

# UNITED STATES COAST GUARD 2012 POSTURE STATEMENT



WITH 2013 BUDGET IN BRIEF  
FEBRUARY 2012





**“WE PROTECT THOSE ON THE SEA,  
WE PROTECT AMERICA FROM  
THREATS DELIVERED BY SEA,  
AND WE PROTECT THE SEA ITSELF.”**

ADMIRAL ROBERT J. PAPP, JR.  
24TH COMMANDANT OF THE U.S. COAST GUARD

## TABLE OF CONTENTS

Performance Highlights ...	5
Year of the Coast Guard Family Highlights ...	18
Strategy ...	20
Budget in Brief ...	24
Programs and Missions ...	40



THE COMMANDANT OF THE UNITED STATES COAST GUARD  
WASHINGTON, D.C.



It gives me great pleasure to present you the Coast Guard's 2012 Posture Statement and 2013 Budget in Brief. This year marks our 222nd year of protecting Americans on the sea, America from threats delivered by the sea and the sea itself. Throughout this period, our unique authorities, capable assets and determined personnel have adapted to meet the Nation's evolving maritime safety, security and stewardship needs. We are locally based, nationally deployed and globally connected.

This past year, Coast Guard performance on the front-lines was exemplary. Coast Guard Disaster Assistance Response Teams were among the first responders to residential areas impacted by the waters of the Midwest floods natural disaster. Medium Endurance Cutters and Seagoing Buoy Tenders interdicted and supported the multi-agency recovery of multiple Self-Propelled Semi-Submersible vessels in the Western Caribbean—the first of such vessels interdicted in that drug transit zone.

Operational excellence has always been a Coast Guard hallmark. Sixty years ago, on February 18, 1952, the Coast Guard rescued 70 crewmen from two tank vessels that broke in half in storm-tossed waters off of Cape Cod, MA. Leading one of the lifesaving missions was Boatswain's Mate First Class Bernard C. Webber. Petty Officer Webber and his crew braved 60-foot seas in their 36-foot motorized lifeboat to save 32 crewmen from the tank vessel *Pendleton*. In 2012, we will commission Coast Guard Cutter *Bernard C. Webber* as the lead ship of the Sentinel Class Fast Response Cutters. Rebuilding the Coast Guard is an imperative to maintaining operational excellence into the future.

In FY 2013, we will continue production of Fast Response Cutters replacing the aging fleet of 110-foot patrol boats along with recapitalizing other assets to responsibly rebuild the Coast Guard. We will also procure the sixth National Security Cutter continuing the replacement of our aging fleet of High Endurance Cutters, providing essential and unique capabilities to the Nation in the offshore environment. Our Service must balance investment in recapitalization while we efficiently preserve front-line operations to ensure the readiness and effectiveness of our people, cutters, boats and aircraft. To prepare for the future, we will begin a new polar icebreaker acquisition program to address operational risks in the Arctic.

On our current trackline, we face uncertain and stormy seas that make the FY 2013 Budget an inflection point for the Nation and for the Coast Guard. Exercising resource and operational stewardship, the Coast Guard completed a comprehensive internal review of doctrine, policy, operations and mission support structure to focus resources and forces where they are most needed, with due recognition of the Nation's fiscal challenges. The Coast Guard is committed to completing the hard work of lowering the cost of government while balancing current and future ability to safeguard lives, protect the environment and key resources, facilitate safe and secure maritime commerce and protect the livelihood of citizens as we have done since 1790.

Please visit our website at [www.uscg.mil](http://www.uscg.mil) to learn more about the Coast Guard—how we are America's maritime first responder; how we enable and protect American prosperity; how we are a component of the fabric of the maritime community; how we are a sound investment in Homeland Security; and how we are Always Ready.

*Semper Paratus!*

A handwritten signature in blue ink, appearing to read 'R. J. Papp, Jr.'.

R. J. PAPP, JR.  
Admiral, U.S. Coast Guard





2011  
**PERFORMANCE  
HIGHLIGHTS**





**AMERICA'S  
MARITIME FIRST RESPONDER**  
The Coast Guard's readiness and persistent presence on America's coasts and waterways enable fast, flexible response to crisis.

**3,804 LIVES**  
SAVED BY USCG SEARCH AND RESCUE

**205,000 POUNDS**  
OF NARCOTICS INTERDICTED

**2,474** MIGRANTS INTERDICTED 

**28.7 MILLION**  
CREWMEMBERS AND PASSENGERS SCREENED  
PRIOR TO ARRIVAL IN U.S. PORTS

**IDENTIFIED OVER 275 INDIVIDUALS**  
WITH TERRORISM OR CRIMINAL ASSOCIATIONS FOR FURTHER VETTING

**DETAINED 191 SUSPECTED SMUGGLERS**

**1.7 MILLION HOURS**  
OF ON-WATER RECREATIONAL BOATING SAFETY OPERATIONS



**\$928 BILLION**  
IN WATERBORNE COMMERCE  
FACILITATED BY USCG AIDS TO NAVIGATION



**10,735 SECURITY BOARDINGS**  
OF SMALL VESSELS IN AND AROUND U.S.  
PORTS, WATERWAYS AND COASTAL REGIONS

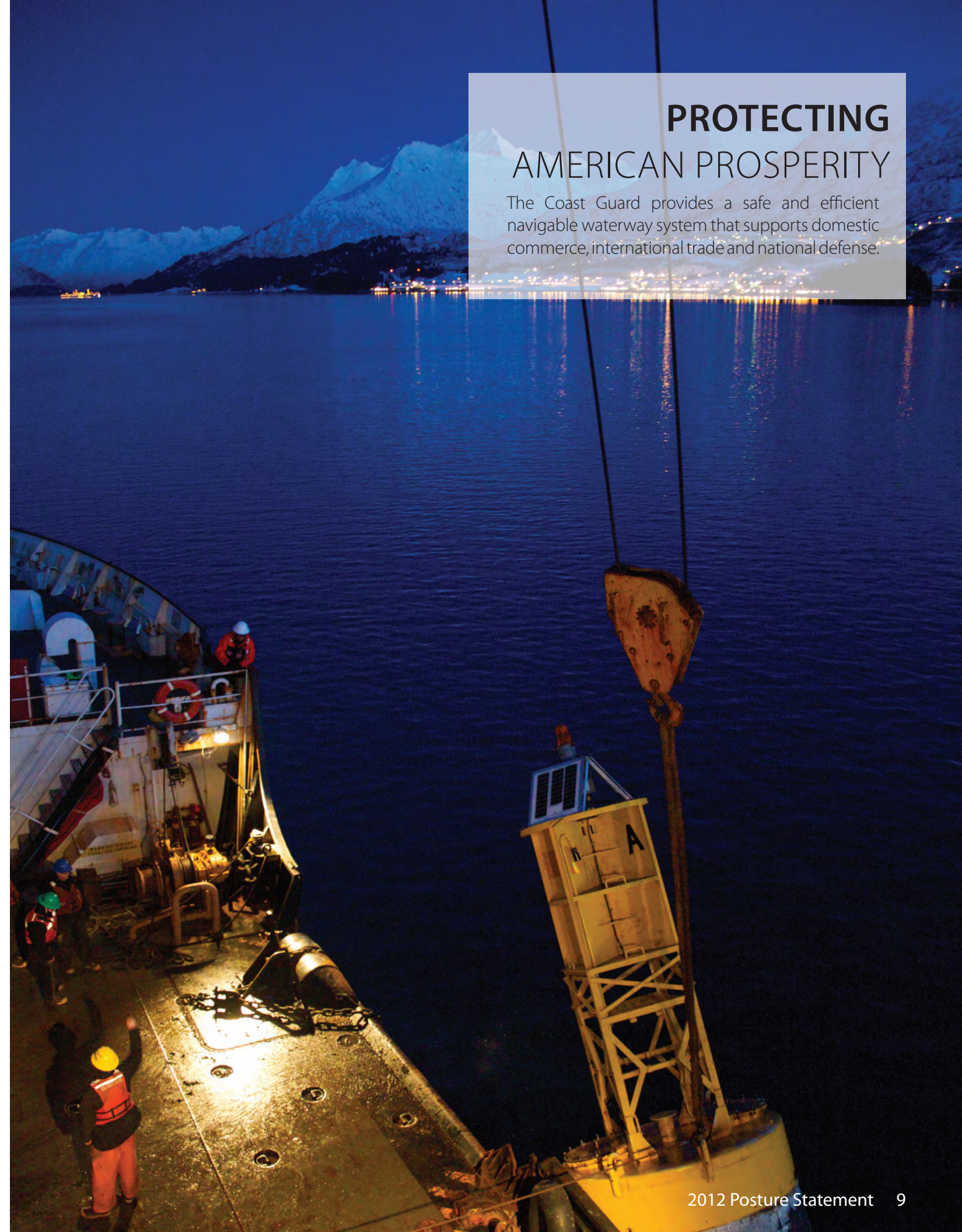
**ESCORTED 2,515**  
HIGH-CAPACITY PASSENGER FERRIES AND CRUISE SHIPS

**MORE THAN 2,000 INTELLIGENCE  
INFORMATION REPORTS PUBLISHED**  
SHARING COAST GUARD INFORMATION AND INTELLIGENCE  
WITH THE INTELLIGENCE COMMUNITY

**102 BOARDINGS**  
OF FOREIGN VESSELS TO SUPPRESS ILLEGAL, UNREGULATED AND  
UNREPORTED FISHING ON THE HIGH-SEAS  
AND IN THE EEZs OF PARTNER NATIONS

**PROTECTING  
AMERICAN PROSPERITY**

The Coast Guard provides a safe and efficient navigable waterway system that supports domestic commerce, international trade and national defense.







WE ARE  
LOCALLY BASED,  
NATIONALLY  
DEPLOYED,  
AND  
GLOBALLY  
CONNECTED.  
WE ARE THE  
**UNITED STATES  
COAST GUARD.**

For more than 220 years, the U.S. Coast Guard has safeguarded the Nation's maritime interests and natural resources on our rivers and ports, in the coastal regions and on the high-seas. The Coast Guard saves those in peril and protects the Nation's maritime border, Marine Transportation System, natural resources and the environment. Coast Guard men and women – active duty, reserve, civilian and Auxiliarists alike – deliver premier service to the public locally, nationally and globally. The Coast Guard is an adaptable, responsive, military force of maritime professionals whose broad legal authorities, assets, geographic diversity and expansive partnerships provide a persistent presence in the inland waters, ports, coastal regions and far offshore areas of operations. This presence, coupled with over two centuries of experience as the Nation's maritime first responder, provides tremendous value and service to the public.



# LOCALLY BASED

Along the shorelines of the United States, the American people do not have to look far to find Coast Guard units ready to respond to local emergencies on the water or preparing for deployment during a time of national crisis. In the local maritime community, Coast Guard units are the face of Search and Rescue, Ports, Waterways and Coastal Security missions, Law Enforcement, protection of the environment and security of the Marine Transportation System. These local units are the foundation upon which the Coast Guard monitors and protects the maritime domain, consisting of more than 350 ports and 95,000 miles of coastline that requires an integrated and layered approach for successful mission execution of the Service's 11 statutory missions.



A Coast Guard Air Station Sitka, AK MH-60 Jayhawk helicopter crew, and Sitka emergency medical responders, attend to an individual who was hoisted from a local fishing vessel after sustaining life-threatening injuries.



Coast Guard boarding officers from Station Galveston, TX climb aboard a shrimp boat to conduct a law enforcement and safety boarding.



The Coast Guard prepares recruits at Training Center Cape May, NJ for assignment at one of more than 1,200 local Coast Guard units.



A Transportation Worker Identification Credential (TWIC) is verified with a digital reader. Deployed to 51 units, the readers enable the Coast Guard to verify that personnel required to hold a TWIC are in compliance with regulations, reducing the threat of an incident within the Marine Transportation System.





Coast Guard Cutter *Stratton* transits under the Golden Gate Bridge in the San Francisco Bay, December 2011. Cutter *Stratton* is scheduled to be commissioned in 2012 and will be homeported with Cutters *Bertholf* and *Waesche* at Coast Guard Island in Alameda, CA.

The Coast Guard and state agencies jointly manage a response and salvage effort using the National Incident Management System to cleanup and remove a barge on the Columbia River that had created an oil sheen stretching as far as 14 miles downstream.



A Coast Guard Disaster Assistance Response Team and local residents place sandbags to stem flooding. The Coast Guard supported national, state and local agencies to save lives and minimize damage to property during the historic Midwest floods.



# NATIONALLY DEPLOYED

Nearly 90 percent of all global trade moves by sea, therefore the Coast Guard's vigilant safety and security presence throughout America's maritime communities and the Exclusive Economic Zone enables prosperity and reduces risk throughout the maritime environment. The Coast Guard regularly deploys its highly trained forces, develops and strengthens its partnerships across the maritime domain, and is organized to rapidly mobilize its critical response assets when and where the Nation needs them the most.

As Hurricane Irene threatened lives and property along the U.S. Eastern Seaboard, the Coast Guard ensured the safety of the local maritime communities and restoration of commerce following the storm. Although much of Irene's damage was inland, Coast Guard crews assisted partner agencies in emergency response and conducting damage surveys from the air and sea.

During the Midwest floods national disaster, Coast Guard personnel stationed throughout America's Heartland were some of the first responders to assist communities impacted by the record-setting high water. Integral to the response was the Service's repair of aids to navigation, quickly restoring maritime transportation and commerce despite the persistent flooding.




# GLOBALLY CONNECTED

The globally-connected Coast Guard exercises unique authorities, partnerships and capabilities to shape the increasingly dynamic and interconnected global maritime environment. We deploy an effective presence in United States and international waters with specialized skills and capabilities that promote global maritime security. The Coast Guard also serves as a leader in the International Maritime Organization, representing the United States, developing and advocating for improvements to international maritime standards.

To maintain competencies required to execute the most challenging maritime security missions, including supporting mission requirements of U.S. Combatant Commanders, major cutters like Coast Guard Cutter *Waesche* regularly participate in joint interoperability exercises and training, maintaining international partnerships and networks. The Coast Guard provides personnel and equipment in support of Department of Defense Combatant Commanders' requests for forces, to perform global missions that fit into three broad categories: Domestic Support, Expeditionary Operations and Training. The Coast Guard deploys six 110-foot patrol boats to Patrol Forces Southwest Asia, providing maritime security for U.S. and Allied assets and interests in the Arabian Gulf.

The Coast Guard, in concert with other government agencies, continues to work with other nations to eliminate illegal high-seas drift net activity in the Pacific Ocean, protecting vital natural resources critical to our economy and the ecological vibrancy of this expansive region. This past fall, Coast Guard Cutters *Munro*, *Midgett*, and *Alex Haley* interdicted and seized the fishing vessel *Bangun Perkasa* for illegal high-seas drift net fishing in the Pacific Ocean.



The crew of Coast Guard Cutter *Munro*, based in Kodiak, AK monitors the *Bangun Perkasa*, a stateless fishing vessel suspected of illegal high-seas drift net fishing on September 9, 2011.



A Senegalese Marine Petty Officer measures the size of fishing nets aboard a fishing vessel during an African Maritime Law Enforcement Partnership (AMLEP) boarding conducted by Coast Guard and Senegalese boarding teams on July 17, 2011.



Coast Guard Cutter *Monomoy*, on assignment with a Fifth Fleet task force in the northern Arabian Gulf, responded to the stricken Iranian dhow, the *Ya-Hussayn*, after the dhow's crew hailed Cutter *Monomoy* with flares and flashlights before dawn.



# YEAR OF THE COAST GUARD FAMILY

**“TOGETHER WE WILL IMPROVE  
THE QUALITY OF LIFE FOR OUR  
COAST GUARD MEMBERS AND  
MILITARY FAMILIES.”**

ADMIRAL ROBERT J. PAPP, JR.  
2011 STATE OF THE COAST GUARD ADDRESS

In addition to our significant operational accomplishments in 2011, the Service also made a dedicated effort to focus on the extended Coast Guard family. Coast Guard Work-Life Programs contribute to the well-being and resilience of our service members and their families, and enhance readiness, recruitment, retention and mission execution. For example, the Coast Guard established a Yellow Ribbon Program, in partnership with the Department of Defense (DoD), to enable more than 1,400 deploying members and their families to connect with resources before, during and after deployments, ensuring members in need receive assistance.

For additional information about Year of the Coast Guard Family, visit [www.uscg.mil/yotf](http://www.uscg.mil/yotf)

## STAY READY

Living our core values of Honor, Respect and Devotion to Duty means caring for our people so they can be "Always Ready" to do the Nation's work. To signify the strong commitment to the Coast Guard family, in 2012:

- The child care subsidy is being expanded to provide support to more families. Our family (in-home) child care program will be broadened to five additional regions.
- Efforts will continue to develop an ombudsman registry which will facilitate real-time distribution of individual and family support program information directly to unit ombudsmen, and then to individual families.
- Funding will provide seven new Training and Curriculum Specialists for those Coast Guard Child Development Centers (CDC) that do not currently have one.

The Coast Guard has also recently undertaken several initiatives to assess and improve the material condition of family and unaccompanied housing, including:

- Housing Product Line: The Shore Infrastructure Logistics Center (SILC) Housing Product Line at Civil Engineering Unit Oakland, CA is now the single point of accountability for 4,013 housing units valued at \$1.8 billion dollars.
- National Housing Assessment: The Coast Guard is conducting a broad assessment of housing demand and supply. This includes a housing market survey analysis to determine availability of community-based rental housing in lieu of government-owned military housing, customer satisfaction surveys and a housing inventory assessment.





# COAST GUARD STRATEGY



# COAST GUARD STRATEGY

The Coast Guard ensures the safety, security and stewardship of the Nation's waters. We are the lead Federal agency for law enforcement, incident response, homeland security and disaster management in the maritime environment. Our highly skilled workforce and capable assets allow the Service to fulfill its mission and protect the Nation.

## WHY WE MATTER

Since 1790, the Coast Guard has safeguarded our Nation's maritime interests and natural resources on our rivers, in the ports, in the littoral regions and on the high-seas. However, today's maritime environment has evolved dramatically since America's founding.

The role of the Coast Guard has never been more important. The United States is a maritime nation. We have the world's largest maritime Exclusive Economic Zone and are the world's largest international trading country. With nearly 90 percent of the increasing global trade moving by sea, much of it fueling U.S. jobs and industry, our Nation's economy and security are inextricably linked to the sea, our ports and our waterways. In 2010, goods imported through U.S. ports were valued at \$1.9 trillion dollars, with 13 million Americans jobs directly affected by this commerce.

The United States remains vigilant in the protection of its maritime interests. The Coast Guard's role remains critical in a world of intensifying globalization, changing patterns of world trade, growing competition for natural resources and increased use of the sea by transnational criminal organizations.

To provide for the needs of the Nation in an increasingly complex world, the Coast Guard must plan and conduct its activities with a vision that is focused on long-term value to the American people while executing today's operations. To do so requires an understanding of our mission, our external environment, how we operate and our

fundamental authorities, capabilities, competencies and partnerships.

## OUR STRATEGY

To meet the challenges presented by our complex and constantly evolving maritime environment, the Coast Guard executes an operational concept of Prevention – Response:

**Prevention:** Emphasizes the need to identify hazards and threats, reduce vulnerabilities and minimize the requirement for emergency response by helping to preempt avoidable casualties, damage, and other harm through regulations, inspections, properly maintained waterways, port activity monitoring and other activities.

**Response:** As the Nation's maritime first responder, if undesirable or unlawful events do happen, the Coast Guard's locally based yet nationally deployable presence gives it access to every region of the country, and abroad, to quickly and effectively respond to persons in need, stabilize disaster situations and coordinate additional support through an array of internal capabilities and vast network of external partnerships.

## REGULATE. MONITOR. ENFORCE. OPERATE.

The Coast Guard's Prevention – Response concept is executed through four interrelated and coordinated activities:

- Regulation and Policy-Making
- Monitoring and Oversight
- Enforcement
- Operations

For each of these activities, the Coast Guard brings unique authorities and operating capabilities, enabling it to set and enforce high standards for maritime safety, security and stewardship. The Coast Guard's wide range of operational activities reinforce a strategic emphasis on prevention while

at the same time position the Coast Guard to respond rapidly and effectively under a variety of conditions when the need demands.

## AUTHORITIES, PARTNERSHIPS AND PRESENCE

To achieve our mission, the Coast Guard relies on our unique authorities and partnerships, and maintains an effective presence on the water through specialized competencies and capabilities.

**Authorities:** The Coast Guard has broad authorities, responsibilities and operating capabilities to protect America's interests across the totality of the maritime domain. No other agency has these diverse authorities, assets or competencies. The Coast Guard is the Nation's only federal law enforcement agency that is also an Armed Service, and as such, has a unique ability to establish and enforce standards, reduce risk, control activities and respond to emergencies in the maritime domain. As a federal law enforcement agency and Armed Service, the Coast Guard deploys these authorities to ensure the security of U.S. waterways and approaches, as well as oversee the responsible stewardship of our national maritime resources.

**Partnerships:** The Coast Guard has developed robust, enduring and trusted partnerships with federal, state, local and tribal authorities, as well as with private industry and local communities of mariners across the Nation and around the world. The Coast Guard's international relationships and partnerships throughout the Marine Transportation System give it visibility and access to each link in the global maritime supply chain, enabling the Service to fulfill its missions.

**Presence:** People and assets are employed in conjunction with the Service's expansive authorities and partnerships to create a persistent operational presence to mitigate problems and respond quickly, should they occur. This operational presence enables the Coast Guard to serve as an agile and ready force in the ports and underway every day, working to secure the peace

## UNITY OF EFFORT

Unity of effort is a critical part of Coast Guard operations. The Coast Guard effectively uses the National Incident Management System, an approach that guides cooperation among multiple agencies and allows each to leverage their unique capabilities, authorities and responsibilities in a unified response. For instance, during the 4.9 million barrel Deepwater Horizon oil spill, the Coast Guard was the lead response agency, but depended upon many stakeholders with specific skills, authorities and expertise including the Environmental Protection Agency, the Bureau of Safety and Environmental Enforcement, the National Oceanic and Atmospheric Administration and several other federal agencies as well as state and local governments. Unity of effort was critical to the success of the mission involving 47,829 responders, 9,700 vessels and 127 aircraft.

and prosperity of the American homeland.

## EXECUTING TODAY'S MISSIONS WHILE PREPARING FOR FUTURE CHALLENGES

The Coast Guard must respond to today's priorities while simultaneously preparing for new and emerging demands and complexities in our not so distant future. The public rightly expects the Coast Guard to invest wisely, exercise diligent care of our resources and continue to meet our mission – to ensure the safety, security and stewardship of our Nation's waters.





# FISCAL YEAR 2013 BUDGET IN BRIEF

Budget Priorities .....	26
Budget in Brief .....	30
Appropriation Summary .....	34



# FY 2013 BUDGET PRIORITIES

The Coast Guard's FY 2013 Budget reflects the optimal balance between current operations and investment in future capability to sustain existing missions and address the most pressing operational risks. Investment in new assets is critical to ensure the Coast Guard remains capable of carrying out our missions today and well into the future. Accordingly, the Coast Guard's FY 2013 Budget priorities are to:

- **RESPONSIBLY REBUILD THE COAST GUARD**
- **EFFICIENTLY PRESERVE FRONT-LINE OPERATIONS**
- **STRENGTHEN RESOURCE AND OPERATIONAL STEWARDSHIP**
- **PREPARE FOR THE FUTURE**



# RESPONSIBLY REBUILD THE COAST GUARD

The Coast Guard's highest investment priority is recapitalizing the major cutter fleet. After more than four decades in service, the aging High Endurance Cutters will be replaced by a fleet of National Security Cutters. Coast Guard Cutter *Stratton*, the third National Security Cutter, was delivered to the Coast Guard in 2011 and recently arrived in its new homeport of Alameda, CA and is scheduled to be commissioned in 2012.







# STRENGTHEN RESOURCE AND OPERATIONAL STEWARDSHIP

The FY 2013 Budget meets essential mission needs and challenges while simultaneously preparing for new and exigent demands. Building on successes in FY 2011, the Coast Guard will continue to support the Department of Homeland Security's long-term audit goals to receive a favorable opinion on a full-scope audit of all financial statements, sustain previous accomplishments, monitor the effectiveness of processes and controls and leverage technology and innovation to increase efficiencies in financial management and operations.



# EFFICIENTLY PRESERVE FRONT-LINE OPERATIONS

Our highest operational priority is to provide the level of service to the American people that will sustain the safety, security and stewardship of the Nation's waters. To ensure the Coast Guard remains ready to meet the Nation's safety and security requirements, the FY 2013 Budget provides funding for the operation of new assets delivered by our acquisition projects, and resources to support military and civilian pay and benefits.



# PREPARE FOR THE FUTURE

In 2012, we will forward deploy to assist in maintaining the safety and security of anticipated Arctic exploratory oil drilling activity. In FY 2013, the Coast Guard will begin the acquisition of a new Polar Icebreaker and invest in Alaskan infrastructure.



# THE FY 2013 BUDGET IN BRIEF



The FY 2013 budget provides funding to procure one HC-144A Maritime Patrol Aircraft, and deliver and place in full operational status three MPA at Coast Guard Air Station Cape Cod to replace the HU-25 Falcon fleet.

The Coast Guard's FY 2013 Budget strikes the optimal balance between current operations and investment in future capability to sustain the Coast Guard's ability to execute its missions and address the most pressing operational requirements. This budget request includes investment in new assets which are critical to ensure the Coast Guard remains capable of carrying out its missions today and well into the future. Accordingly, the Coast Guard's FY 2013 Budget priorities are to:

- Responsibly Rebuild the Coast Guard
- Efficiently Preserve Front-line Operations
- Strengthen Resource and Operational Stewardship
- Prepare for the Future

## RESPONSIBLY REBUILD THE COAST GUARD

The Coast Guard continues to focus resources on recapitalizing cutters, boats, aircraft, and Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance systems, critical to sustaining the ability to accomplish missions well into the future. This budget request fully funds the sixth National Security Cutter, strengthening the Coast Guard's long-term major cutter recapitalization effort to replace its aged, obsolete High Endurance Cutter fleet as quickly as possible. The FY 2013 investments are critical to replacing and sustaining aging in-service assets, and are key to maintaining future capability.

### SURFACE ASSETS \$879.5M (0 FTE)

The budget provides \$879.5 million for surface assets, including the following recapitalization and sustainment initiatives:

- National Security Cutter (NSC) – Provides production funding for the sixth NSC; NSCs will replace the aging fleet of High Endurance Cutter first commissioned in 1967. The acquisition of NSC-6 is vital for performing DHS missions in the far off-shore regions, including the harsh operating environment of the Pacific Ocean and Bering Sea, as well as providing for robust homeland security contingency response.
- Fast Response Cutter (FRC) – Provides production funding to procure FRCs #19-20. These assets replace the aging fleet of 110-foot patrol boats, and provide the coastal capability to conduct search and rescue operations, enforce border security, interdict drugs, uphold immigration laws, prevent terrorism and ensure resiliency to disasters. Hulls #17 - 20 will be procured in FY 2013 using FY 2012 and FY 2013 funds, maintaining FRC production at the current rate.
- Offshore Patrol Cutter (OPC) – Continues initial acquisition work and design of the OPC. The OPC will replace the Medium Endurance Cutter class to conduct missions on the high-seas and coastal approaches.
- Medium Endurance Cutter (MEC) – Completes the Mission Effectiveness Program for the 270-foot MECs at the Coast Guard YARD.
- Survey and Design – Initiates survey and design work for a mid-life availability on the 175-foot Coastal Buoy Tender class.

### AIR ASSETS \$74.5M (0 FTE)

The budget provides \$74.5 million for the following air asset recapitalization or enhancement initiatives:

- HC-144 – Funds production of the 18th HC-144A Maritime Patrol Aircraft. The HC-144A fleet will provide enhanced maritime surveillance and medium airlift capability over the legacy HU-25 aircraft that they replace. The HU-25s will all be removed from service by the end of their planned service life, in FY 2014.
- HH-65 – Funds sustainment of key components requiring recapitalization.



Coast Guard Cutter *Mohawk* underway conducting law enforcement operations. The FY 2013 Budget provides funding to complete the Mission Effectiveness Program on the 270-foot Medium Endurance Cutter fleet.

### ASSET RECAPITALIZATION – OTHER \$76.5M (0 FTE)

The budget provides \$76.5 million for asset recapitalization, including the following equipment and services:

- Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) – Deploys standardized C4ISR capability to newly fielded NSCs, C-130s and MPAs and develops C4ISR capability for other new assets.
- CG-Logistics Information Management System – Continues development and prototype deployment to Coast Guard operational assets and support facilities.
- Nationwide Automatic Identification System (NAIS) – Continues recapitalizing the existing interim NAIS system in 58 ports and 11 coastal areas by replacing it with the permanent solution design and technology via the core system upgrade.

### SHORE UNITS AND AIDS TO NAVIGATION (ATON) \$69.4M (0 FTE)

The budget provides \$69.4 million to recapitalize fixed infrastructure for safe, functional and modern shore facilities that effectively support Coast Guard assets and personnel:

- Station New York Boat Ramp – Constructs a boat ramp for launching small boats at Station New York, NY, for both the Station and Maritime Safety and Security Team New York.
- Air Station Barbers Point – Constructs an aircraft rinse rack facility to properly and effectively rinse C-130 aircraft at Air Station Barbers Point.
- Major Acquisition Systems Infrastructure – Commences construction of piers and support facilities for three FRC homeports; construction of an MPA training facility at Aviation Technical Training Center in Elizabeth City, NC; construction of an MPA maintenance facility hangar at the Aviation Logistics Center at Elizabeth City, NC.

- ATON Infrastructure – Completes improvements to short-range aids and infrastructure to enhance the safety of maritime transportation.

### PERSONNEL AND MANAGEMENT \$117.4M (842 FTE)

The budget provides \$117.4 million to provide pay and benefits for the Coast Guard's acquisition workforce.

## EFFICIENTLY PRESERVE FRONT-LINE OPERATIONS

To ensure the Coast Guard remains ready to meet the Nation's maritime safety and security requirements, the FY 2013 Budget provides a balance between sustaining front-line operational capacity and rebuilding the Coast Guard. The FY 2013 Budget provides funding to operate and maintain Coast Guard assets and sustain essential front-line operations. Key investments include funding the operation of new assets delivered through acquisition programs and investment in military workforce pay and benefits.

### PAY & ALLOWANCES \$88.9M (0 FTE)

The budget provides \$88.9 million to maintain parity of military pay, allowances and health care with DoD, and funds the civilian raise. As a branch of the Armed Forces of the United States, the Coast Guard is subject to the provisions of the National Defense Authorization Act, which includes pay and personnel benefits for the military workforce.

### ANNUALIZATION OF FISCAL YEAR 2012 INITIATIVES \$54.2M (260 FTE)

The budget provides \$54.2 million to continue critical FY 2012 initiatives.

### OPERATING AND MAINTENANCE FUNDS FOR NEW ASSETS \$47.6M (139 FTE)

The budget provides a total of \$47.6 million to fund operations and maintenance of shore facilities and cutters, boats, aircraft and associated C4ISR subsystems delivered through acquisition efforts. Funding is requested for the following assets and systems:

- Shore Facilities – Funding for the operation and maintenance of shore facility projects scheduled for completion prior to FY 2013.
- Response Boat-Medium – Funding for operation and maintenance of 30 boats.
- Interagency Operations Center (IOC) – Funding for the



- operation and maintenance of the WatchKeeper system.
- Rescue 21 (R21) – Funding for the operation and maintenance of the R21 System in Sector Sault Ste. Marie and Sector Lake Michigan.
- FRC – Operating and maintenance funding for FRCs #8-9 and funding for FRC crews #9-10. These assets will be homeported in Key West, FL. Funding is also requested for shore-side maintenance personnel needed to support FRCs.
- HC-144A MPA – Operating and maintenance funding for aircraft #14-15 and personnel funding to operate and support aircraft #15-16.
- Air Station Cape Cod Transition – Funding to complete a change in aircraft type allowance, and programmed utilization rates.
- Training Systems for Engineering Personnel – Funding to support NSC and FRC training requirements at Training Center Yorktown.
- HC-130H Flight Simulator Training – Funding to support aircraft simulator training for HC-130H pilots, flight engineers and navigators.

**ST. ELIZABETHS HEADQUARTERS CONSOLIDATION**  
\$24.5M (0 FTE)

The budget provides funding to support the Coast Guard's relocation to the DHS consolidated headquarters at the St. Elizabeths Campus in Washington, DC. Funding supports the systematic move of equipment, employees and work functions to the new headquarters location, beginning in the third quarter of FY 2013.

**STRENGTHEN RESOURCE AND OPERATIONAL STEWARDSHIP**

The FY 2013 Budget meets essential mission needs while simultaneously preparing for new and exigent demands. Through a comprehensive internal review of doctrine, policy, operations and mission support structure, the Coast Guard has focused resources and forces where they are most needed, while recognizing the current fiscal challenges. The FY 2013 Budget also proposes administrative and programmatic reductions to improve efficiency and service delivery, while continuing investment in Coast Guard activities that provide the highest return on investment.

**ASSET DECOMMISSIONINGS**

In FY 2013, in addition to the planned decommission of legacy assets, the Coast Guard will make targeted operational reductions to prioritize front-line operational capacity and invest in critical recapitalization initiatives.

**HIGH ENDURANCE CUTTER DECOMMISSIONINGS**  
-\$16.8M (-241 FTE)

The Coast Guard will decommission the fourth and fifth of the original fleet of twelve HECs. With the average cutter age at 43 years, the HEC fleet has become increasingly difficult to maintain and sustain operationally. The decommissioning of two HECs is critical to support ongoing major cutter recapitalization efforts. NSCs, including the sixth NSC which is fully funded by this budget request, are replacing the aging HEC fleet.

**110-FT ISLAND CLASS PATROL BOAT DECOMMISSIONINGS**  
-\$2.0M (-35 FTE)

The Coast Guard will decommission three 110-ft patrol boats in FY 2013. The 110-ft patrol boats are being replaced by the FRC.

**HIGH TEMPO HIGH MAINTENANCE PATROL BOAT OPERATIONS**  
-\$33.5M (-206 FTE)

The Coast Guard will terminate the High Tempo High Maintenance (HTHM) operations program that facilitates augmented operation of eight in-service 110-foot patrol boats. Termination of this program coincides with commissioning of new FRCs which will mitigate this lost capacity.

**CLOSE SEASONAL AIR FACILITIES**  
-\$5.2M (-34 FTE)

The Coast Guard will improve the efficiency of domestic air operations by closing seasonal air facilities and realigning rotary wing capacity to provide three medium-range H-60 helicopters to the Great Lakes region to replace the H-65s currently in service. Due to limited demand for services and improved endurance from the H-60, the Coast Guard will discontinue two seasonal Coast Guard air facilities at Muskegon, MI and Waukegan, IL.

**HU-25 AIRCRAFT RETIREMENTS**  
-\$5.5M (-20 FTE)

The Coast Guard will retire the three remaining HU-25 aircraft assigned to Coast Guard Air Station (CGAS) Cape Cod to allow for the transition to HC-144A aircraft. In FY 2013, the Coast Guard will deliver and place in full-operational status three HC-144A aircraft at CGAS Cape Cod.

**ENTERPRISE-WIDE EFFICIENCIES**

The budget proposes administrative and programmatic efficiencies to improve service delivery, while continuing investment in Coast Guard activities that provide the highest return on investment.



A Coast Guard MH-65 Dolphin helicopter crew lands on a frozen sea ice sheet in front of the Coast Guard Cutter Healy near Nome, AK.

**ENTERPRISE-WIDE EFFICIENCIES**  
-\$56.3M (-24 FTE)

The Coast Guard will seek efficiencies and cost reductions in the areas of IT infrastructure, government vehicles, professional services contracts, non-operational travel, GSA leases, permanent change of duty station relocation costs for military personnel and logistics services by consolidating/centralizing functions in geographically concentrated areas.

**PROGRAMMATIC REDUCTIONS**

In FY 2013, the Coast Guard will make targeted reductions in base program areas. These base adjustments recognize changes in requirements for selected activities and redirect resources toward higher-priorities, including critical recapitalization projects and essential frontline operations.

**HEADQUARTERS PERSONNEL AND SUPPORT REDUCTION**  
-\$12.7M (-131 FTE)

The Coast Guard will eliminate 222 Headquarters positions through attrition and implementation of a civilian hiring freeze in the Washington, D.C. area. This reduction preserves the Coast Guard's critical capabilities to conduct front-line operations; mission support; and development and implementation of national policies and regulations.

**RECRUITING PROGRAM REDUCTION**  
-\$9.8M (-39 FTE)

The Coast Guard will make reductions to the Recruiting program and Selective Reenlistment Bonuses, not needed based on the current employment outlook.

**OTHER TARGETED PROGRAM REDUCTIONS**  
-\$6.7M (-62 FTE)

The Coast Guard will make targeted reductions to the Intelligence workforce, Organizational Performance Consultants and non-reimbursable Detached Duty billets.

**TARGETED OPERATIONAL REDUCTIONS**  
-\$3.7M (-32 FTE)

Based on an internal review of doctrine, policy and operational risk, the Coast Guard will consolidate Ports, Waterways and Coastal Security Airborne Use of Force capability at Elizabeth City, NC; and San Diego, CA with corresponding elimination of AUF programs at six Coast Guard Air Stations. The Coast Guard will also reorganize the international Mobile Training Team and eliminate the Vintage Vessel National Center of Expertise (VNVCOE). The duties performed by the VNVCOE will be assumed by Sector personnel within the Ninth Coast Guard District.





The Coast Guard is replacing the existing fleet of 12 High Endurance Cutters with National Security Cutters. Pictured above is Coast Guard Cutter Dallas during its launching in October, 1966. In 2012, Cutter Dallas will be third HEC to be decommissioned after nearly 45 years of service.

## PREPARE FOR THE FUTURE

The Coast Guard continuously identifies and prepares for emerging maritime threats facing the Service and the Nation. The FY 2013 Budget request recognizes the criticality of the Arctic as a strategic National priority, given increasing presence and interest by other Nations, the preponderance of natural resources available in this region and increasing maritime commercial and recreational activity.

### POLAR ICEBREAKER\* \$8.0M (0 FTE)

Initiates acquisition of a new Polar Icebreaker to ensure the Nation is able to maintain a surface presence in the Arctic well into the future.

### ALASKA SHORE FACILITIES\* \$6.1M (0 FTE)

Provides funding to recapitalize and expand helicopter hangar facilities in Cold Bay, AK, and recapitalize aviation re-fueling facilities at Sitkinak, AK. These investments will sustain the Coast Guard's ability to establish effective presence in the Bering Sea and Aleutian Chain - the "gateway" to the Arctic.

\* Note: Funding amounts within this section are included in totals listed within the Responsibly Rebuild the Coast Guard section.

## FISCAL YEAR 2013 APPROPRIATION SUMMARY

Table 1, on page 35, provides a summary by appropriation of the FY 2013 President's Budget for the Coast Guard. Additional details are listed on pages 36 and 37 for each appropriation. Because of the Coast Guard's multi-mission character, funding is not appropriated by its 11 statutory missions. Instead, the substantial portion of discretionary funding is appropriated for Coast Guard "Operating Expenses," which supports all Coast Guard missions. Table 2, on page 35, provides an estimation of the FY 2011 – FY 2013 Budgets by mission.

### FISCAL YEAR 2013 APPROPRIATION DETAILS

#### OPERATING EXPENSES (OE)

Actual, FY 2011	\$6,907,458
Appropriation, FY 2012	\$6,755,254*
Budget Estimate, FY 2013	\$6,791,178

\* Includes rescission of \$37.8 million pursuant to P.L. 112-74. For comparative purposes, does not include \$258 million requested via the Department of Defense but appropriated directly to the Coast Guard for Overseas Contingency Operations in FY 2012.

The Operating Expense appropriation provides funding for the operation and maintenance of multi-purpose vessels, aircraft and shore units strategically located along the coasts and inland waterways of the United States and in selected areas overseas. This is the primary appropriation financing

TABLE 1: APPROPRIATION SUMMARY

Appropriation (\$000)	FY 2011 Actual Obligations	FY 2012 Enacted Budget Authority	FY 2013 Requested Budget Authority
Operating Expenses	\$6,907,458	\$6,755,254	\$6,791,178
Environmental Compliance and Restoration	\$12,593	\$13,500	\$13,162
Reserve Training	\$132,849	\$134,278	\$132,554
Acquisition, Construction, and Improvements	\$2,101,580	\$1,463,968	\$1,192,309
Alteration of Bridges	---	---	---
Research, Development, Test and Evaluation	\$20,536	\$27,779	\$19,728
Health Care Fund Contribution	\$265,321	\$261,871	\$169,977
<b>Sub-total (Discretionary Funding)</b>	<b>\$9,440,337</b>	<b>\$8,656,650</b>	<b>\$8,318,908</b>
Retired Pay	\$1,320,689	\$1,440,157	\$1,430,942
Boating Safety	\$134,433	\$113,199	\$116,221
Maritime Oil Spill Program	\$259,465	\$101,000	\$100,500
Gift Fund	\$1,535	\$80	\$80
<b>Sub-total (Mandatory Funding)</b>	<b>\$1,716,122</b>	<b>\$1,654,436</b>	<b>\$1,647,743</b>
Oil Spill Liability Trust Fund (OSLTF) Contribution	[\$45,000]	[\$45,000]	[\$45,000]
Transfer from National Science Foundation (NSF) (P.L. 111-117)	[\$42,330]	---	---
Haitian Disaster Relief Act (P.L. 111-212)	[\$48,354]	---	---
Overseas Contingency Operations (OCO) Funding (P.L. 112-10)	[\$254,000]	---	---
Overseas Contingency Operations (OCO) Funding (P.L. 112-74)	---	\$258,000	---
Anticipated DoD Transfer for Overseas Contingency Operations	---	---	[\$254,461]
Rescission of unobligated balances pursuant to (P.L. 112-10)	[-\$10,122]	---	---
Government-wide rescission pursuant to (P.L. 112-10)	[-\$16,689]	---	---
Rescission of unobligated balances pursuant to (P.L. 112-74)	---	[-\$43,688]	---
DoD transfer pursuant to (P.L. 112-74)	---	[\$63,500]	---
Proposed cancellation of funds for NSC #4 post-delivery activities	---	---	[-\$25,000]
<b>Sub-total (Transfers and Supplementals)</b>	<b>[\$362,873]</b>	<b>\$258,000</b>	<b>[\$274,461]</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$11,156,459</b>	<b>\$10,569,086</b>	<b>\$9,966,651</b>

TABLE 2: FY 2013 NET DISCRETIONARY BUDGET AUTHORITY BREAKOUT BY STATUTORY MISSION<sup>1</sup>

Coast Guard Mission (\$000)	FY 2011 Revised Enacted <sup>2</sup>	FY 2012 Enacted Budget Authority	FY 2013 Requested Budget Authority	FY 2013 +/- FY 2012
Search and Rescue	\$926,376	\$1,057,113	\$920,845	-\$136,268
Marine Safety	\$644,030	\$653,555	\$610,534	-\$43,021
Aids to Navigation	\$1,414,712	\$1,581,682	\$1,474,506	-\$107,176
Ice Operations	\$107,259	\$113,310	\$114,332	\$1,022
Marine Environmental Protection	\$210,569	\$216,537	\$184,264	-\$32,273
Living Marine Resources	\$984,911	\$857,998	\$884,916	\$26,918
Drug Interdiction	\$1,271,458	\$1,006,110	\$1,144,208	\$138,098
Migrant Interdiction	\$733,396	\$734,127	\$624,310	-\$109,817
Other Law Enforcement	\$199,035	\$111,965	\$144,874	\$32,909
Ports, Waterways and Coastal Security	\$1,651,062	\$1,917,504	\$1,737,980	-\$179,524
Defense Readiness	\$504,412	\$406,749	\$478,139	\$71,390
<b>Net Discretionary: Excluding Supplementals and Transfers</b>	<b>\$8,647,220</b>	<b>\$8,656,650</b>	<b>\$8,318,908</b>	<b>-\$337,742</b>
<b>Mandatory</b>	<b>\$1,610,749</b>	<b>\$1,654,436</b>	<b>\$1,647,743</b>	<b>-\$6,693</b>
Overseas Contingency Operations (OCO) Funding (P.L. 112-10)	[\$254,000]	--	--	--
OCO Funding (P.L. 112-74)	--	\$258,000.00	--	--
Anticipated DoD Transfer	--	--	[\$254,461]	--
Transfer from National Science Foundation (P.L. 112-10)	[\$53,982]	--	--	--
Rescission of unobligated balances pursuant to (P.L. 112-74)	--	[-\$43,688]	--	--
<b>Total Budget Authority</b>	<b>\$10,511,699</b>	<b>\$10,569,086</b>	<b>\$9,966,651</b>	<b>-\$344,435</b>

<sup>1</sup>) The Coast Guard budgets by appropriation rather than by individual missions. The Coast Guard projects resource allocations by mission through the use of an activity-based costing system. Actual allocations will vary depending on operational environment and mission need.

<sup>2</sup>) FY 2012 Total Budget Authority includes \$258M/872 FTE for Overseas Contingency Operations appropriated directly to the Coast Guard. FY 2013 Requested Budget Authority (Total Budget Authority) does not include OCO funding, which is being requested via DoD and is displayed as a non-add.





Units located in New York, NY will have a new boat ramp built to facilitate operations in the harbor of the Nation's largest city.

operational activities of the Coast Guard. Table 3, on page 38, provides a detailed walkdown to the FY 2013 OE request from the FY 2012 Enacted Budget (P.L. 112-74).

#### ENVIRONMENTAL COMPLIANCE AND RESTORATION (EC&R)

Actual, FY 2011	\$12,593
Appropriation, FY 2012	\$13,500
Budget estimate, FY 2013	\$13,162

The Environmental Compliance and Restoration appropriation assists in bringing Coast Guard facilities into compliance with applicable Federal and state environmental regulations, developing pollution and hazardous waste minimization strategies and conducting environmental assessments. These funds permit the continuation of a service-wide program to correct environmental problems, such as major improvements to storage tanks containing petroleum and regulated substances. The program addresses Coast Guard facilities and third-party sites where Coast Guard activities have contributed to environmental concerns.

#### RESERVE TRAINING

Actual, FY 2011	\$132,849
Appropriation, FY 2012	\$134,278
Budget estimate, FY 2013	\$132,554

The Reserve Training appropriation provides for the training of qualified individuals who are available for active duty in time of war or national emergency or to augment regular Coast Guard forces in the performance of peacetime missions. Program activities fall into the following categories:

*Pay, Benefits and Allowances* – Funds the costs associated with salaries, benefits and other compensation for full-time staff that support members of the Selected Reserve.

*Operations, Maintenance and Administration* – Funds the costs related to training Reservists, administering the Reserve program and the portion of organizational costs shared by the Reserve Training appropriation for the day-to-day operation and maintenance of the Coast Guard Reserve program.

#### ACQUISITION, CONSTRUCTION AND IMPROVEMENTS (AC&I)

Actual, FY 2011	\$2,101,580
Appropriation, FY 2012	\$1,463,968*
Budget estimate, FY 2013	\$1,192,309

\* Includes \$63.5M to be transferred from the U.S. Air Force for a C-130J aircraft and a rescission of \$3.5 million in unobligated balances pursuant to P.L. 112-74.

The Acquisition, Construction and Improvements appropriation finances the acquisition of new capital assets, construction of new facilities and physical improvements to existing facilities

and assets. The appropriation covers Coast Guard-owned and operated vessels, aircraft, shore facilities and other equipment such as computer systems and personnel needed to manage acquisition activities. Table 4, on page 39, provides a detailed breakout of the Coast Guard's FY 2013 Capital Investment Plan.

#### ALTERATION OF BRIDGES

Actual, FY 2011	\$0
Appropriation, FY 2012	\$0
Budget estimate, FY 2013	\$0

The alteration of unreasonably obstructive bridges improves navigational safety and freedom of mobility to facilitate commerce, emergency response, and U.S. Government operations by providing sufficient clearances for the type of vessels that transit through the bridge.

#### RESEARCH, DEVELOPMENT, TEST AND EVALUATION (RDT&E)

Actual, FY 2011	\$20,536
Appropriation, FY 2012	\$27,779
Budget estimate, FY 2013	\$19,728

The Research, Development, Test and Evaluation appropriation allows the Coast Guard to sustain and enhance mission performance through applied research and development conducted at the Coast Guard's Research and Development Center in New London, CT, as well as through partnerships with other DHS components and DoD.

#### HEALTH CARE FUND CONTRIBUTION (HFC)

Actual, FY 2011	\$265,321
Budget Authority, FY 2012	\$261,871
Budget estimate, FY 2013	\$169,977

The Medicare-Eligible Retiree Health Care Fund Contribution provides funding to maintain the cost of accruing the military Medicare-eligible health benefit contributions to the DoD Medicare-Eligible Retiree Health Care Fund. Contributions are for future Medicare-eligible retirees currently serving on active duty in the Coast Guard, retiree dependents and their potential survivors. The authority for the Coast Guard to make this payment on an annual basis was provided in the 2005 Defense Appropriations Act (P.L. 108-375). While this expenditure requires no annual action by Congress, it is considered discretionary spending.

#### RETIRED PAY

Actual, FY 2011	\$1,320,689
Budget Authority, FY 2012	\$1,440,157
Budget estimate, FY 2013	\$1,430,942

The Retired Pay appropriation provides payments as identified under the Retired Serviceman's Family Protection and Survivor Benefits Plans, as well as other retired personnel entitlements

identified under the National Defense Authorization Act. It also provides payments for medical care of retired personnel and their dependents.

#### BOATING SAFETY

Actual, FY 2011	\$134,433
Budget Authority, FY 2012	\$113,199
Budget estimate, FY 2013	\$116,221

The Boating Safety program minimizes loss of life, personal injury, property damage and environmental impact associated with the use of recreational boats. In its role as the designated National Recreational Boating Safety Program Coordinator, the Coast Guard manages dedicated user fee funding to support the National Recreational Boating Safety Program. Pursuant to the Safe, Accountable, Flexible, Efficient Transportation Equity Act-A Legacy for Users (SAFETEA-LU, P.L. 109-59), the Boating Safety program receives 18.5 percent of the funds collected in the Sport Fish Restoration and Boating Safety Trust Fund. The FY 2013 Budget reflects the anticipated level of funding available from this source.

#### MARITIME OIL SPILL PROGRAM (MOSP)

Actual, FY 2011	\$259,465
Budget Authority, FY 2012	\$101,000
Budget estimate, FY 2013	\$100,500

The Maritime Oil Spill Program operates under the authority of Title I of the Oil Pollution Act of 1990 (OPA), as amended, which provides for the use of the Oil Spill Liability Trust Fund (OSLTF) to pay for federal response to oil spills and claims for uncompensated removal costs and damages resulting from such spills. In Section Seven of Executive Order 12777, the President delegated management responsibility for these uses of the OSLTF to the Secretary of the Department in which the Coast Guard is operating. Upon re-delegation by the Secretary, the Commandant of the Coast Guard delegated responsibility to the National Pollution Funds Center (NPFC), which oversees the OSLTF.



TABLE 3: OPERATING EXPENSES FY 2012 ENACTED TO FY 2013

<b>Department of Homeland Security U. S. Coast Guard Operating Expenses FY 2012 to FY 2013 Budget Change (Dollars in Thousands)</b>			
	<b>Pos.</b>	<b>FTE</b>	<b>Amount</b>
<b>2011 Actual</b>	<b>49,047</b>	<b>48,071</b>	<b>6,907,458</b>
<b>2012 Enacted</b>	<b>49,441</b>	<b>49,255</b>	<b>6,755,254</b>
<b>Adjustments-to-Base</b>			
Transfers to and from Other Accounts			
A. Transfer	-	-	3,740
Total Transfers	-	-	3,740
Increases			
A. Annualization of Prior Year Funding	(50)	260	54,207
B. Mandatory Personnel Entitlements			
1. Annualization of FY 2012 Military Pay Raise	-	-	8,427
2. FY 2013 Pay Increase	-	-	29,989
3. Military Allowances	-	-	48,991
C. Operating and Maintenance Funds for New Assets			
1. Shore Facility Follow-On	-	-	3,870
2. Response Boat - Medium (RB-M) Follow-On	20	10	3,058
3. WatchKeeper Follow-On	3	2	2,261
4. Rescue 21 (R21) Follow-On	-	-	1,448
5. Surface and Air Asset Follow-On	224	127	37,001
D. Base Re-Allocations (Non-Add)			
1. Balanced Workforce Strategy Follow-on	33	33	[3,485]
2. Military FTP and FTE Transfer to Civilian	[50]	[50]	[5,331]
3. Reclassification of Reimbursable FTE to Direct FTE	13	13	[1,807]
Total Increases	243	445	189,252
Decreases			
A. Termination of One-Time Costs	-	-	(18,309)
B. Prior Year Management Annualizations	-	(92)	(10,996)
C. Asset Decommissionings			
1. Patrol Boat High Tempo High Maintenance (HTHM) Operations	(206)	(206)	(33,495)
2. Three 110-Patrol Boats	(70)	(35)	(1,977)
3. Two High Endurance Cutters (HEC)	(389)	(241)	(16,832)
4. Three HU-25 Aircraft	(39)	(20)	(5,514)
5. Seasonal Air Facilities	(68)	(34)	(5,201)
D. Enterprise-Wide Efficiencies	(48)	(24)	(56,299)
E. Programmatic Reductions	(479)	(264)	(32,945)
Total Decreases	(1,299)	(916)	(181,568)
<b>Total Adjustments-to-Base</b>	<b>(1,056)</b>	<b>(471)</b>	<b>11,424</b>
<b>2013 Current Services</b>	<b>48,385</b>	<b>48,784</b>	<b>6,766,678</b>
<b>Program Changes</b>			
Program Increases			
A. DHS Headquarters Consolidation	-	-	24,500
<b>Total Program Changes</b>	<b>-</b>	<b>-</b>	<b>24,500</b>
<b>2013 Request</b>	<b>48,385</b>	<b>48,784</b>	<b>6,791,178</b>
<b>2012 to 2013 Total Change</b>	<b>(1,056)</b>	<b>(471)</b>	<b>35,924</b>

TABLE 4: FY 2013 CAPITAL INVESTMENT PLAN (CIP)  
ACQUISITION, CONSTRUCTION AND IMPROVEMENTS

Appropriations (\$000)	FY 2012 Enacted Budget Authority	FY 2013 Requested Budget Authority
<b>Vessels</b>	<b>\$642,000</b>	<b>\$879,500</b>
Survey and Design - Vessel and Boats	\$6,000	\$2,500
In-Service Vessel Sustainment	\$14,000	\$0
Response Boat - Medium (RB-M)	\$110,000	\$0
National Security Cutter (NSC) <sup>1</sup>	\$77,000	\$683,000
Offshore Patrol Cutter (OPC)	\$25,000	\$30,000
Fast Response Cutter (FRC)	\$358,000	\$139,000
Cutter Boats	\$5,000	\$4,000
Medium Endurance Cutter Sustainment	\$47,000	\$13,000
Polar Icebreaker <sup>2</sup>	\$0	\$8,000
<b>Aircraft</b>	<b>\$289,900</b>	<b>\$74,500</b>
CGNR 6017 Airframe Replacement	\$18,300	\$0
Maritime Patrol Aircraft (MPA)	\$129,500	\$43,000
HH-60 Conversion Projects	\$56,100	\$0
HH-65 Conversion/Sustainment Projects	\$24,000	\$31,500
Long Range Surveillance Aircraft (C-130H/J) <sup>3</sup>	\$62,000	\$0
Unmanned Aircraft System (UAS)	\$0	\$0
<b>Other</b>	<b>\$161,140</b>	<b>\$76,500</b>
Program Oversight and Management <sup>4</sup>	\$26,000	\$25,000
Systems Engineering and Integration	\$17,140	\$2,500
Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance	\$38,500	\$40,500
CG Logistics Information Management System	\$6,500	\$2,500
Nationwide Automatic Identification System (NAIS)	\$5,000	\$6,000
Rescue 21	\$65,000	\$0
Interagency Operations Centers (IOC)	\$3,000	\$0
<b>Shore and ATON</b>	<b>\$200,692</b>	<b>\$69,411</b>
Major Shore, Military Housing, ATON and S&D	\$112,900	\$15,000
Major Acquisition Systems Infrastructure	\$81,500	\$49,411
Minor Shore	\$6,292	\$5,000
<b>Personnel and Management</b>	<b>\$110,192</b>	<b>\$117,103</b>
AC&I Core	\$600	\$600
Direct Personnel Costs	\$109,592	\$116,503
<b>TOTAL</b>	<b>\$1,403,924</b>	<b>\$1,217,014</b>

1) Proposed cancellation of \$25 million appropriated under of the Department of Homeland Security Appropriations Act, 2010 (P.L. 111-83) for NSC #4 post-delivery activity. The table reflects the proposed re-appropriation of these funds for the same purpose within the amount shown for the NSC project above.  
2) Estimates for Polar Icebreaker are based on the October 2011 R&D Center Comprehensive Analysis on U.S. Polar Icebreaker Recapitalization as directed by P.L. 111-281.  
3) The Coast Guard also received an additional \$63.5M transfer in the Consolidated Appropriations Act, 2012 from the Air Force Aircraft Procurement appropriation for procurement of a C-130J aircraft.  
4) Previously titled Government Program Management; project renamed in the Consolidated Appropriations Act, 2012, P.L. 112-74.





**PROGRAMS  
AND MISSIONS**



# OUR PROGRAMS AND MISSIONS



The Coast Guard delivers value to the Nation by administering programs and missions to ensure the maritime domain is safe and secure, and that care is taken to protect the marine environment. The role of the Coast Guard in the maritime domain is enduring while at the same time never being more relevant or more in demand – with long-standing responsibilities accrued over more than two centuries of service. The Coast Guard is organized into six programs, which are critical to achieving specific Quadrennial Homeland Security Review (QHSR) goals and objectives and advancing National priorities that together define Department of Homeland Security missions. The initiatives in the Coast Guard's FY 2013 Budget are crucial to the effective achievement of these Department of Homeland Security mission priorities. The table on page 45 provides a listing of the six programs and their relationship to the Coast Guard's 11 statutory missions.

## MARITIME SECURITY OPERATIONS

Maritime Security Operations encompass activities conducted to detect, deter, prevent and disrupt terrorist attacks and other criminal acts in the maritime domain. It includes the execution of antiterrorism, response and recovery operations and related preparedness activities such as the establishment and oversight of a maritime security regime and maritime domain awareness. The following statutory mission contributes to the Coast Guard's Maritime Security Operations program:

- Ports, Waterways and Coastal Security

### IN 2011 THE COAST GUARD...

- Conducted 10,735 security boardings of small vessels in and around U.S. ports, waterways and coastal regions.
- Conducted approximately 37,000 waterborne patrols near critical maritime infrastructure and security zones in American ports.
- Escorted approximately 5,000 high-capacity passenger vessels, naval vessels and ships carrying dangerous cargoes.
- Conducted 1,690 boardings of high interest vessels designated as posing a greater-than-normal risk to the U.S.

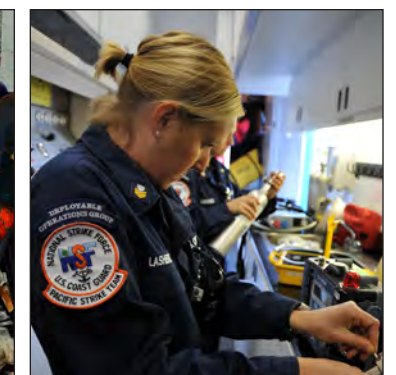
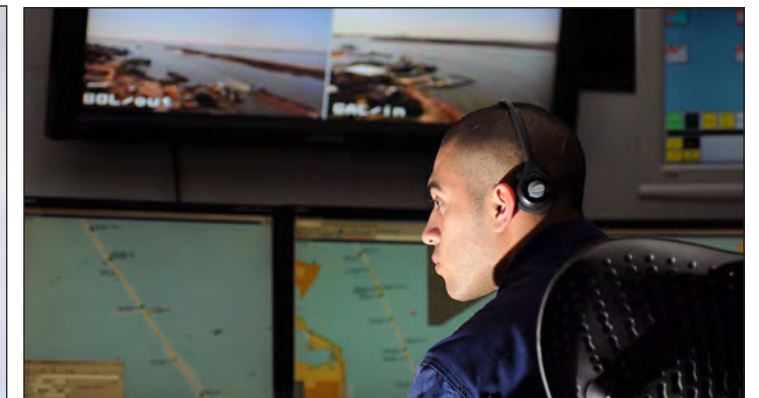
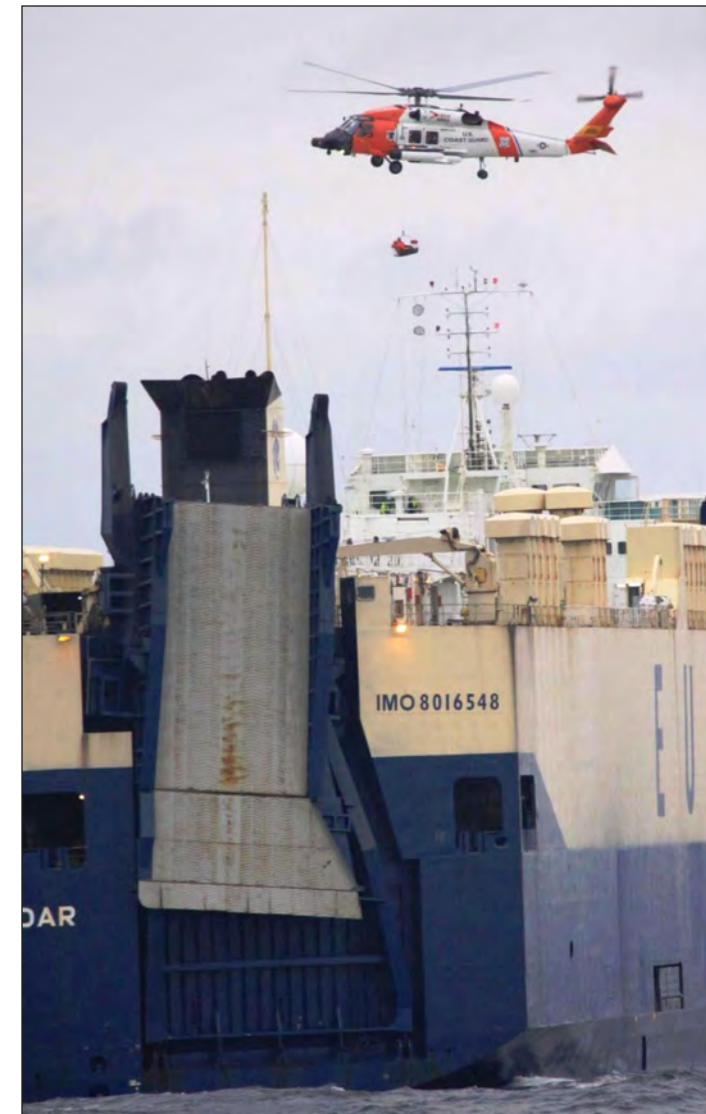
## MARITIME LAW ENFORCEMENT

The Maritime Law Enforcement program preserves America's jurisdictional rights within our maritime borders and suppresses violations of U.S. federal law on, under and over the high-seas. The Coast Guard is the lead federal maritime law enforcement agency for enforcing national and international law on the high-seas, outer continental shelf and inland from the U.S. Exclusive Economic Zone (EEZ) to inland waters. The following statutory missions contribute to the Coast Guard's Maritime Law Enforcement program:

- Drug Interdiction
- Migrant Interdiction
- Living Marine Resources
- Other Law Enforcement

### IN 2011 THE COAST GUARD...

- Removed over 75 metric tons of cocaine and 18 metric tons of marijuana bound for the United States; interdicted 40 vessels, and detained 191 suspected drug smugglers.
- Coast Guard Law Enforcement Detachments (LEDETs) deployed for 1,793 days in FY 2011 and accounted for 16 percent of all cocaine removals.
- Interdicted six Self-Propelled Semi-Submersible vessels, keeping 33 metric tons of cocaine off the streets of the United States.
- Interdicted 2,474 undocumented migrants attempting to illegally enter the United States.
- Encountered over 140 domestic significant fishery violations during boardings of over 5,500 U.S. vessels.
- Patrolled the U.S. EEZ boundary areas to reduce the





threat of foreign poaching of U.S. fish stocks and ensured compliance with international living marine resource agreements. Detected 122 incursions and interdicted 22 vessels.

- Conducted a joint U.S.-Canadian Northwest Atlantic Fisheries Organization (NAFO) patrol under the NAFO Inspection and Surveillance Scheme, expanding border cooperation efforts with Canadian law enforcement counterparts.



- Conducted more than 9,000 Port State Control and Security examinations on foreign flagged vessels, including examinations of ballast water for elimination of aquatic nuisance species, testing of oily water separators to prevent oil from being discharged in the ocean and other pollution prevention and vessel safety activities.
- Completed over 26,500 container inspections, identifying more than 2,220 deficiencies that led to 915 cargo or container shipments being placed on hold until dangerous conditions were corrected.
- Conducted over 8,500 fishing vessel and 1,400 towing vessel examinations, ensuring vessels were in full compliance with regulations and safety requirements.
- Administered the National Recreational Boating Safety (RBS) Program where state law enforcement conducted over 1.7 million hours of on-water RBS operations, checked over 1.6 million vessels for carriage compliance, issued boating safety education certificates for over 380,000 individuals and issued over 118,000 safety citations and 286,000 warnings.
- Conducted over 46,000 recreational vessel boardings, issued 8,000 citations and visited 1,150 recreational boat manufacturers to provide education and ensure compliance with Federal regulations.
- Adopted measures to reduce emissions of greenhouse gases from international shipping. These measures, implemented as amendments to MARPOL Annex VI Regulations for the prevention of air pollution from ships, represent the first ever mandatory global greenhouse gas reduction regime for an international industry sector.

## MARITIME RESPONSE

The Maritime Response program mitigates the consequences of marine casualties and disastrous events. The Coast Guard minimizes loss of life, injury and property loss by searching for and rescuing persons in distress in the maritime environment. Coast Guard preparedness efforts for all threats and all hazards ensures incident response and recovery resources are fully ready and capable to minimize impact of disasters to people, the environment and the economy. The following statutory missions contribute to the Coast Guard's Maritime Response program:

- Search and Rescue
- Marine Environmental Protection

### IN 2011 THE COAST GUARD...

- Responded to 20,510 Search and Rescue incidents, saving 3,804 lives and protecting \$82.0 million in property.
- Responded to and investigated approximately 3,000 pollution incidents.
- Hosted the International Oil Spill Conference in May, a triennial conference that the Coast Guard has chaired since 1969 in partnership with the Environmental Protection

Agency, American Petroleum Institute, International Maritime Organization, International Petroleum Industry Environmental Conservation Association, National Oceanic and Atmospheric Administration, and Bureau of Safety and Environmental Enforcement.

- Enhanced ability to detect and locate persons in distress with continued installation of the Rescue 21 national distress and response system, encompassing 38,681 miles of the Nation's coastline along the east, gulf and west coasts with the Great Lakes completed by end of the calendar year for a cumulative total of 39,685 miles of U.S. coastline coverage.

## DEFENSE OPERATIONS

The Defense Operations program provides unique authorities and capabilities to support the National Military Strategy. Specific objectives include defending the homeland, promoting international security, deterring conflict and winning our Nation's wars. The eight mission elements that comprise the Coast Guard's Defense Operations portfolio are: Maritime Interdiction Operations; Combating Maritime Terrorism; Port Operations Security and Defense (to include maintaining a Title 10 Reserve force and providing Aids to Navigation support for battle-space preparation); Military Environmental Response Operations; Coastal Sea Control Operations (including providing DoD the only assured surface access in ice-covered and ice-diminished waters); Maritime Operational Threat Response (MOTR); Rotary Wing Air Intercept Operations; and Support for Theater Security Cooperation Initiatives. The following statutory mission contributes to the Coast Guard's Defense Operations program:

- Defense Readiness

### IN 2011 THE COAST GUARD...

- Continued the deployment of six patrol boats and their supporting and command elements to U.S. Central Command (CENTCOM).
- Coast Guard Cutter *Bertholf*, the first National Security Cutter, participated in Exercise Northern Edge in Alaska. Sponsored by United States Northern Command, Northern Edge is a multi-service training exercise designed to practice operations, tactics and procedures aimed at enhancing interoperability, communications and command and control among U.S. military forces.
- Coast Guard Port Security Units (PSU) deployed to the Middle East with Naval Coastal Warfare Squadrons to support point defense and harbor security operations in Kuwait.
- Coast Guard PSU and Maritime Safety and Security Team detachments continued port security operations in Guantanamo Bay, Cuba for harbor security and to provide force protection.
- Deployed Coast Guard Cutter *Forward* to western Africa in support of the African Maritime Law Enforcement

DHS Programs	U.S. Coast Guard Statutory Missions
Maritime Security Operations	Ports, Waterways and Coastal Security - Operational Activities
Maritime Law Enforcement	Drug Interdiction
	Migrant Interdiction
	Living Marine Resources
	Other Law Enforcement
Maritime Prevention	Ports, Waterways and Coastal Security Prevention Activities
	Marine Safety
	Marine Environmental Protection Prevention Activities
Maritime Response	Search and Rescue
	Marine Environmental Protection Response Activities
Defense Operations	Defense Readiness
Marine Transportation System Management	Aids to Navigation
	Ice Operations

Partnership, a professional exchange with officials from Sierra Leone, Cape Verde, Liberia, Guinea and Senegal. Sierra Leone law enforcement teams, augmented by Coast Guard experts, boarded six commercial fishing vessels, issued citations and terminated two vessel voyages.

## MARINE TRANSPORTATION SYSTEM MANAGEMENT

The Marine Transportation System Management program ensures a safe, secure, efficient and environmentally sound waterways system. The Coast Guard minimizes disruptions to maritime commerce by assessing and mitigating risks to safe navigation and by providing waterways restoration capabilities after extreme weather events, marine accidents or terrorist incidents. The Coast Guard works in concert with other Federal agencies, state and local governments, marine industries, maritime associations and the international community to optimize balanced use and champion development of the Nation's Marine Transportation System. The following statutory missions contribute to the Coast Guard's Marine Transportation System Management program:

- Aids to Navigation
- Ice Operations

## MARITIME PREVENTION

The Maritime Prevention program reduces personnel casualties and property losses, minimizes security risks and protects the marine environment. The following statutory missions contribute to the Coast Guard's Maritime Prevention program:

- Ports, Waterways and Coastal Security
- Marine Safety
- Marine Environmental Protection

### IN 2011 THE COAST GUARD...

- Conducted over 10,400 annual inspections of U.S. flagged vessels inspected and certificated in accordance with 46 Code of Federal Regulation (CFR) § 2.01.
- Performed over 6,500 inspections at facilities to ensure compliance, identifying over 2,250 deficiencies of safety, security and environmental protection regulations.
- Conducted 6,200 marine casualty investigations.





#### IN 2011 THE COAST GUARD...

- Maintained over 34,000 aids and responded to over 14,000 discrepancies, providing a 98.5 percent aid availability rate to ensure the safe transit of \$928 billion worth of commerce transiting 25,000 miles of U.S. waterways.
- Negotiated the revised "Memorandum of Arrangements between Canada and the United States" for the shared operation of pilotage on the Great Lakes.
- Coast Guard Cutter *Healy* partnered with the Canadian Coast Guard icebreaker *Louis S. St-Laurent* in the Arctic to gather data required to determine the Extended

Continental Shelf limit and the Nation's sovereign rights over the natural resources on the seabed.

- Partnered with the Canadian Ice Service under the North American Ice Service agreement to issue iceberg warnings for more than 4,500 commercial transits through iceberg-infested waters in the North Atlantic shipping lanes, allowing vessels to safely sail significantly shorter routes while avoiding navigational hazards.
- Ensured no ice-related waterways closures during the winter shipping season despite early formation of ice.
- Assisted over 1,700 commercial vessel transits carrying \$300 million in bulk commodities.
- Icebreaking operations in New England facilitated the delivery of approximately \$1.5 billion in home heating oil.







## **FISCAL YEAR 2013**

### BUDGET PRIORITIES

RESPONSIBLY REBUILD THE COAST GUARD  
EFFICIENTLY PRESERVE FRONT-LINE OPERATIONS  
STRENGTHEN RESOURCE AND OPERATIONAL STEWARDSHIP  
PREPARE FOR THE FUTURE

[WWW.USCG.MIL](http://WWW.USCG.MIL)