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United States Senate

COMMITTEE ON
GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510-6250

March 11, 2003

The Honorable Don Nickles
Chairman
Committee on the Budget
United States Senate
Washington, D.C.

The Honorable Kent Conrad
Ranking Member
Committee on the Budget
United States Senate
Washington, D.C.

Dear Chairman Nickles and Senator Conrad:

As you prepare the budget resolution for the 2004 Fiscal Year, we urge you to provide additional funds to upgrade the Coast Guard's capabilities to protect our ports and waterways. We understand the difficulties you face preparing a budget during these challenging economic times, but believe that modernizing the Coast Guard fleet must be a top priority.

The Homeland Security Act requires the Secretary of Homeland Security, in consultation with the Commandant of the Coast Guard, to submit a report of Congress analyzing the costs and benefits of speeding up plans to replace the Coast Guard's aging fleet through the Deepwater program. The report, issued yesterday, unequivocally states that accelerating funding for this important recapitalization program would allow the Coast Guard to deliver a more robust homeland security presence and capability sooner.

Our nation's ports and waterways remain dangerously vulnerable to attack. The Governmental Affairs Committee has conducted extensive oversight of the government's capability to defend our ports, and will continue to do so. Indeed, next week the Committee will examine the security of cargo containers, six million of which enter U.S. ports each year. As the primary architect of the Homeland Security Act, the Committee will seek to ensure that the Coast Guard has the tools it needs to defend the homeland without shortchanging its traditional missions - search and rescue, maritime law enforcement, and protection of fisheries and the environment.

The report issued yesterday documents two alarming trends moving in opposite

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directions; a downward trend in the readiness of aging Coast Guard resources and an upward trend in maintenance costs. Replacing older, less reliable ships and aircraft in the near term will allow the Coast Guard to better balance its burgeoning homeland security role with its traditional maritime responsibilities.

Accelerating the Deepwater program will also mean a more robust Coast Guard presence sooner. According to the report, accelerating the Deepwater program would provide nearly one million additional Coast Guard mission hours dedicated to homeland security over the next 20 years. To achieve this, acquisition costs would have to be increased by an estimated \$4 billion over the current five-year Capital Investment Plan for the program; acceleration would then save an estimated \$4 billion in costs over the "buildout" of the system.

Thank you for the opportunity to comment on issues of interest to the Committee on Governmental Affairs.

Sincerely,



Susan M. Collins
Chairman



Joseph I. Lieberman
Ranking Member