

**United States Senate Committee on Commerce, Science, & Transportation  
Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard**

**Hearing on FY 2012 Coast Guard Budget Request  
Thursday June 23, 2011 10:00 AM; Location: Russell 253  
Witness: Admiral Robert J. Papp, Jr., Commandant, U.S. Coast Guard**

Introduction:

Good morning, Chairman Begich and Ranking Member Snowe. Thank you for the opportunity to appear before you today – and for your unwavering support for our Coast Guard – and especially our hard working Coast Guard men and women. It is my highest honor to lead, and represent them.

It's been just over a year since I assumed my watch as Commandant. So, even though my appearance before the subcommittee is styled as a budget hearing, I also want to use this opportunity to tell you what we've accomplished, what our challenges are – and to do my most important job – tell you what the Coast Guard needs to continue performing its challenging maritime missions.

First, what we've accomplished...

We have performed our most important service to the Nation by sustaining front line operations...

Our citizens witnessed the Coast Guard in action like never before this year, responding to the Deepwater Horizon oil rig explosion and spill...

But while we were conducting that unprecedented response, thousands of other Coast Guardsmen were performing all of our other "persistent" missions...just as they are doing today...

The National Security Cutter Bertholf just completed her first Alaska patrol – a service which is vital to ensuring the sustainment of the Alaskan commercial fishing industry, protection of its fisherman, and our fisheries stocks.

As I speak, the Medium Ice Breaker Healy is loading a NASA science team in Dutch Harbor Alaska, and will sail on Thursday for a six-month patrol to study the impact of changing conditions in the Arctic...

In the Arabian Gulf, 700 Coast Guardsmen, including 6 patrol boats and a Port Security Unit, are protecting oil platforms that provide nearly all of Iraq's revenue...

And throughout the flood ravaged mid-west, our Coast Guardsmen are assisting to protect our citizens and their property...

Shifting gears from operations – to authorizations –

We have used the authority you so generously provided us in the 2010 Coast Guard Authorization Act to move forward with organizational realignment, acquisition reform, and mariner safety enhancement...

We are continuing to Steady the Service by improving the way we deliver mission support to our operational forces – we are re-aligning headquarters directorates, establishing new logistics and service centers, and base commands...these efforts will provide our operational forces with one-stop shopping for all of their mission support needs...

Our acquisition program has also made great strides...we have a well-trained workforce – who has now taken on the responsibility of Systems Integrator for all projects...

And we continue to implement our Marine Safety Performance Plan. We are building capacity and competency by providing direct-officer commissions to Maritime Academy graduates. In fact, on Monday, we commissioned 13 new Kings Point Graduates as Coast Guard officers!

#### Challenges:

As a prudent sailor, I've always kept a weather eye on the horizon...and today I see storm clouds forming. I am well aware of our Nation's current economic and budget challenges — but our Coast Guard is also facing significant challenges –

Our most pressing challenge is recapitalizing our major cutter fleet – that is high endurance and medium endurance cutters. Ships that were designed to last a quarter century are now approaching a half century of service life – 50 years of waves, wind and salt spray – 50 years of performing concentrated, punishing, at-sea operations – it has taken its toll — we are losing hundreds of patrol days each year due to breakdowns.

When these legacy cutters are on patrol, they are less effective—because they lack state-of-the-art systems. And, as a long-time ship Captain, it greatly concerns me that we are asking our young Coast Guard men and women to sail and live aboard WWII era ships—they deserve better.

50 years ago, during a speech to a joint session of Congress— just a few hundred yards from where we sit today, President John F. Kennedy challenged our Nation to send an American to the moon.

At the same time – (while not as daunting a challenge as putting an American on the moon) - Coast Guard naval engineers were busy designing the venerable 210-ft Medium Endurance Cutter. The first of the 210-ft class, Cutter Reliance, was commissioned just three years later.

In March of 1969, just four months before the heroes of Apollo 11 landed on the moon, the Coast Guard commissioned Cutter Morgenthau – our eighth Hamilton class Cutter.

The Morgenthau's crew deployed a short time later to Vietnam. Forty-two years later – Morgenthau is still in service – but she struggles to serve our critical national security interests.

Our newest Hamilton class Cutter, Midgett, recently entered a routine dock side maintenance period. Excessive hull deterioration was discovered... So we are cropping out and replacing wasted steel throughout her hull just to render her safe to sail...

This is why we require at least 8 new National Security Cutters...

But, because of your support, I have some good news to report... We are making steady progress in replacing our 12 Hamilton class cutters with 8 National Security Cutters.

Two of the planned 8 NSC's – Bertholf and Waeshe have been delivered...Builders sea trials on the 3<sup>rd</sup> – Cutter Stratton -- start next week....And, this Monday, the shipyard started cutting steel on the 4<sup>th</sup> – Cutter Hamilton...

I expect to award the contract for the 5th later this summer...

Our existing fleet of medium endurance cutters is also rapidly aging...by the time they are replaced some of them are likely to be 60 years old! This is why the Offshore Patrol Cutter is such an important project for our service...

We are working to finalize the specifications for the Offshore Patrol Cutter and put out a request for preliminary design and construction proposals...

This momentum must continue. Gaps in funding recapitalization are costly, and jeopardize our ability to protect the Nation's high seas sovereignty.

That is why I am requesting over \$1.4 billion to continue our recapitalization effort, including funding for major cutters, fast response cutters, response boats, maritime patrol aircraft, and sustainment of our aging ships and aircraft.

The ice diminishing Arctic also presents a major challenge – an entire new ocean is emerging...prompting an increase in human activity -- including commercial vessel traffic, ecotourism and exploration activities. We are in the process of conducting a high latitude study to inform our future needs – but we need to ensure we are preparing to meet our responsibilities in this 5<sup>th</sup> ocean, the same way we have met them in the other four...

As I said at the beginning, my most important job is to tell you what I need...and today, I am telling you that the FY2012 budget is the baseline budget we need...we need every dollar, every ship, every plane and every shore station it funds...

I have made tough trade-offs, I have directed management efficiencies and administrative reductions -- totaling over \$100 million. But I cannot afford to cut any more without jeopardizing our most valuable service to the nation...front line operations.

Conclusion:

Thank you for the opportunity to testify today,

Semper Paratus.