious concerns about the combined budget impact of simultaneous construction of the Polar Security Cutters and construction of two Offshore Patrol Cutters per year for a decade starting in fiscal year 2026. I expect to hear from you today about your plan to move these programs forward.

Given the Coast Guard's current recruitment and retention challenges, I also look forward to hearing what the Coast Guard is doing to ensure that its members, who give so much to our country, have the buildings, facilities, and IT support they need and deserve.

The subcommittee greatly appreciates the hard work that the Coast Guard does every day. Just last month, a young Coast Guard pilot, Michael McCaslin, the brother of one of our T&I Committee staffers, rescued a pregnant woman on a cruise ship hundreds of miles off Puerto Rico. And just a few days ago, the Coast Guard rescued seven people from a vessel after it was disabled by a lightning strike that struck both the captain and the vessel off the coast of my home State of Florida. This demonstrates why you live up to your motto of *semper paratus*, and we just really appreciate that.

This subcommittee urges you to be straightforward with Congress about the Service's needs and ask for what you need to carry out that mission.

Thank you for your participation today. I look forward to your candid testimony.

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

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

I'd like to welcome our witnesses—Admiral Linda L. Fagan, the Commandant of the Coast Guard, and Master Chief Heath B. Jones, the Master Chief Petty Officer of the Coast Guard.

First, I'd like to recognize the Coast Guard's leadership in recovery and response efforts for the Francis Scott Key Bridge collapse in Baltimore. This reminds of us the vital importance of the Coast Guard in protecting our nation's waterways. We are here today to discuss what the Coast Guard needs to continue providing this service.

While I applaud the increase in the President's budget for both the Operations and Support and the Procurement, Construction and Improvements Accounts, I urge funding levels in line with H.R. 7659, the Coast Guard Authorization Act of 2024, which recently passed House. That measure authorizes nearly double the currently requested amount for new vessels, aircraft, IT and shoreside infrastructure investments.

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I also look forward to hearing an update about your recapitalization priorities, including plans for the polar security cutter and shoreside infrastructure. This subcommittee has serious concerns about the combined budget impact of simultaneous construction of the polar security cutters (PSC), and the construction of two Offshore Patrol Cutters per year for a decade starting in fiscal year 2026. I expect to hear from you today about your plan to move these programs forward.

Given the Coast Guard's current recruitment and retention challenges, I also look forward to hearing what the Coast Guard is doing to ensure its members, who give so much to their country, have the buildings, facilities, and IT support they need and deserve.

This subcommittee greatly appreciates the hard work the Coast Guard does every day. Just last month, a young Coast Guard pilot, Michael McCaslin, the brother of one of our T&I Committee staffers, rescued a pregnant woman on a cruise ship hundreds of miles off Puerto Rico. And just a few days ago the Coast Guard rescued seven people from a vessel after it was disabled by a lightning strike that struck both the captain and the vessel off the coast of my home state of Florida. This demonstrates why you live up to your motto of *semper paratus*.

This subcommittee urges you to be straightforward with Congress about the Service's needs and ask for what you need to carry out its missions. Thank you for participating today—I look forward to your candid testimony.

Mr. WEBSTER OF FLORIDA. I now recognize Ranking Member Carbajal for an opening statement for 5 minutes.

You are recognized.

Mr. CARBAJAL. Thank you, Mr. Chair.

Before I do that, I wanted to ask to be able to allow Ranking Member Larsen's statement to be submitted for the record.

Mr. WEBSTER OF FLORIDA. Without objection, show that ordered. [Mr. Larsen's prepared statement is on page 33.]

Mr. CARBAJAL. Thank you.

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

Mr. CARBAJAL. Thank you, Mr. Chair, for calling today's hearing on the fiscal year 2025 budget request for the U.S. Coast Guard.

Admiral Fagan and Master Chief Jones, while the Service is facing trying times, your leadership is instrumental in supporting Coasties. You have done an outstanding job leading the Service thus far, and I am confident that the Coast Guard has a bright future under your leadership.

We expect a lot from our Coasties. Recently, they have responded to the vessel collision and bridge collapse in Baltimore, delivered supplies to iced-in McMurdo Station in the Antarctic, and traversed the Taiwan Strait.

I was pleased that the fiscal year 2025 budget request included a slight increase in discretionary funding, but still more resources are needed to support the Service.

I have had the opportunity to visit numerous Coast Guard stations around the country. While the new cutters and aircraft I have seen are great, the people who are charged with operating those assets are certainly strained.

Coasties in many cases are working in subpar buildings. They are living hours away from their workplace due to insufficient housing allowances. They are not able to take time off because of workforce shortages. They often can't find quality childcare. And so on.

I have heard from servicemembers across the country about mental health concerns. Search and rescue, drug and migrant interdiction, and extended deployments can take a serious physical and mental toll. Coasties and their families deserve the highest level of medical care regardless of their geographic location.

If we don't take care of the Coasties, we cannot expect the same Coast Guard we have come to rely on. Search and rescue capacity will decline, more illegal drugs will make it across our borders, more environmental disasters will occur as a result of fewer vessel inspections and decreased response capacity.

Congress must do better.

The Commandant has said that the Coast Guard needs to be a \$20 billion Service by 2030, and I believe that should be the minimum.

Finally, I would be remiss if I didn't mention the Coast Guard's efforts to address sexual assault and sexual harassment and the culture change in the Service.

Turning a ship as old and large as the Coast Guard takes strong leadership, time, and commitment. I am pleased to witness strong leadership and commitment by Admiral Fagan and believe that the Service is on the right course. This committee continues to conduct vigorous oversight to ensure that the ship stays on course.

As we discuss the Coast Guard's budget and ongoing resource needs, I hope our witnesses will be candid. Congress and the American people need to know what will happen if the Coast Guard is not a \$20 billion Service by 2030.

Mr. Chairman, I yield back.

[Mr. Carbajal's prepared statement follows:]

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

Thank you, Chair Webster, for calling today's hearing on the fiscal year 2025 budget request for the U.S. Coast Guard.

Admiral Fagan and Master Chief Jones: while the Service is facing trying times, your leadership is instrumental in supporting Coasties. You've done an outstanding job leading the Service thus far, and I'm confident that the Coast Guard has a bright future.

We expect a lot from our Coasties. Recently, they have responded to the vessel collision and bridge collapse in Baltimore, delivered supplies to iced-in McMurdo Station in the Antarctic and traversed the Taiwan Strait.

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While the new cutters and aircraft I have seen are great, the people charged with operating those assets are strained.

Coasties, in many cases, are working in subpar buildings. They are living hours away from their workplace due to insufficient housing allowances. They're not able to take time off because of workforce shortages. They often can't find quality childcare.

I've heard from servicemembers across the country about mental health concerns. Search and rescue, drug and migrant interdiction and extended deployments can take a serious physical and mental toll. Coasties, and their families deserve the highest level of medical care regardless of their geographic location.

If we don't take care of the Coasties, we cannot expect the same Coast Guard we've come to rely on. Search and rescue capacity will decline. More illegal drugs will make it across our borders. More environmental disasters will occur as a result of fewer vessel inspections and decreased response capacity.

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Finally, I'd be remiss if I didn't mention the Coast Guard's efforts to address sexual assault and sexual harassment and culture change in the Service.

Turning a ship as old and large as the Coast Guard takes strong leadership, time, and commitment. I'm pleased to witness strong leadership and commitment by Admiral Fagan and believe that the Service is on the right course. This Committee will continue to conduct vigorous oversight to ensure that the ship stays on course.

As we discuss the Coast Guard's budget and ongoing resource needs, I hope our witnesses will be candid. Congress and the American people need to know what will happen if the Coast Guard is not a \$20 billion service by 2030.

Thank you, Chairman, and I yield back.

Mr. WEBSTER OF FLORIDA. Thank you very much.

I would again like to welcome our witnesses today and thank them for being here today. We really appreciate that.

I would like to take a moment to explain our lighting system, though it is familiar to everybody in the room, I think.

Red—well, we will start with green. Green means go, yellow means slow up, and red means stop.

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

Without objection, show that ordered.

I ask unanimous consent that the record of today's hearing remain open for such time as our witnesses have to provide answers to any questions that may be submitted in writing.

Without objection, show that ordered.

I ask unanimous consent that the record remain open for 15 days and that additional comments and information submitted by the Members or witnesses be included into the record of today's hearing.

Without objection, show that ordered.

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

And with that, Commandant, you are recognized for 5 minutes for your testimony.

**TESTIMONY OF ADMIRAL LINDA L. FAGAN, COMMANDANT, U.S. COAST GUARD; AND MASTER CHIEF HEATH B. JONES, MASTER CHIEF PETTY OFFICER OF THE COAST GUARD, U.S. COAST GUARD**

**TESTIMONY OF ADMIRAL LINDA L. FAGAN, COMMANDANT, U.S. COAST GUARD**

Admiral FAGAN. Good morning, Chair Webster, thank you. Ranking Member Carbajal, distinguished members of the subcommittee, thank you for the opportunity to testify today.

On behalf of the Service, I would like to thank you for your continued support for the Coast Guard, our workforce, and our families.

The work the Coast Guard does every day is critical to the Nation's success. We protect ports, waterways, and maritime commerce. We respond to crises like the Baltimore bridge collapse, hurricanes, and oilspills. We are at our best during those challenging leadership responses.

We are the world's experts at saving lives at sea. We fight criminals on the high seas, such as narcotics smugglers, human traffickers, and illegal fishermen.

We are present in the Arctic, the Indo-Pacific, and throughout the Western Hemisphere.

We work to protect U.S. national security every day. We work for the Joint Force, interagency, international allies and partners to respond to crises and enable responsible maritime governance and protect the rules-based international order.

We are in the news almost every day, and the story is our exceptional service to the Nation.

How do we do it? The answer is our people. Without their dedication, the ships or aircraft we are investing in don't move. Our people truly are the heart and soul of the Coast Guard.

But we must ensure that their needs are being met. We are at risk right now across the Service, and we need your support to ensure we continue to support our workforce to continue operations today and invest in the capabilities necessary for operations tomorrow.

Those investments reflect our need to be a \$20 billion Coast Guard by 2030, our need for 3-plus billion dollars in PC&I budget annually.

We need to invest in our talent management system, which has not changed in over 60 years, and continue to improve the support to our workforce and their families.

We are in a competition for talent, and our success relies on our ability to recruit and retain the best and brightest.

We must also provide our workforce the tools they need to be successful.

Last year, we celebrated a significant milestone in our acquisition portfolio as we launched the first Offshore Patrol Cutter, *Argus*.

My top acquisition priority is beginning construction on Polar Security Cutter, and the topline reality of the budget does not align with this priority.

Our procurement, construction, and improvements appropriation is at its lowest level in nearly a decade. To properly invest in our readiness today and for the future, the Coast Guard needs at least \$3 billion annually in PC&I.

We are extremely grateful to the committee for the \$3.4 billion in PC&I funding included in the Coast Guard Authorization Act which just passed the House a few weeks ago.

I am also concerned about our maintenance budget shortfall. We currently project our ship maintenance budget will only cover half our planned ship maintenance projects. We have similar shortfalls in infrastructure and aircraft accounts.

Deferring maintenance increases unplanned maintenance, disrupts work and training schedules, takes cutters and aircraft off operational mission. It reduces readiness and operational effectiveness.

Our people bear the burden of these unplanned repairs. They spend time scrambling to keep assets operational and defer their own time off and time with their families.

This isn't a notional problem in the future. It is the Coast Guard we are operating today.

Our crews put their lives on the line every day to protect our Nation and the public that we serve. We launch into the teeth of a hurricane, we respond to wildfires, we put ourselves at risk so that others may live, so that others may be saved, and so that we can prosper as a Nation.

We must invest in 2025 and beyond to generate sustained readiness and resilience while building the Coast Guard of the future.

Together, I am confident that we can meet the challenges facing the Service and ensure our workforce has the resources they need to accomplish their missions safely and effectively.

I look forward to your questions.

Thank you, Mr. Chairman.

[Admiral Fagan's prepared statement follows:]

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**Prepared Statement of Admiral Linda L. Fagan, Commandant,  
U.S. Coast Guard**

INTRODUCTION

Chairman Webster, Ranking Member Carbajal, and distinguished Members of the Subcommittee, thank you for inviting me to testify. I am grateful for your continuing support of the United States Coast Guard. Today, I look forward to discussing how the Administration's FY 2025 Budget request positions the Service to sustain recent strides in growing and supporting a resilient workforce, increases meaningful presence in the Indo-Pacific, enhances support for the maritime community, and delivers capable assets to the fleet, while building the Coast Guard of the future.

The Coast Guard remains the world's premier, multi-mission, maritime service responsible for the safety, security, and stewardship of the Nation's waters: we offer a unique and enduring value to the American public. At all times a military service and branch of the U.S. Armed Forces, a federal law enforcement agency, a first responder, a regulatory body, and a member of the U.S. Intelligence Community, the Coast Guard serves on the front lines for a Nation whose economic prosperity and national security are inextricably linked to the sea. This pivotal connection was highlighted on March 26th, when the M/V DALI allided with the Francis Scott Key Bridge in Baltimore, resulting in the devastating loss of six lives and continuing impacts to the Nation's most significant port for light vehicles and other critical cargoes. We are working closely with federal, state, and local partners to restore the

flow of commerce in this vital waterway and enable efficient operation of nearby ports and the Marine Transportation System.

Last year, your Coast Guard navigated unique challenges presented by our increasingly connected and rapidly changing world. In FY 2023, the Service saved over 5,500 lives, assisted over 40,000 people, and removed over 212,000 pounds of cocaine and 54,000 pounds of marijuana with an approximate wholesale value of \$2.9 billion. It responded to 28 weather or climate disaster events, protected 3.5 million square miles of Exclusive Economic Zone, and boarded over 50 foreign vessels to suppress illegal, unreported, and unregulated fishing. In the same year, the Coast Guard maintained nearly 45,000 buoys and beacons across the Marine Transportation System and conducted over 10,000 waterborne patrols to protect critical infrastructure and key resources. It also provided support to U.S. Central Command to advance security cooperation, maritime security, and counter-piracy objectives in the Arabian Gulf, and deployed the Nation's only two icebreakers—the cutters *Polar Star* and *Healy*—to further U.S. geopolitical, security, and economic interests in the High Latitudes.

The Coast Guard continued to serve as a highly effective partner, uniquely qualified to lead the interagency in multiple capacities, including incident response and search and rescue. In June 2023, the Coast Guard led search and recovery efforts for the missing submersible *Titan* in the Northern Atlantic. In August, crews from Coast Guard Station Maui rescued 17 people fleeing the fires that devastated the community of Lahaina. Coast Guard personnel also deployed in response to Hurricane Lee and Tropical Storm Idalia, saving or assisting 16 lives and rapidly restoring trade across the Marine Transportation System.

The Service safeguards our Marine Transportation System, a vital part of U.S. economic prosperity and national security. In February 2024, the President signed an Executive Order to bolster the Coast Guard's authority to directly address cyber threats and strengthen port security. To complement this action, the Service issued a Maritime Security Directive on cyber risk management actions for ship-to-shore cranes manufactured by People's Republic of China state-owned companies and published a Notice of Proposed Rulemaking (NPRM) on cybersecurity in the Marine Transportation System.

In addition to protecting our ports and maritime partners from evolving threats, we also began to expand our presence in the Indo-Pacific, a region vital to U.S. security, by homeporting the *Harriet Lane*, the Service's first dedicated Indo-Pacific Cutter, in Hawaii. This multi-mission cutter's presence in the region is already promoting maritime governance through meaningful engagements with regional allies and partners. During its first "Operation Blue Pacific" patrol, the *Harriet Lane* worked closely with Vanuatu, Fiji, Samoa, and other partners to complete numerous bilateral shiprider operations, advancing capacity building with island nations and upholding international rules-based order.

While I am incredibly proud of our Coast Guard Active Duty, Reserve, Civilian, and Auxiliary workforce and remain optimistic about our future, we must adapt to the growing demand for the Coast Guard in the face of evolving global threats. In order to transform our Service and continue to provide our unique capabilities to the American people, we need Congressional support.

The ability for the Coast Guard to generate sustained workforce and mission readiness is paramount to our ability to protect the Nation's maritime safety, security, and prosperity. The FY 2025 President's Budget provides needed investment in these areas and helps position the Coast Guard for the future.

#### GENERATE SUSTAINED WORKFORCE AND MISSION READINESS

##### *Workforce Readiness*

My highest priority remains modernizing our talent management system, which has not significantly changed in 75 years, to best recruit and retain our workforce in the 21st century. I am committed to fostering a Service culture that attracts the best talent and empowers a resilient force of Coast Guard women and men ready to take on tomorrow's challenges.

The FY 2025 budget requests \$160 million to bolster military and civilian pay and benefits; funding to enhance our culture through efforts related to integrated primary prevention (IPP), victim advocacy, anti-hate and anti-harassment prevention and response, and modernizing our officer evaluations system. Investments to expand our IPP program will promote prevention efforts across all harmful behaviors, to include sexual harassment and sexual assault, by facilitating the swift implementation of policies and procedures to ensure everyone experiences a workplace with enhanced protective factors and increased outreach. To further those efforts, support for our recently created Enterprise Victim Advocate role—the first of its kind across

the armed forces—will further advance the connection between victims of harmful behavior, stakeholder groups, and Coast Guard leadership. In addition to these strides for our workforce, the request provides \$7 million to bolster our workforce's support of the U.S. maritime community by fielding personnel to improve the Coast Guard's ability to combat sexual misconduct in the maritime industry and to support the transformation of the Mariner Credentialing Program.

#### *Mission Readiness*

The Coast Guard must continue to adapt to a constantly evolving environment and remain resilient to change. The demand for the Coast Guard has never been higher; we continue to demonstrate our value across the globe but increasingly so in the Indo-Pacific, where our unique capabilities position us to effectively and meaningfully advance U.S. strategy. Through foreign partner interactions and work with regional organizations, the Coast Guard is a relevant, non-escalatory resource which strengthens maritime governance, the rule of law, and democratic institutions.

The FY 2025 budget requests \$263 million to expand Coast Guard operations in the Indo-Pacific along three primary lines of effort: Increased Presence, Maritime Governance, and Meaningful Engagements. This investment includes the acquisition of two Fast Response Cutters (FRC) and the addition of a Marine Transportation System Assessment Team, a Maritime Engagement Team, and various regional liaisons and attachés, and will continue the Service's transition from episodic to persistent presence in the region.

The Coast Guard operates in dynamic conditions, and changes in the strategic environment impact our missions every day. Given evolving national security threats, we must prepare now for the challenges of tomorrow.

We will employ our assets and resources to the highest priority missions that we are uniquely capable to perform, build on our ability to lead in crisis, strengthen existing and forge new partnerships to improve global maritime governance, and safeguard a rapidly changing Marine Transportation System.

The FY 2025 budget requests funding for the operations, maintenance, crew, and mission support elements for six FRCs; shoreside maintenance and support personnel for Offshore Patrol Cutters (OPC) #3 and #4; crew for Waterways Commerce Cutter #1; funds to support four hyperbaric recompression chambers; and crew, operations, and maintenance for four MH-60T helicopters and eight Maritime Security Response Team boats. Additionally, the budget includes \$10 million for the operations and maintenance of newly acquired or recapitalized shore facilities.

#### BUILD THE COAST GUARD OF THE FUTURE

I remain steadfast in our commitment to ensure the Coast Guard has the capable, modern assets necessary to meet evolving mission demands.

#### *Surface*

The OPC is one of the Service's highest acquisition priorities and is absolutely vital to recapitalizing the capability provided by our legacy fleet of 210-foot and 270-foot Medium Endurance Cutters (MEC). In October 2023, the Service christened and launched the first hull in the class, the *Argus*—we look forward to continued progress on this critical class of vessels. The FY 2025 request provides \$530 million for construction of the seventh OPC and long lead time materials for the eighth cutter. The legacy assets the OPCs will replace have been workhorses for decades and continue to serve the Nation with distinction. Thirteen of these venerable cutters have been in operation for more than 50 years. The MEC fleet will only become more difficult and expensive to maintain, and we will continue to see decreasing readiness and operational availability.

The Service's other acquisition priority remains the Polar Security Cutter. In FY 2025 we expect to rely on prior appropriations to continue construction of the first hull. In future years it will be important that the Nation continue to invest in the heavy polar icebreakers that the United States needs to protect America's sovereign interests in the polar regions. These cutters are national assets, and revitalizing the defense industrial base to produce this first-in-class ship is a necessary investment that will pay dividends for decades.

Some of our inland tenders have been in service since the 1940s, maintaining both fixed and floating aids to navigation for the Marine Transportation System—the 25,000 miles of rivers and navigable channels that support \$5.4 trillion in annual commerce and 30 million jobs. The FY 2025 request for \$135 million supports program management, long lead time material for future hulls, and construction of three Waterways Commerce Cutters. These cutters—which will replace our legacy inland tender fleet—will feature modern designs for propulsion and crew habit-

ability to enable men and women to serve in the heartland, where they help ensure that some of America's most critical waterways remain navigable despite constantly changing conditions and water levels.

As we consider aging assets, one of the most critical elements of the Service's surface budget request is the In-Service Vessel Sustainment program. That request for \$148 million is vital to extending the service life of cutters and boats, including our 47' motor life boats, Coast Guard Cutter *Healy*—one of the Nation's two polar icebreakers—the 270' MECs, our 175' coastal buoy tenders, and even our 418' National Security Cutters. These upgrades provide legacy assets with modern capabilities, repair wear and tear on major systems, and overall deliver incredible return on investment.

The FRC is an incredibly capable asset, with a proven track record of successful mission execution around the globe. Our FRCs demonstrate endurance and agility in their near-shore operations but have also displayed an inimitable ability to patrol the Indo-Pacific and engage with our partners, increasing presence and promoting governance throughout the region. The FY 2025 request provides \$216 million to support the construction of two FRCs that will expand Coast Guard presence to support the Indo-Pacific Strategy of the United States. FRCs are uniquely equipped to conduct the types of engagements that support our partners, deter our adversaries, and promote good maritime governance in this vital region.

#### *Aviation Assets*

Coast Guard aviation is integral to accomplishing our wide spectrum of missions. Aviation assets and support infrastructure are, and will continue to be, a major target of future investments. The FY 2025 request includes \$206 million to recapitalize and sustain fixed and rotary-wing aircraft, including support for growth of the MH-60T helicopter fleet through the acquisition of four aircraft that will continue our transition away from the MH-65E as that aircraft reaches its end of service life in the late 2030s.

#### *Shore Infrastructure*

Shore facility recapitalization is critical to mission success. As the Service deploys new, more capable assets, infrastructure projects like pier construction, maintenance and industrial support buildings, and facilities that support our workforce cannot be viewed as optional. The FY 2025 request includes targeted investments to continue the buildout of Base Charleston, South Carolina; funds the construction of a FRC homeport in Astoria, Oregon; delivers new facilities for Sector Lower Mississippi in Memphis, Tennessee; and supports the buildout of Forward Operating Locations for FRCs in the Indo-Pacific. Given the Coast Guard's broad infrastructure needs, these investments are necessary to ensure the Service has the resilient infrastructure required to meet the operational demands of today and tomorrow.

#### CONCLUSION

The Coast Guard is the only military Service outside the Department of Defense and the only Armed Force that is primarily funded via non-defense appropriations. Funding the Coast Guard at the levels below those requested in this budget could jeopardize the long-term readiness of the Service, putting American lives, national security, and the Marine Transportation System at risk. I ask for your support to ensure the Coast Guard—like every U.S. Armed Force—has the resources necessary to safeguard the Nation.

Now is the time to move the U.S. Coast Guard forward. Our commitments at home to protect, defend, and save, grow every day, while demand for the Service around the globe has never been higher. To meet the rising challenges, we must invest to secure the Homeland and counter strategic competitors.

With the support of the Administration and Congress, your Coast Guard will continue to live up to our motto—*Semper Paratus*—Always Ready. Thank you for your enduring support.

Mr. WEBSTER OF FLORIDA. Thank you so much.  
Now, Master Chief Jones, you are recognized.

**TESTIMONY OF MASTER CHIEF HEATH B. JONES, MASTER CHIEF PETTY OFFICER OF THE COAST GUARD, U.S. COAST GUARD**

Master Chief JONES. Thank you, Mr. Chairman.

Good morning, Chairman Webster, Ranking Member Carbajal, and distinguished subcommittee members. It is an honor to appear before you as the Master Chief Petty Officer of the Coast Guard.

And as I begin, I would like to express my sincere appreciation, alongside Admiral Fagan, and on behalf of our dedicated Coast Guard sentinels, for your unwavering support of our workforce and their families.

Our workforce is the heart and soul of the Coast Guard, and their dedication and sacrifice to keeping our Nation safe and secure shows in their commitment to duty.

I want to echo the Commandant and clearly state to this committee and our entire workforce that we are committed to revitalizing our talent management system and to strengthening our Service culture.

Despite the work that remains, I am immensely proud of our workforce's unwavering drive and dedication to tackle every challenge head on.

The Coast Guard is more than a military service. At the core of every sentinel is the call to serve and to help others.

We are a closely bonded community and our Coast Guard families are paramount. Their altruistic sacrifices and constant support are imperative to achieving our mission.

Therefore, we must provide for our families by focusing on the acronym of CASH: childcare, access to physical and behavioral healthcare, schools, and housing.

As we discuss the future of the Coast Guard, my primary focus will always be our sentinels, specifically the Service's ability to attract and retain talented individuals essential to effectively carry out the critical missions that our Nation calls us to do and our Nation deserves.

Additionally, while we are extremely optimistic about the positive trends in our Coast Guard recruiting efforts, we must continue to invest in the resources our members needed to enhance our recruiting technologies and capabilities.

We must also continue to focus on base pay to ensure that we can maintain our ability to compete with the private sector for the talent that we need.

The fiscal year 2025 pay raise and the work of the Quality of Life Panel have made steps in the right direction.

While I acknowledge that young people who join our Service are not primarily motivated by financial gain, it is essential to recognize that they may be more likely to leave for better opportunities if offered.

These highly skilled Americans execute a broad array of missions every day. To meet these demands, we require stable and on-time appropriations to provide the tools and infrastructure to recruit, train, and retain them.

As we saw in 2019 when Coast Guard members did not receive paychecks, continuing resolutions pose an immediate and severe threat to our Service's readiness.

Beyond pay, we need the appropriate facilities to train our people. Training Center Cape May, our single accession point for the entire enlisted workforce, will always remain a top priority for Admiral Fagan and I.

As we prepare to break ground on the first new barracks in over 50 years, we express our gratitude to Congress for their recent support and planning of the construction of the second barracks.

However, we must not lose focus on the ongoing total recapitalization efforts at Cape May. The current facilities hinder our ability to continuously train recruits to Service standards.

By modernizing these facilities, we can significantly increase our throughput, ensuring that we can meet the growing demands of our mission. Therefore, the Service needs a modernized training facility to develop the most resilient and fleet-ready sentinels.

To this end, the Coast Guard has included a request for a multi-purpose training facility and barracks recapitalization in Cape May as part of our unfunded priorities list of 2025.

I would like to reiterate the critical role of the Coast Guard in protecting our Nation's maritime interests and ensuring the safety and security of our citizens.

The Coast Guard will continue to face significant challenges in maintaining Service readiness and modernizing capabilities to meet the evolving threats and demands of the 21st century. But we remain true to our motto and we will be *semper paratus*, but we cannot do that without your continued support.

Your Coast Guard remains steadfast in its dedication to attracting and fostering a skilled and inclusive workforce, and I am grateful for the unwavering commitment of this committee to support the mission to defend and safeguard America's vital maritime domain.

Thank you again for the opportunity to appear before you today, and I look forward to your questions.

[Master Chief Jones did not submit a prepared statement.]

Mr. WEBSTER OF FLORIDA. Thank you.

Thank you both for your testimony. We really appreciate that.

I will turn to questions. I will recognize myself.

I first want to say both of you are a credit to the Coast Guard, and you have presented yourself well today. I look forward to your answers to the questions.

Admiral Fagan, on April 29, during an interview with the Center for Strategic and International Studies, you twice stated that the Polar Security Cutter was on budget. This committee is well aware that the Coast Guard does not have an agreed-upon price or a timeline for the program.

What are your comments about that?

Admiral FAGAN. Thank you, Chairman.

I share your concerns with regard to the current progress and state of the Polar Security Cutter. When I said we are on budget, I was reflecting the previous appropriations in prior years that have been budgeted, over \$1.8 billion, with approximately \$820 million remaining in previous appropriations for Polar Security Cutter.



And I acknowledge that the Polar Security Cutter, there is no ask in the 2025 budget. It reflects some of the top line of pressure and priorities.

We are working daily with the shipyard who has the contract, Bollinger Mississippi, to bring clarity to both the design maturity and timeline and cost. I don't have that definitized yet. Committed to sharing it with the committee as we gain greater fidelity with regard to what rebaselining in the schedule will look like with regard to Polar Security Cutter.

Polar Security Cutter, we are building that under an integrated program office with the Navy, so, we are working with the Navy as well as we work to understand what cost and time is associated with that.

This is a critical national asset. It is a national security asset. It is critical to our sovereignty in the Arctic and elsewhere. We remain committed to fielding that Polar Security Cutter.

I have a sense of urgency. I share the frustration with regard to timeline. But we remain committed to creating that clarity and articulation with regard to cost, schedule, and design maturity, and committed to sharing that with the committee as it comes into clarity.

Mr. WEBSTER OF FLORIDA. How does the Navy play into all that?

Admiral FAGAN. It is an integrated program office that is overseeing the building and the execution of the contract. And so, we work with the Navy on the contracting and acquisition piece of procuring the Polar Security Cutter.

And I am happy to have the staff come over and give your staff more details on how that is working. It is a great relationship with the Navy, and we continue to remain committed, both Services, through that integrated program office.

Mr. WEBSTER OF FLORIDA. Will they have any ownership in the boat, in the security cutter, or is it just advice they are giving us?

Admiral FAGAN. Oh, sure, the cutter will be a commissioned Coast Guard cutter and the Coast Guard will operate it on behalf of the Nation as a national security asset.

Mr. WEBSTER OF FLORIDA. Is there an agreement of a cost estimate and a timeline being—is anybody withholding it from this committee or is it just it hasn't been produced yet?

Admiral FAGAN. Sir, we are not withholding the cost and timeline schedule. We will provide that as soon as there is clarity. We are working diligently with Bollinger Mississippi to provide that clarity. And certainly as soon as we have it, I am committed to sharing it with the committee.

Mr. WEBSTER OF FLORIDA. So, on the screen I think is going to be an appropriated authorized level for the Coast Guard.

[Slide shown.]

Mr. WEBSTER OF FLORIDA. So, the level that was agreed to is the top one, but the money we got is not that. So, we are short. I mean, is Homeland Security taking part of our money?

Admiral FAGAN. Sir, I, as every agency and organization in the Government, am subjected to a topline budget submission, and we continue to work to submit budgets that reflect priorities for the Nation. I acknowledge, and what the chart reflects, we are at the

lowest PC&I level of funding for the organization, the lowest that we have seen in 10 years.

We continue to work to make priority decisions as we submit those budgets and as I have acknowledged and we just were talking about the Polar Security Cutter. The outyear cost for fielding additional Polar Security Cutters, that is not a number that is going to fit in the current top line as the budget is constructed for the Coast Guard.

Mr. WEBSTER OF FLORIDA. OK. My time is up, so, I will yield back and thank you right now. I appreciate that.

Ranking Member Carbajal, you are recognized for 5 minutes.

Mr. CARBAJAL. Thank you, Mr. Chairman. You are the chairman. Your time is never up if you don't want it to be up. But I appreciate you handing it over to me, Mr. Chairman.

Master Chief Jones, I have had the opportunity to meet and talk with Coasties stationed across the country and across the world. I have found that the best way to understand their problems is to ask what their spouses would change about their experience with the Coast Guard.

What are you hearing from servicemembers and their families? And what is the Coast Guard doing to address those concerns?

Master Chief JONES. Thank you for the question, sir.

And I would say that you are absolutely spot on. That is where we often get the most realistic feedback on things or how it is affecting the families.

In my opening statement, when I referred to the acronym of CASH, that is where we got that from. That came from our ombudsman at large who visits with the families as we are visiting with units.

Those four things—the childcare, the access to physical and behavioral healthcare, schools, and housing—are the top four things everywhere we have sentinels stationed around the world. Where they are geographically, that order may change in there, but those are the top four things at all times.

Some areas where we have seen it is making a marked difference have been on the ability to get childcare subsidies so that our folks can pay for childcare in areas where we don't have child development centers. We have made investments in the childcare development centers in areas of mass where we have large groups.

The change that is forthcoming this summer to be able to have the childcare subsidy sent directly to the families so that the families can then determine the best childcare for their situation is making a marked improvement in this area, sir.

Mr. CARBAJAL. Thank you.

Admiral Fagan, with the passage of the Safer Seas Act, the Coast Guard is tasked with implementing several new authorities and requirements for industry.

How important is the requirement to report harassment to the Coast Guard? And how does the Coast Guard plan to use that information?

Admiral FAGAN. We are actively implementing the Safer Seas Act now. We are 100 percent committed to eradicating sexual assault, sexual harassment, not just at sea, on commercial vessels, but in our own organization as well.

Every employee, whoever their employer is, has the right to a workplace that is free from sexual assault and sexual harassment.

We have stood up the call lines. We are accepting calls from mariners who experience harmful behaviors at sea and are actively investigating those cases.

What is good for the commercial industry and our mariners applies as well to our workforce, and we are committed to that work and look forward to continuing to work with the committee as we engage to eliminate those behaviors at sea and in our own workforce.

Mr. CARBAJAL. Thank you.

Admiral Fagan, in light of Operation Fouled Anchor, the Coast Guard underwent a, quote, "accountability and transparency review," end quote, which resulted in directed actions for you and your leadership team. All the while, the Coast Guard is facing a 10-percent workforce shortfall.

Any amount of distrust in leadership will hinder recruitment and potentially harm readiness.

Do you have the resources you need to fully accomplish these actions? And will additional resources be needed?

Admiral FAGAN. Thank you.

We completed the accountability and transparency review, it was a 90-day sprint, to help focus the work ahead for the organization.

I am happy to report that we are well underway in completing the directed actions in the direct action report.

But that is not the only thing we are doing. It is part of a much broader effort on the part of the organization to address Service culture and to eliminate the harmful behaviors of assault, harassment, bullying, hazing, retaliation, retribution.

I do need resources, and I owe the committee more insight into investments. For example, our human capital IT system has not been updated in years, and we need to have a system that allows us to track and increase transparency around misconduct and crimes when they occur.

There are additional people resources we need to add into our personnel system, and we have made some of those investments now as we continue to understand the work ahead.

Another example is an Integrated Prevention Program Office. I have an office of one on the DoD side. These are much larger programs and they are all areas for additional investment, and look forward to working with the committee to ensure that we are resourced on parity with other military services and that we are providing the support that our workforce so much deserves.

Mr. CARBAJAL. Building on that, how are you working to address the issue of trust among the workforce? You have already touched on some of it.

Admiral FAGAN. So, it is clear that trust and trust in leadership is a central theme. That trust was lost over a lengthy period of time.

It is going to take time to rebuild that trust, and I am 100 percent committed to that. And as I said, we have embarked on a number of initiatives and efforts that include training, leadership awareness, understanding our own administrative misconduct system, investing in resources.

And this is not a checklist approach, it is not a one-and-done. This is the journey we are on now as an organization, and trust is at the core of all that we do, and it is most elemental for us as leaders.

Mr. CARBAJAL. Thank you very much.

Mr. Chair, I am out of time. I yield back.

Mr. WEBSTER OF FLORIDA. The gentleman yields back.

Dr. Babin, you are recognized for 5 minutes.

Dr. BABIN. Yes, sir. Thank you, Mr. Chairman.

I also want to thank Admiral Fagan and Master Chief Jones for being here today.

It seems like it has been a very busy time for the U.S. Coast Guard here lately. The *Dali* hitting the Key Bridge in Maryland. A recent barge crash and oilspill in Galveston. Responding to devastating storms and flooding in southeast Texas. And some impressive seizures of illegally harvested fish in the Gulf of Mexico by illegal Mexican immigrants.

We know you have got a lot on your plate. We appreciate you coming in to discuss your fiscal year 2025 budget request with us.

One of the comments I consistently hear when talking with members of the Coast Guard is what a serious issue that housing is. In fact, you have already addressed it this morning a little bit.

I know this is an issue you are familiar with, but particularly for junior enlisted members of the Coast Guard, housing is a tremendous challenge.

I notice that the fiscal year 2025 budget request did not include an increase in the housing fund, and I know you have a limited budget to work with. But I was curious why you decided not to include an increase in housing for your request.

So, the Coast Guard is doing a lot of great work—excuse me, if you can address that.

Admiral FAGAN. Thank you for the question around housing.

Dr. BABIN. Yes.

Admiral FAGAN. So, the best approach to housing for our workforce is a diversified approach. So, ensuring that we have got parity with DoD and our pay scales that include a housing allowance for our work members and engaging in that system to ensure that that housing allowance is reflective of actual costs in living areas.

Other areas, we have lease authority and exercise leases so that junior members have some certainty and ability to access housing.

And then, in remote locations where there is insufficient housing, the option to build and operate Coast Guard-built housing is also an option.

And we exercise all three of those to ensure that our members have access to housing.

Housing is a challenge nationwide. There has been disruption in the housing market. And so, just finding available housing is priority one.

Two is ensuring that the workforce then has the pay and the ability to exercise those leases.

And we are working across all of those portfolios.

Dr. BABIN. Good to hear.

The Coast Guard is doing a lot of great work to support the southeast Texas community in response to the ongoing rainfall and flooding that we have seen over the past really 6 weeks.

Air Station Houston, which I represent, is currently operating three Dolphin helicopters. They are doing a great job. We are extremely proud of them. But I think there is a general consensus that an upgrade is needed.

I am curious if and when the air station will be getting upgraded to the new MH-60 helicopters. Is this something that is in the fiscal year 2025 budget or is something in the near-term plan? And if you don't have that information on hand, I would appreciate it if you would send that to my team.

Admiral FAGAN. Thank you.

We will have the team provide the more detailed approach with regard to how we are transitioning from the aging fleet of 65s to the new fleet of 60s.

And Air Station Houston is one of those air stations that will get 60 helicopters, but it is space constrained, the hangar. We have got more work to do there to enable a fielding of the 60s at Air Station Houston.

We are committed to moving towards the 60 fleet and replacing the 65s. We have also got work to do, though, in the later phases of that to understand what the right rotary wing asset is going to be for some of those specialized missions.

But right now, we remain focused on those primary search-and-rescue stations. As I said, Houston is on schedule for that, and I will have the team walk you through the details of how we do those transitions.

Dr. BABIN. OK. Thank you.

And lastly, the recruitment challenges facing the Coast Guard are very serious.

Master Chief Jones, can you talk about how you are working to address these challenges, and what is the Coast Guard doing to improve recruitment, and what are some of the challenges that you are seeing to get the recruitment up?

Master Chief JONES. Yes, sir. Thank you very much for that question.

Recruiting is actually a reason for us to be optimistic right now, thanks in large part to the support of this committee over the last couple years for investment into our recruiting capacity: opening new recruiting offices, creating a recruiter rating so that we have folks that that is their expertise and that is where they focus.

I just actually spoke to the CO of Recruiting Command this morning, and we, as of this week, have passed 3,600 recruits into Training Center Cape May.

Our goal every year is 4,200; the last time we reached that was 2017. The 3,600 we passed this week is the most we have had since 2017, and we remain pretty optimistic that we may be able to meet that goal.

What that does is it allows us to, where we have maybe bottomed out on the gap, but we still have many years in front of us to close that gap of building back forward with this.

So, we just look forward to continued support to open more recruiting offices in the areas where we need them, and I truly believe that we are going to see the sustained trend upwards.

Dr. BABIN. Thank you very much.

My time has expired, so, I yield back.

Mr. WEBSTER OF FLORIDA. The gentleman yields back.

Ranking Member Larsen, you are recognized for 5 minutes.

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

Commandant Fagan, the budget request has \$4.9 million for the mariner credentialing. I believe in the recently passed Coast Guard authorization, we authorized \$11 million, so, it is a little less than half—much less than half—of the \$11 million.

Do you expect that you will come back in the next year to look for the remainder? Or how will you approach that?

Admiral FAGAN. You are referring to the Navita system, that we do have a budget authority field. It will field it to an initial operating capacity and we will need to come back for additional funding authority to field the full system.

It is a critical step forward in bringing our mariner licensing and credentialing into the modern era, and look forward to continuing to work with the committee to do that.

Mr. LARSEN OF WASHINGTON. Thanks.

So, when the other uniformed services have funding shortfalls, they are actually pretty brazen. They go to the Pentagon and ask for money. In this case, you have the Francis Scott Key Bridge that has put further burdens on Coast Guard's operations in order to deal with that situation.

I asked Admiral Gautier a couple weeks ago when he testified here about backfilling the Coast Guard budget because of the resources devoted to the Key Bridge situation.

Are you any closer to deciding how much and when you will be requesting from the administration any backfill dollars?

Admiral FAGAN. So, the direct cost to the Coast Guard at this point of the Francis Scott Key Bridge response is approximately \$20 million in fuel and maintenance and spare parts.

The broader reality is that as we focus that readiness and operational capacity on that particular response, it diminishes our ability to create operational capacity for other responses.

It also highlights the fragility of the Marine Transportation System and infrastructure, and there are opportunities for greater investments there for the Nation to secure our waterways. And we are working to identify where those areas of investment are beyond just the immediate direct cost that the Coast Guard has expended.

Mr. LARSEN OF WASHINGTON. Yes, I imagine we are going to have a hearing probably in the future on what you find out about what we need to do to better harden the MTS.

But do you have a plan to go to the administration and ask for that \$20 million or so to help with backfill?

Admiral FAGAN. We will continue to work through the process as there is opportunity for a supplemental or to articulate the cost for the Guard and we will engage in the process, yes sir.

Mr. LARSEN OF WASHINGTON. Thanks.

So, on the PC&I budget, you have \$1.56 billion and you said in your testimony you really need \$3 billion. Is that what I got? Is that what I understood?

Admiral FAGAN. Yes. Closer to \$3 billion to \$4 billion is the actual PC&I need a year.

Mr. LARSEN OF WASHINGTON. And did you ask for that and it got pared down by DHS? Or what is that, to the extent that you can enlighten us on the process there at DHS?

Admiral FAGAN. So, as we work to submit a topline budget to the Department, hard offset decisions need to be made within the Service.

And so, as a capital intensive frontline operating organization, we prioritize people and operating assets as we work to create that topline budget.

And you can see in the chart that was shown earlier, we are at our lowest level of PC&I funding in 10 years. The maintenance accounts are about half of what they need to be.

We have normalized parts exchanges as we take good parts off the cutters when they come in and put them onto others.

Those numbers reflect the reality of operating a frontline operating agency and critically recapitalizing the organization with regard to the major cutter programs.

Mr. LARSEN OF WASHINGTON. Is it your role then in that process to explain to DHS that you have people, but they need to operate on platforms, but they are not funding the platforms for people to operate on and you are hitting that point where the lines in the graph cross, which is a bad place to be?

Admiral FAGAN. No, we continue to articulate that need. We signal the highest priority need through the unfunded priority list, which I know the committee has seen. Those are some of the first priorities. And continue to engage the process to adequately identify those areas of investments that the Service needs.

Mr. LARSEN OF WASHINGTON. I will just conclude, Mr. Chair, by just noting we are still monitoring the Base Seattle expansion in that role.

So, we will follow up with you on that from the Pacific Northwest, Admiral. Thanks a lot.

I yield back.

Mr. WEBSTER OF FLORIDA. The ranking member yields back.

Mr. Ezell, you are recognized for 5 minutes.

Mr. EZELL. Thank you, Mr. Chairman.

Thank you, Admiral Fagan and Master Chief Jones, for being here. It is always good to see you both come before the committee.

The Coast Guard plays such a vital role in securing our Nation's maritime border and securing America's ports. As a member of this committee, I want to ensure that the men and women of this branch have the resources they need to carry out their mission effectively.

Currently, the Coast Guard is facing an unprecedented manpower shortage. Autonomous and uncrewed vessels could potentially alleviate the strain that is putting on the force.

Great strides are being made in my district in south Mississippi at the Roger Wicker Center for Ocean Enterprise, which includes

numerous research and development partnership programs focused on uncrewed maritime systems in the broader blue economy.

Admiral Fagan, do you think that the autonomous maritime vehicles could help alleviate your workforce shortage?

Admiral FAGAN. Thank you.

Obviously, unmanned systems and unmanned technology is here, it is game changing, and it is critical to ensure that we have that appropriately reflected in our portfolio of operating capacity.

We released an unmanned system strategy in 2023. We are working a joint program office with CBP as we operate MQ-9s, examples of the way that the Service is bringing unmanned technology into our portfolio.

ScanEagle is a critical enabler on our National Security Cutters. We have contracted with Saildrone, which are unmanned on-the-water systems, and we continue to look for how we can bring unmanned technology into our portfolio.

But unmanned is not not manned. It still requires people to operate those systems. But continue to look at that technology as key enablers for our workforce.

Mr. EZELL. Very good.

When looking at acquisitions, what are some of the needs that the Coast Guard in the autonomous sphere, what are some of the needs that you have in this vessel space?

Admiral FAGAN. Specific to autonomy or just broader?

Mr. EZELL. Yes, yes.

Admiral FAGAN. We continue to look at those technologies. ScanEagle is a great example that we fielded, that ship-based, ship-recovered, contractor-owned, contractor-operated unmanned system, into the NSC fleet.

It has been game changing for us in the operational work that we do. We will continue to look for other opportunities to field unmanned systems into new assets.

We have talked about the Polar Security Cutter. That, too, will be a platform that is ripe for unmanned technology in certain portfolios.

Mr. EZELL. Very good.

The Coast Guard currently collaborates with CBP on the use of long-range autonomous aircraft systems as well. These types of assets provide the Service with the ability to monitor large areas in a cost-effective way.

Does the Coast Guard plan to explore the acquisition of its own long-range unmanned aircraft systems?

Admiral FAGAN. We are operating jointly with CBP with the MQ-9s. They have provided a great benefit.

As we look at the aviation portfolio that we are operating as a Service, we have talked about the 65-to-60 transition, we have got a medium-range and long-range fixed-wing aircraft portfolio that we are also looking at from an analysis standpoint. And you can logically look at that analysis and study and conclude that there is room for unmanned systems.

What that is, how it is operated, and what kind of budget support and people support we will need to do that is part of an ongoing analysis of where we are with the overall aviation portfolio.

Mr. EZELL. Thank you.



We are seeing a lot of things going on in the country right now, around the world especially.

Could you tell us a little bit about some of your concerns the Coast Guard role is playing around the world to some of our adversaries, such as Iran and China and Russia?

Admiral FAGAN. We are a globally deployed Coast Guard. So, the demand for the kind of capabilities, professionalism, law enforcement, rule of law that the United States Coast Guard brings to the maritime problem set, that demand is loud and growing.

The work we are doing in the Indo-Pacific, we specifically engage partner nations and allies, help them build their own sovereignty, their own capacity.

Look no further than the *Harriet Lane*, who was in Vanuatu in the Pacific recently helping Vanuatu enforce their own sovereignty and their own exclusive economic zone by allowing Vanuatu to board Chinese fishing vessels in Vanuatu's exclusive economic zone.

Whether it is ships or people, we have the great respect of many coast guards and navies around the world and look forward to continue to be able to enable other nations to create their own capacity and sovereignty.

Mr. EZELL. Thank you.

Mr. Chairman, if I have just 1 minute, I have a question submitted by Chairman Graves, if I could ask on his behalf.

Mr. WEBSTER OF FLORIDA. You are recognized.

Mr. EZELL. My next question is on behalf of T&I full committee Chairman Sam Graves.

With bridge safety at the forefront of everyone's mind right now, including the Midwest just north of Chairman Graves' district where a barge struck the Fort Madison Bridge and shut down operations for a few hours, do you think an evaluation of the Truman-Hobbs list of bridges makes sense? And should Congress look for resources to fund those critical infrastructure assets?

Admiral FAGAN. It is clear if you look at the infrastructure in the country, and obviously the *Dali* and the recent barge-bridge allision, it reflects the changes in the Marine Transportation System that have occurred in time.

And we are looking at how we might look holistically at several of the key ports in the country to ensure that there is an understanding of what the infrastructure is, what has changed, and what might be needed to mitigate it, and bridges will be a part of that.

I am happy to come back to Chairman Graves and others and share with the committee thinking in a way ahead to ensure that our Nation's maritime transportation system is secure and resilient.

Mr. EZELL. Thank you for that.

Mr. Chairman, I yield back.

Mr. WEBSTER OF FLORIDA. The gentleman yields back.

Mr. Pappas, you are recognized for 5 minutes.

Mr. PAPPAS. Thank you very much, Mr. Chairman.

Admiral Fagan, Master Chief Jones, thanks for being with us, for your service to our Nation, and for your leadership, which is so critical for a number of the emerging challenges that we face as a Nation. I appreciate your insights today.

And, Admiral Fagan, I want to ask you about an issue of local and regional concern in my district.

Coast Guard Station Portsmouth Harbor is among the Coast Guard's busiest facilities within the northern New England sector. In January 2024, the facility experienced significant damage and was forced to temporarily close. As a result of a winter storm, the floating pier at the station was severely damaged. The storm caused a sinkhole adjacent to the seawall at the facility.

While the Coast Guard has initiated interim repairs to restore operations at the facility—it is also leasing a space at a nearby marina—we know the shore infrastructure remains at a degraded state.

So, I know that the Shore Infrastructure Programming and Governance Council recently met to prioritize the infrastructure needs across the Coast Guard. This station's covered moorings was one of the top requested funding priorities in the First Coast Guard District.

But the district hasn't yet received the results from the governance council, and there is concern about how long this work is going to take.

The work includes additional funding through future budget requests to perform survey and design work, but the station can't wait years for this survey and design work to happen before it even considers the needed repairs and upgrades that must be made.

So, I am wondering if you are focused on this particular issue, if you can commit to prioritizing the rebuilding of this facility, and if you could just comment at large on the status of our infrastructure across the country and what investments we need to be making.

Admiral FAGAN. Thank you.

And I am familiar with the flooding that occurred last fall, the damage at the station, and we have reflected money and priority in the unfunded priority list specific to that station.

This comes back to the overall shortfall in the PC&I account writ large, the lowest level of funding in 10 years.

And so, if you look at stations around the country, there is critical need, not just in the station you have referenced, but in others, at air stations, and across the country.

Getting to \$3 to \$4 billion of predictable, regular funding into the PC&I account helps create the kind of predictability and certainty to begin the design work and the planning work early, and then allow us to execute that money in a way that is responsible to the American public.

But this is a shortfall and a challenge that has been with the Service for a number of years, and you see it directly in your district. And we are committed to continue to, one, articulate the need, and then work to ensure that we have got the process maturity to execute on that money.

Mr. PAPPAS. Well, thank you.

I know you agree that our Coast Guard deserves to operate in the most modern, resilient facilities possible, and that we need to be able to deal with challenges that come up, including from weather events like we saw affect Station Portsmouth Harbor.

So, I appreciate your attention to that. And any additional details you have about Portsmouth, we would be willing to talk with you more about that offline.

I also appreciate the conversation earlier about the accountability and transparency review. I know you said that continues to produce results. And I hope you continue to keep this subcommittee updated on what the findings are there.

Master Chief Jones, thanks very much for your conversation around recruitment. I think this is such a core issue. And you discussed some of the systemic problems in terms of just quality of life issues that we need to address for the Service. And I appreciate the engagement that you have had with Coasties and their families.

In response to the recruiting challenges, the Coast Guard Authorization Act includes about \$12 million in fiscal year 2025 to fund additional recruiting personnel and offices for the Coast Guard Recruiting Command and \$9 million to enhance Coast Guard recruiting capabilities. I think these are smart investments.

Is this of the magnitude that is needed to continue the progress that you say we are making? Will you continue to be optimistic if this is the level that we are able to fund this this year and in future years?

Master Chief JONES. Yes. Any investment into our recruiting capacity is appreciated. With some of the technology that we need to allow us to recruit, with some of the modern tools, that is where the investment where we are really optimistic where the funding is going to help us get to where—if a recruiter meets someone at an event right now, we have got an older paper-based system that takes us just a long time to go back and forth.

This investment is going to allow us to we could leave that event with that member knowing, “OK, if I want, I can go to Training Center Cape May on this date,” and we can shrink the timeline between contact with a recruit and getting recruits through Cape May.

So, any investment in that we do appreciate as we continue to move forward.

Mr. PAPPAS. Well, I know it takes time to build systems and momentum, and to change culture even, and to help spread the word. So, we appreciate what you are doing there. Please keep us updated on what we can do in Congress to help capitalize on this recent success.

I yield back.

Mr. WEBSTER OF FLORIDA. The gentleman yields back.

Ms. Scholten, you are recognized for 5 minutes.

Ms. SCHOLTEN. Thank you, Mr. Chair.

And thank you so much to our witnesses. Appreciate you joining us today. This is such an important conversation.

As you both know, I am especially pleased to discuss the issues facing Coast Guard City U.S.A., Grand Haven. I invite you to our Coast Guard festival, the centennial this summer, and it is a lovely time.

The Great Lakes are essential to American commerce, which is why I am laser-focused on the U.S. Coast Guard Great Lakes icebreaker program. As you know, the Coast Guard included \$25 mil-

lion in its fiscal year 2025 unfunded priorities list to acquire new heavy icebreakers for the Great Lakes.

I have to endure a lot of jokes in Michigan, because we had a low ice season, about whether or not we still need those. But believe me, I know how much we do.

Planning out and trying to predict what comes in future years is so essential, and we are unprepared right now when it comes to the current state of our Great Lakes icebreakers.

This question is for Admiral Fagan.

In 2024, the \$35 million that was requested was not funded. How does this year's appropriation sort of come on the heels of that unfunded priority from 2024? And how can we ensure that this gets funded and we make up additionally what was lost from 2024?

Admiral FAGAN. And I have testified previously, we are committed to an additional Great Lakes icebreaker. It is critical that we have year-round access to navigation in the Great Lakes. This most previous winter's lack of ice notwithstanding, it is vital to the economic security of the Nation.

And so, funding received in 2024 will help us with the analyze/select phase of acquisition for that icebreaker. From the time you start analyze and select, it will still be a number of years to actually build and field that icebreaker. And so, I understand the urgency and the sense of concern over the need to field the Great Lakes icebreaker.

A lot of discussion around *Mackinaw*, which is the current icebreaker operating up there. It is a 20-year-old design. There are some limits in hull form.

But we remain committed to the Great Lakes icebreaker as a priority and in our 2025 UPL request \$25 million for program management and to begin bringing that program forward.

But understand the urgency, and we are committed to working with the committee to ensure that that Great Lakes icebreaker becomes a reality in the future.

Ms. SCHOLTEN. That is great. Well, let us know what we can continue to do to help and push for that. It is so critical.

My second question.

Ensuring sufficient personnel is vital for the Coast Guard to carry out its work and maintain defense readiness.

In its report last year, GAO confirmed that the Service's workforce shortages are cyclical.

And data points, MCPO Jones, we are excited to hear about your recruitment numbers coming in, but we have a huge gap to make up from missing that mark since 2017.

With 49,000 Active Duty and Reserve personnel, the Coast Guard's workforce is smaller than the city of New York's police department.

Admiral Fagan, considering the importance of the operations and support account to address the Coast Guard's attrition challenges, how will the requested funds bolster additional recruitment to keep up the good success that we are seeing right now?

Admiral FAGAN. So, we are seeing success in recruiting. And I am thankful for support we have had from the committee in previous years which has allowed us to reinvest in recruiting capacity.

We have brought recruiters online. We have opened new recruiting offices. We have stood up Junior ROTC programs. And we are on track to have a program in all of our districts here soon.

And we continue to make the needed investments to, one, ensure that we are quicker from the time of contact to get people into Cape May.

And the other thing we struggle with is not everybody knows who the United States Coast Guard is. And so, illuminating to the workforce and the talent out there who we are and what we are as an organization.

We do have investments that we need to make. And we have signaled through some of the UPL around our training center in Cape May.

So, one, finding the talent, but then, two, you need to give them the appropriate training experience when we bring them through our single enlisted training source in Cape May.

But we continue to invest in workforce. And as I said, I am excited about where the numbers are. But we need to continue to gain ground.

Ms. SCHOLTEN. No greater asset than our Coasties. So, thank you so much.

I yield back.

Mr. WEBSTER OF FLORIDA. The gentlelady yields back.

Mr. Auchincloss, you are recognized for 5 minutes.

Mr. AUCHINCLOSS. Thank you, Chair.

Admiral and Master Chief, appreciate your testimony today.

I had the great pleasure of spending time earlier this week at the invitation of Rear Admiral Platt in Boston with the First District command and staff and enlisted, and was so impressed—though not surprised—by the professionalism and poise of the young officers and enlisted who are ensuring readiness for search and rescue, who are enforcing our fisheries laws and conservation mandate, and who are just generally representing, I think, the very best of this country. And I know both of you would be proud. And we need to recruit and support more of this type of personnel in the Coast Guard.

And although I voted against the Coast Guard authorization out of objections to a misguided offshore wind provision in there, I am fully committed to resourcing and supporting the Coast Guard as you perform your 11 essential missions.

Admiral, in your testimony, you discuss the importance of the Coast Guard's presence in the Indo-Pacific region and the increased demand from our allies and partners for sustained Coast Guard presence.

I think it is a vitally important way that we project not just hard, but also soft, power. People want to work with the Coast Guard.

The fiscal year 2025 budget requests \$263 million to expand Coast Guard operations in the Indo-Pacific along three primary lines of effort: increased presence, maritime governance, and meaningful engagements.

As these kinds of operations and partnerships expand, do you think the current structure of these operations is effective? Would it potentially be more effective, for example, to take lessons from

the Combined Maritime Forces model based in Bahrain that the Navy uses?

Admiral FAGAN. So, we are very thankful for the support that we received in the 2024 budget, which includes two additional Fast Response Cutters beyond the original program of record, and those will be focused into the mission sets in the Indo-Pacific.

So, as we have looked at the opportunity that the Coast Guard can provide to countering some of the problem set in the Pacific, we have been articulating that these are investments above the needs that the organization has right now, and we have talked about the PC&I and maintenance challenges that we are faced with.

And so, as money and support is provided, we look at creating that opportunity, whether it is ships like the two Fast Response Cutters, ships like the *Harriet Lane*, which was funded as a Pacific support tender and re-homeported into Honolulu.

We create incredible return on investment for the resources that do focus into the region.

Mr. AUCHINCLOSS. I think Congress in a bipartisan manner is convinced of that. The question is whether CMF, a Combined Maritime Forces-style system, will work for the Coast Guard as it has for the Navy in the Indo-Pacific.

Admiral FAGAN. So, happy to work with the committee on analysis. That system works well for us with regard to our assets that are supporting Fifth Fleet. When and how to posture forces across the Pacific, forces that include Coast Guard forces, look forward to working with the committee on that question.

Mr. AUCHINCLOSS. And what questions would you have as part of that discussion?

Admiral FAGAN. So, when you forward deploy ships, we need to be clear-eyed with regard to the full support need—piers, maintainers, logistics, infrastructure, family support—and ensuring that we have thought through the totality of that so that when you have an operating asset you can actually put them into theater and operate them for effect to counter the threat.

Mr. AUCHINCLOSS. Isn't that true now though with or without the Combined Maritime Forces model? Or why is that different under that?

Admiral FAGAN. So, the Combined Maritime Forces model, those ships are permanently assigned in Bahrain. They work under the operational and tactical control of the Navy.

Mr. AUCHINCLOSS. So, it is a permanent versus rotational.

Admiral FAGAN. There are operating concepts to models, several that need to be thought through with regard to sort of the merits and pros and cons. Each brings cost and infrastructure and logistics support. Just have not done the analysis. But welcome the opportunity to have that conversation with the committee.

Mr. AUCHINCLOSS. Is there a nation along the rim of the South China Sea that if you think you were going to apply that model to the South China Sea would work to be a permanent station?

Admiral FAGAN. What and how U.S. forces, and include Coast Guard forces, are postured in the region is a conversation broader than the Coast Guard, but we would welcome the opportunity to be included in that.

Guam is a perfect example. I have Coast Guard forces in Guam now.

Mr. AUCHINCLOSS. Right.

Admiral FAGAN. There are a number of initiatives that the Navy and the Marines have going on in Guam.

We need to be part of that conversation so that it doesn't become just a DoD lens into the region with regard to our national security needs.

Mr. AUCHINCLOSS. Got it. So, it is fair to say that the Coast Guard is ready, willing, and able to have a conversation about a CMF for the Indo-Pacific region?

Admiral FAGAN. We welcome the opportunity to be part of that Joint Force and part of that conversation.

Mr. AUCHINCLOSS. Thank you. I yield back.

Mr. WEBSTER OF FLORIDA. The gentleman yields back.

Let's see, Mr. Garamendi, you are recognized.

Mr. GARAMENDI. Admiral and Mr. Jones, good work in Baltimore. The rumors around here, all the chatter around here is that the Coast Guard, working with the Army Corps of Engineers, has done an extraordinary piece of work with the bridge collapse in Baltimore. So, thank you. Another example: If you want something done, get the Coast Guard.

Mr. Auchincloss, you were pursuing a very, very important piece of questioning. In the 2021, 2022 Don Young Coast Guard Authorization Act, it directs the Coast Guard to calculate the cost of doing missions with or on behalf of other service branches like the Navy.

Mr. Auchincloss, you had a detailed discussion with Admiral Fagan about the Middle East, as well as the South Pacific.

The Navy cannot do its work without the Coast Guard. Yet the Coast Guard, with a budget one one-thousandths of the U.S. Navy, is expected to stand and to carry on tasks that the Navy cannot do.

There is something seriously wrong here about this situation. And the Department of Defense jealously guards every \$1 billion of the \$900 or so that they have and refuses to share any of that with the missions that the Coast Guard carries on in support of the Navy and the United States missions in those areas.

Is that correct, Admiral?

Admiral FAGAN. We are 1.4 percent of the DoD budget. And, as I articulated, it is not just the demand from allies and partners for Coast Guard services, but, as I meet with every one of the combatant commands, demand for the Coast Guard.

And the budget structure—this is broader than my organizational changes—the budget structure creates that challenge with regard to funding for work that the Coast Guard—national security work, defense work—that the Coast Guard does on behalf of the Nation.

Mr. GARAMENDI. My point here is that we need the information so that we can fight on your behalf. Please, it has been 1 year, almost 2 years now.

Tell us what you are spending in these—also the Caribbean, the South Pacific, the Arctic, and also the Middle East—so that we can then carry on an argument with the Department of Defense about

the financial support that is absolutely essential to the security of this Nation and to your operations.

And, Mr. Auchincloss, you are on this. Thank you for raising this issue.

I came in on the discussion of the Polar Cutter, and I promised myself I wouldn't raise it. It has been 11 years, 11 years since this committee raised the issue, started the project.

It is really essential that you come to us with why it hasn't been done, what are the problems, what is your solution. There is no way that the United States role in the Arctic can be achieved without these icebreakers.

And I am not saying just one; it has to be more than one. It is a hell of a lot more important than the money that we are spending with a whole bunch of billions last night in the Armed Services NDAA markup. You have got to get us detailed information about why it isn't going forward and what you need to make it happen.

So, please, it is a national security issue of profound importance, and we are way, way late here. So, please do that. Deliver it to the committee, if you would.

Offshore wind. The legislation in 2021. The President signed an amendment that I put forward in the Coast Guard bill that closed a loophole in the Outer Continental Shelf Lands Act by applying all Federal, labor, environmental, immigration, customs, antitrust, and Jones Act to the Outer Continental Shelf wind industry.

Customs and Border Patrol has made some progress in writing rules and regulations to carry out that law. You haven't. Why?

Admiral FAGAN. I am aware of the law, aware of the challenges around offshore wind. We are committed to continuing to work to implement the intent with regard to the committee and Congress' desires in that regard.

Mr. GARAMENDI. Why haven't you done it?

Admiral FAGAN. We are engaged in the process around the notice of proposed rulemaking, and we will continue to work with the committee specific to the legislation as it pertains to Jones Act application. And I am happy to have the team provide the current status of those efforts.

Mr. GARAMENDI. Little things mean a lot. This is a major issue about how we are going to participate—the American industry, American workers, American maritime—we are going to participate in the offshore wind industry. Your regulations are critically important in carrying out the law, as are the U.S. Customs and Border Protection regulations.

For the committee, some of this committee is on the Armed Services Committee also, some of the Members. Maybe it is a hangover from the extraordinary money that was spent last night as we finished up the NDAA.

I am definitely out of time, and I yield back.

Mr. WEBSTER OF FLORIDA. The gentleman yields back.

Mr. Van Drew, you are recognized for 5 minutes.

Dr. VAN DREW. Thank you, Chairman.

Although Training Center Cape May is such a—in fact, let me start at the beginning.



Training Center Cape May is the fifth largest base in the Coast Guard and the sole accession point for the entire enlisted workforce.

In turn, the Coast Guard is a fundamental part, as you know, of the culture and the economy of southern New Jersey.

Although Training Center Cape May is such a vital piece of shoreside infrastructure through the Coast Guard, many facilities are in urgent need of repair—and I know, again, you are very aware of this—especially the barracks.

While I am glad to see that \$225 million is authorized in fiscal year 2025 for the improvements of facilities at the training center, I am aware that phase 1 construction is currently running over budget.

I personally testified in front of the Appropriations Subcommittee on Homeland Security and submitted a request for this project. So, I want to ensure that enough funds are provided to complete this project entirely. It is an important project.

Commandant Fagan, thank you for being here again. It is good to see you again. And thank you for taking the time to be here today.

Could you provide an update on the progress of phase 1 of the barracks? And how much more money are we going to need over the requested budget for this project?

Admiral FAGAN. Thank you for the question.

I do not have a specific figure with me but will commit to you to come back and do that. I remain committed to the investments at Cape May. As you have highlighted, it is critical that our enlisted workforce has access to safe and modern buildings and training facilities.

I know you are aware of the broader investment plan and strategy that we have for Cape May and welcome the opportunity to come over and share exact status of phase 1 and then plans for the additional phases as we look to gain funding support for those critical investments in Cape May.

Dr. VAN DREW. I would appreciate that, Commandant, and if you could share that, obviously with me, but also with the entire committee. It is not only important to New Jersey or Cape May; as you know, it is important to the entire country.

And with the changes—some of them good—that are occurring in the Coast Guard, with many more women coming into the Coast Guard, we want to ensure that those barracks are updated. It is essential.

My team was recently up in South Jersey at a public meeting on navigation, and it was navigation safety, where they met with members of the Coast Guard. And they took the opportunity to express the concerns of dozens of my constituents that were there.

It represents many thousands of my constituents, tens of thousands, including fishermen, tug barge, and shipping vessel operators and recreational boat users, about the navigational security issues that exist relating to the offshore wind projects.

Now, I am going to do a change of tack for me. I am not going to attack the offshore wind projects today, even though I am thoroughly, completely, totally opposed to them for many, many different reasons.

But today, I want to really reference their conversations and let the Coast Guard acknowledge that there is a risk of vessel radar interference from wind turbine towers. Personally, I hope we are never going to have to worry about it.

However, do you also recognize the concerns with the radar interference?

Admiral FAGAN. Thank you.

We are obviously working closely with regard to the challenges presented by the wind farms. We have completed a number of studies. We participated in that public meeting you referenced. We have got a notice of proposed rulemaking out with a comment period that will close on 17 May, committed to the environmental study in process, and we are fully engaged with that process and with BOEM as well.

With regard to the radar issue, we participated in a National Academy of Sciences working group, but we have provided guidance in the form of a navigation vessel inspection.

It is an advisory notice to proactively address potential risks. It includes requirements for warning signals, devices, charting, uniforms, spaces, safety equipment.

We are committed to the safety of navigation and addressing those challenges and issues specific to wind farms and have engaged on the challenge—

Dr. VAN DREW [interrupting]. There are a lot of real concerns out there, Commandant, and I appreciate that. And both issues that were brought up were done so to ensure that our Coast Guard—and I am sure yours—were well provided for and can operate in the safest way possible. And I urge consideration of the safety risks that are prevalent to the entire maritime community posed by offshore wind.

I am happy to work with you, I am happy to work with your team, and I am happy to work to ensure that the barracks and other shoreside infrastructure projects at the Training Center Cape May are completed, because it is for the good of America, not just for the good of New Jersey.

And most of all, I am willing to work with you on these wind turbine issues. I think they are very serious and of tremendous concern. I think these projects are not well thought out, in my opinion.

But I do appreciate you and the work that you do. And I always love the Coast Guard. And it is good to see you here today.

Mr. Chairman, I yield back.

Mr. WEBSTER OF FLORIDA. The gentleman yields back.

Mrs. Peltola.

Mrs. PELTOLA. Thank you, Mr. Chairman.

Commandant, thank you.

Before I begin my line of questioning, I just wanted to bring up some concerns that I have heard this week regarding a work order that was issued 11 months ago by the Office of Vessel Compliance called Issued Work Instruction 032.

And what that work instruction potentially—there are potential negative impacts to the fishing vessels that make up the Alyeska Pipeline Ship Escort Response Vehicle System in Prince William Sound.

After the *Exxon Valdez* hit Bligh Reef, the fishing vessels within Prince William Sound rallied and really helped us with that major oilspill, and that continues to be our fleet that is the oil response fleet.

This fishing fleet is the backbone of Alyeska's pipeline oil response program, and the vessels are used to transport response equipment, deploy and tend boom, mobilize pre-stage equipment to protect hatcheries, and to recover oil into micro and mini barges that have a capacity to carry less than 250 barrels of oil.

The Alyeska SERVS oilspill response system for Prince William Sound has been held up as a world-renowned model, largely because of the contracted and trained fishing vessel response fleet, and that work order has created a lot of ambiguities for them and the Prince William Sound region.

And I know that this probably isn't something that you are directly involved with, but I really wanted to put it on your radar and see if I can get your help in addressing some of those ambiguities in that work order.

Admiral FAGAN. Yes. No, thank you for raising the issue. And my staff is absolutely engaged on that issue as we seek to find the right balance to ensure that oilspill planning and response capabilities in Alaska—and I know it is different in Alaska—but I am committed to working with you and the stakeholders to ensure that we strike that right balance.

Mrs. PELTOLA. OK. And I have some other questions about asking you to help me and my office keep on track of the timelines for the Fast Response Cutter headed to Seward, the Fast Response Cutter headed to Sitka, and the icebreaker headed to Juno.

And I also had a question prepared for me for Master Chief Jones regarding the childcare facilities, and I know that that is an ongoing work effort.

But I am going to forgo these questions.

I just came from a seafood roundtable that we had with our two Senators and Secretary Raimondo from Department of Commerce.

And what we have in Alaska right now is a fishing industry in freefall, and so much of it is because of the war with Russia and Russia's need to fund their war against Ukraine. And much of that funding is coming literally from stolen fish from Alaska. There are salmon that are being trawled in waters that border with Russia, and many of our seafood resources go back and forth.

And Russia has upped their quota. And they also—not only are they unsustainably harvesting just astronomical amounts and really glutting the market, but they also are using Chinese slave labor. And much of the product is being processed through China using slave Uyghur labor.

So, that really puts Alaskan fishermen and United States fishermen at a severe disadvantage when the harvests are exorbitant and then there is almost no overhead in processing these.

And what the Senators and I are trying to do is to elevate this to the national security issue that it is and the global issue that it is when we are talking about using United States resources to fund this war against Ukraine. And I am wondering how we can better give the Coast Guard resources to help this.

And I think it is noteworthy to mention that in Alaskan waters, we have had the Coast Guard alert us that Chinese and Russian warships are in formation in Alaskan waters, and the deterrent right now is the presence of the Coast Guard. We really don't have a Navy presence. The Navy doesn't like ice, so, it falls to you all to protect America in Alaska's waters.

And that doesn't even speak to the search-and-rescue efforts that you do every day. And I understand that there was a submerged vessel near Sitka that you all have been responding to, and I really appreciate that response, although it looks like it is all bad news from that incident. But so often it is good news because you are out there rescuing Alaskans and United States citizens almost daily.

But this issue of national security and our economies being very impacted by Russia, I am wondering, how can we help make sure you have the resources to tackle this?

Admiral FAGAN. So, I will commit to having my staff engage with yours. There are a number of elements in the issues that you raised, starting with illegal fishing, our role in illegal and unregulated fishing, presence in the Arctic, the criticality of the Polar Security Cutter, the assets that we do have in Alaska.

And we will have FRCs in Sitka and Seward. I am happy to affirm that.

But we will come over, because it will probably merit just broader conversation than what we can do here. But look forward to that conversation with you and your team.

Mrs. PELTOLA. Thank you, Mr. Chair.

Mr. WEBSTER OF FLORIDA. The gentlelady yields back.

Are there any more questions from Members? Anybody that I haven't recognized yet?

Well, I have one. I have been recognized, but I have got to ask this.

So, for, I guess, for the purposes, Admiral Fagan, for the purpose of our Members in Florida, can you assure me that the Coast Guard is prepared to confront the potential mass migration of Haitian migrants?

Admiral FAGAN. We are obviously engaged. We have Coast Guard assets employed in the Caribbean, in the Florida Straits, in the Mona Pass every day to ensure that, one, attempts at illegal maritime migrations don't result in the loss of life. It is critical, lifesaving work.

But we have assets postured to prevent and mitigate those kinds of attempts. We have been in that posture for quite some time.

We have contracted with Saildrone to increase some capacity and awareness, and we continue to remain very focused on preventing illegal attempts, and when it does occur, again, ensuring that people don't lose their lives.

The flows ebb and flow seasonally. We are postured the way we need to be right now.

Thank you, sir.

Mr. WEBSTER OF FLORIDA. Thank you very much.

So, we are done. No one else to recognize.

And the subcommittee stands adjourned.

[Whereupon, at 11:25 a.m., the subcommittee was adjourned.]

## SUBMISSIONS FOR THE RECORD

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

Thank you, Chair Webster and Ranking Member Carbajal, for calling today's hearing.

The U.S. Coast Guard plays a vital role in safeguarding U.S. seas, the efficient movement of goods in our marine transportation system and national defense.

The women and men of the Coast Guard conduct search and rescue operations at sea, prevent the shipment of drugs across our maritime borders and ensure safety and security in the Arctic and across the world.

The Coast Guard is a lifesaving agency, a regulatory agency, a law enforcement agency and a military agency. Each aspect is critical to our national and economic security.

The Coast Guard is facing increasing mission demand, a workforce shortage of nearly 10 percent, an aging fleet of assets, delays in major acquisition projects and growing fallout from "Operation Fouled Anchor"—the report outlining the Service's previous failure to report sexual assault and harassment cases at the Coast Guard academy.

The Coast Guard is at a pivotal moment. I have faith in Admiral Fagan's ability to guide the service through this difficult time, but it will not be easy, and transparency is key.

Today is an opportunity to discuss our expectations for the Coast Guard and gain a better understanding of the resources that the Service requires.

For fiscal year 2025, the Coast Guard has requested \$13.8 billion, which represents a 4.8 percent increase over the 2024 enacted budget. Unfortunately, that isn't enough. I agree with the Commandant that the Coast Guard needs to be a \$20 billion service by 2030.

Achieving \$20 billion by 2030 would require a budget increase of over \$1 billion a year, but past budget requests and enacted appropriations have failed to put us on that trajectory.

If we do not appropriately fund the Coast Guard, we should expect near term decreases in service and readiness. This includes fewer search and rescue operations, fewer drug and migrant interdictions and fewer marine casualty responses.

Last week, the House passed the bipartisan Coast Guard Authorization Act of 2024, which had a robust funding level of \$15.9 billion for the Coast Guard for fiscal year 2025. This is over \$2 billion more than the President's budget and what is required to maintain Coast Guard operational readiness.

I remain concerned with the poor condition of many buildings servicemembers must work and live in on a daily basis. Inadequate housing and childcare are a persistent complaint among servicemembers. If we want to increase retention and diversity, we must do more to support our Coast Guard members.

The fiscal year 2025 budget decreases the amounts for shoreside infrastructure by 58 percent, a significant drop. This is unacceptable given the Coast Guard's \$3 billion shoreside infrastructure maintenance backlog.

The Coast Guard has indicated that it will require at least \$500 million per year to prevent the infrastructure maintenance backlog from growing—this year's request of \$167 million falls far short of that goal.

The Coast Guard needs to recruit over 4,000 servicemembers to reach its annual recruiting goal. I look forward to an update on progress made to meet the 2024 recruitment goal.

The Service's current workforce shortage is having major impacts on mission readiness, for example, forcing station closures and cutter decommissions this year. The Coast Guard cannot continue to be asked to do more with less.

As the agency responsible for maintaining a U.S. presence in the Arctic, icebreaking capabilities are vital to the Coast Guard.

The Coast Guard maintains two heavy icebreakers, although only one is currently operating. Replacing these cutters is long overdue and the need to do so has only increased.

The ongoing acquisition of three new icebreakers—known as Polar Security Cutters—has faced major delays and the Service has yet to release a new budget and delivery estimate on the program.

The Congressional Budget Office recently estimated that this program will cost well over \$1 billion. I expect to hear from the Commandant today on the Coast Guard's plan going forward.

Finally, I would like to take a minute to recognize the work the Coast Guard has done to help address sexual assault and sexual harassment in the commercial maritime industry.

Since Congress enacted the Safer Seas Act in 2022, the Coast Guard has taken immediate action to ensure prompt implementation.

While the Coast Guard has acted swiftly to address workplace respect within the maritime industry, there is work to be done within the Coast Guard to rebuild internal trust and transparency. I expect to hear more today on the Commandant's progress on the directed actions from the Accountability and Transparency Review.

Thank you, and I yield back.

## APPENDIX

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### QUESTIONS TO ADMIRAL LINDA L. FAGAN, COMMANDANT, U.S. COAST GUARD, FROM HON. JEFFERSON VAN DREW

*Question 1.* The FY23 NDAA grounded the Coast Guard's fleet of Chinese-made drones. While this was undoubtedly good for our national security, Congress has yet to provide the necessary funding for a full replacement of the Coast Guard's drone fleet. Instead, the Coast Guard has relied on existing operating funds to replace a fraction of the drones that you once had. Given the critical training activities conducted at the Coast Guard Training Center in Cape May, could you please provide us with an overview of the importance of drones to Coast Guard operations and detail any plans to incorporate drone training into the curriculum at Cape May?

*ANSWER.* The Coast Guard recognizes the mission enabling capabilities provided by small drones. For example, Coast Guard drones were on scene within hours of the Key Bridge collapse, providing critical imagery of the structure to guide initial response efforts. Drones additionally supported search and rescue efforts in the wake of the fires in Maui, HI and have also proven to be extremely useful for mapping small oil spills and inspecting hard to reach aids to navigation. Training Center Cape May is the Coast Guard's sole accession point for the enlisted workforce while drone training is centralized at the Aviation Training Center (ATC) in Mobile, AL. The Coast Guard does not have any plans to incorporate drone training into the basic training curriculum at Training Center Cape May.

*Question 2.* Additionally, how would additional funding help enhance this aspect of the training programs at Cape May?

*ANSWER.* The Coast Guard does not have any plans to incorporate drone training into the basic training curriculum at Training Center Cape May. Drone training is centralized at the ATC in Mobile, AL, the Coast Guard's aviation and capabilities development center.

### QUESTION TO ADMIRAL LINDA L. FAGAN, COMMANDANT, U.S. COAST GUARD, FROM HON. SALUD O. CARBAJAL

*Question 1.* Admiral Fagan, with the passage of the Safer Seas Act, the Coast Guard is tasked with implementing several new authorities and requirements for industry.

How important is the requirement to report harassment to the Coast Guard and how does the Coast Guard plan to use that information?

*ANSWER.* The Coast Guard considers the requirement to report harassment a key element in addressing mariner misconduct in the maritime domain before behaviors may escalate to higher level offenses (e.g., sexual harassment, sexual assault) or negatively impact the safety of the vessel to the point of contributing to a marine casualty. Prior to the Safer Seas Act, the majority of mariner harassment cases were either ignored or handled through internal company investigations without Coast Guard involvement or awareness. In the most egregious cases, serial offenders who were fired by their employers for severe incidents of hazing and/or bullying successfully sought out employment with another marine employer where the harassing behaviors continued. Prior to the Safer Seas Act, companies were not required to report harassment misconduct to the Coast Guard. However, when voluntary reports were received, the Coast Guard was able to pursue administrative suspension and revocation (S&R) enforcement cases against the perpetrator's merchant mariner credential (MMC) for violating their company's policy. The S&R cases helped to remediate the harassing conduct with appropriate sanctions, including suspensions, probation, and state-certified anti-harassment courses. Prior to the Safer Sea Act, the Coast Guard had adjudicated less than 10 harassment related

cases for the five-year period ending in December 2022. As of June 14, 2024, the Coast Guard is actively investigating 161 harassment cases. Multiple cases have also been fully adjudicated with sanctions ranging from revocation of the mariner's MMC to issuance of letters of warning to address minor offenses. The Coast Guard is in the process of determining the average duration of a harassment investigation, and attempting to assess the long-term projected impacts on the investigating officer workforce. Harassment enforcement cases along with associated new training requirements, have been inserted as new priorities for the existing pool of field investigators, adding to their traditional marine casualty investigation and suspension and revocation enforcement duties.

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