

# THE FUTURE OF THE COAST GUARD: REVIEW OF COAST GUARD PROGRAMS AND STRUCTURE

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(119-24)

HEARING  
BEFORE THE  
SUBCOMMITTEE ON  
COAST GUARD AND MARITIME TRANSPORTATION  
OF THE  
COMMITTEE ON  
TRANSPORTATION AND  
INFRASTRUCTURE  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED NINETEENTH CONGRESS  
FIRST SESSION

JUNE 5, 2025

Printed for the use of the  
Committee on Transportation and Infrastructure



Available online at: <https://www.govinfo.gov/committee/house-transportation?path=/browsecommittee/chamber/house/committee/transportation>

U.S. GOVERNMENT PUBLISHING OFFICE

61-600 PDF

WASHINGTON : 2025

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

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MAY 30, 2025

**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  
“*The Future of the Coast Guard: Review of Coast Guard Programs and Structure*”

**I. PURPOSE**

The Subcommittee on Coast Guard and Maritime Transportation of the Committee on Transportation and Infrastructure will meet on Thursday, June 5, 2025, at 10:00 a.m. ET in 2167 Rayburn House Office Building to receive testimony at a hearing entitled, “*The Future of the Coast Guard: Review of Coast Guard Programs and Structure*.” The hearing will focus on the programs and structure of the Coast Guard. The Subcommittee will hear testimony from the Acting Commandant of the Coast Guard.

**II. BACKGROUND**

*HISTORY OF THE COAST GUARD*

The United States Coast Guard (Coast Guard or Service) traces its roots to August 4, 1790, with the creation of the Revenue Cutter Service.<sup>1</sup> On January 28, 1915, the Revenue Cutter Service consolidated with the Lifesaving Service (established in 1848) and formally became the Coast Guard.<sup>2</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>3</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>4</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;

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

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

<sup>3</sup> *Id.*

<sup>4</sup> 14 U.S.C. § 102.

Maritime Environmental Protection; Polar, Ice, and Alaska Operations; and Law Enforcement.<sup>5</sup>

The Coast Guard is directed by a Commandant who is appointed by the President, with the advice and consent of the Senate, to a four-year term.<sup>6</sup> Admiral Kevin E. Lunday was nominated as the 28th Commandant of the Coast Guard in May 2025.<sup>7</sup> His confirmation hearings are forthcoming. The Commandant selects a Master Chief Petty Officer of the Coast Guard, who is the principal advisor on enlisted personnel matters. Master Chief Heath Jones assumed the duties of the 14th Master Chief Petty Officer of the Coast Guard on May 19, 2022, and a new Master Chief Petty Officer of the Coast Guard will be selected this year.<sup>8</sup>

#### IMPACTS OF COAST GUARD UNDERCAPITALIZATION

The Coast Guard has endured chronic undercapitalization for decades, jeopardizing the Service's ability to carry out its missions. Recognizing that many of its assets were nearing the end of their service lives or were technologically insufficient, in 2007, the Coast Guard approved a program of record to modernize its surface, air, information technology (IT), and shoreside infrastructure, which has subsequently been updated.<sup>9</sup> Unfortunately, many of these assets were then operated well beyond their planned service life because funds to carry out the recapitalization were not forthcoming. The Coast Guard is more than 17 years into this recapitalization program and though significant progress has been made, heavy icebreakers and medium endurance cutters are aging out before they can be replaced. In addition, two of the Coast Guard's primary aircraft, the Eurocopter MH-65 Dolphin, and the Alenia C-27J Spartan, are slated to be retired from service.<sup>10</sup>

While the Coast Guard has successfully undertaken some of the steps outlined in its original recapitalization vision, such as the procurement and deployment of the Fast Response Cutter (FRC), programs such as the Offshore Patrol Cutters (OPC), Polar Security Cutters (PSC), rotary wing aircraft and shoreside infrastructure remain dangerously behind schedule due to inadequate funding requests, and equally inadequate appropriations. These shortcomings have created serious capability gaps in the ability of the Service to field the assets needed to fulfill its mission demands.<sup>11</sup> Most alarmingly, as the Coast Guard has been forced to temporarily place assets out of service as a consequence of underfunding, lack of manpower, and deferred maintenance. The Government Accountability Office (GAO) found that Coast Guard operational hours have fallen across all missions while costs have increased.<sup>12</sup>

<sup>5</sup>Homeland Security Act of 2002, Pub. L. 107-296, title VIII, § 888.

<sup>6</sup>14 U.S.C. § 302.

<sup>7</sup>E-mail from Coast Guard Liaisons to H. Comm. on Transp. and Infrastructure Staff (May 21, 2025) (on file with Comm.).

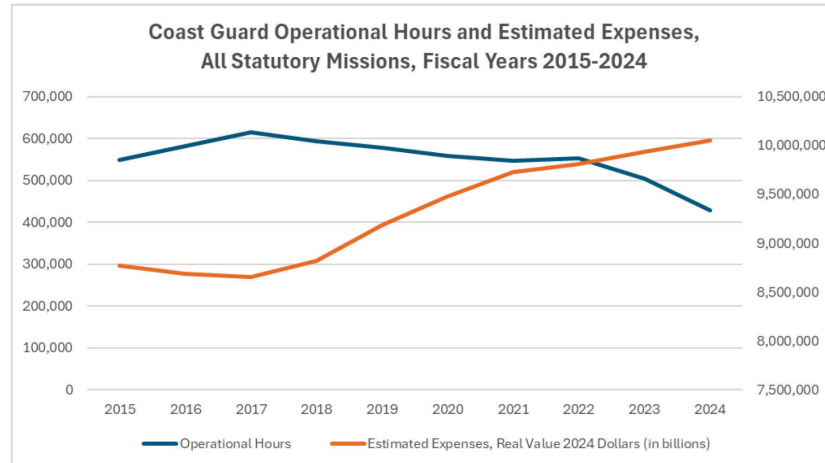
<sup>8</sup>*Id.*

<sup>9</sup>U.S. GOV'T ACCOUNTABILITY OFF., GAO-17-654T, COAST GUARD RECAPITALIZATION: MATCHING NEEDS AND CONTINUED RESOURCES TO STRAIN ACQUISITION EFFORTS (2017), available at <https://www.gao.gov/assets/690/685201.pdf>.

<sup>10</sup>*Budget Hearing—Fiscal Year 2025 Request for United States Coast Guard: Hearing Before the Subcomm. on Homeland Security of the H. Comm. on Appropriations*, 118th Cong. (May 1, 2024) (statement of Admiral Fagan, U.S. Coast Guard).

<sup>11</sup>U.S. GOV'T ACCOUNTABILITY OFF., GAO-17-654T, COAST GUARD RECAPITALIZATION: MATCHING NEEDS AND CONTINUED RESOURCES TO STRAIN ACQUISITION EFFORTS (2017), available at <https://www.gao.gov/assets/690/685201.pdf>.

<sup>12</sup>E-mail from GAO to H. Comm. on Trans. and Infrastructure Staff (May 15, 2025) (on file with Comm.).

Figure 1: GAO Chart<sup>13</sup>**FORCE DESIGN 2028**

On April 3, 2025, Department of Homeland Security (DHS) Secretary Kristi Noem announced Force Design 2028 (FD2028), the Trump Administration’s vision for the future of the Coast Guard.<sup>14</sup> On May 21, 2025, Secretary Noem provided an Executive Report on Force Design 2028, which outlined the goals of the initiative as:<sup>15</sup>

- 1) Establishing a Coast Guard Service Secretary that will have authorities similar to those of the civilian leadership of other military services. The position would report to the Departmental Secretary and establish the strategic direction for the Coast Guard.
- 2) Agency reorganization that serves to streamline processes, integrate capabilities, and eliminate redundancies.
- 3) Investing in people, including modernizing the workforce, building up the Coast Guard reserve, and investing in the Officer Corps.
- 4) Investing in technology to improve maritime surveillance, replacing antiquated technology merchant mariners rely on, and improving the Service’s logistics and human resources.
- 5) Improving and streamlining acquisition processes to improve efficiency and accountability.

**III. FISCAL YEAR 2026 BUDGET FOR THE COAST GUARD**

On May 2, 2025, President Trump released an initial “skinny budget” for FY 2026.<sup>16</sup> While limited in detail, the Budget proposes a \$43.8 billion increase for DHS, with increases primarily driven through reconciliation process investments. The Budget states this funding will allow the Coast Guard to “modernize the fleet and facilities of the Coast Guard.”<sup>17</sup> Currently, no details on specific funding request amounts for Coast Guard programs are available. On May 8, 2025, the Coast Guard submitted its FY 2025 Spend Plan to the House and Senate Appropriations Committee, details of which are outlined in a chart which has been included in Appendix I.<sup>18</sup>

<sup>13</sup> *Id.*

<sup>14</sup> U.S. COAST GUARD, Coast Guard Force Design 2028, available at <https://www.mycg.uscg.mil/News/Article/4145599/coast-guard-force-design-2028/>.

<sup>15</sup> U.S. COAST GUARD, FORCE DESIGN 2028 EXECUTIVE REPORT (2025), available at <https://www.uscg.mil/leadership/Commandants-Initiatives/ForceDesign2028/>.

<sup>16</sup> Letter from Russell T. Vought, Director, Off. of Mgmt. & Budget, Exec. Off. of the President to Senator Susan Collins (May 2, 2025) available at <https://www.whitehouse.gov/wp-content/uploads/2025/05/Fiscal-Year-2026-Discretionary-Budget-Request.pdf>.

<sup>17</sup> *Id.*

<sup>18</sup> Email from Coast Guard Liaisons to H. Comm. on Transp. and Infrastructure (May 9, 2025) (on file with Comm.).

## IV. RECONCILIATION INVESTMENTS

The Committee on Transportation and Infrastructure Reconciliation Committee Print was approved by the Committee on April 30, 2025 and was included in H.R. 1, the One Big Beautiful Bill Act, which was passed by the House of Representatives on May 21, 2025.<sup>19</sup> The measure appropriates \$21.2 billion to recapitalize the Coast Guard's afloat and air assets and to rebuild the Service's crumbling shoreside infrastructure and facilities.<sup>20</sup>

For surface assets, the measure appropriates \$4.3 billion for Offshore Patrol Cutters (OPCs) and \$1 billion for Fast Response Cutters (FRCs). This funding is intended to procure additional FRCs. FRCs have proven to be a reliable workhorse for the Coast Guard as the Service decommissioned the last of the 110-foot Island Class Patrol Boats, with a handful of the 87-foot Marine Protector Class Coastal Patrol Boats remaining. The funding is also intended to fund nine OPCs to complete the first two phases of the OPC program of record. To support the Service's National security measures to project sovereignty in the Arctic, the measure provides \$4.3 billion for the Polar Security Cutter and nearly \$5 billion for the Arctic Security Cutter Program and domestic icebreakers.<sup>21</sup>

The reconciliation measure also makes significant investments in the Service's air assets. The measure provides \$571.5 million for fixed wing assets, \$1.283 billion for rotary wing assets, and \$140 million for long-range unmanned aircraft systems.<sup>22</sup> The fixed wing funding is intended to support the acquisition of three new, fully missionized HC-130J aircraft to complete the Service's program of record of 22 aircraft. Funding for rotary wing assets is intended to support fleet growth of the MH-60T program.<sup>23</sup>

The Coast Guard requires substantial enhancements to its shoreside infrastructure to facilitate new assets and more complex mission sets. Currently, limitations in existing physical infrastructure have hindered newer platforms from utilizing the full scope of Coast Guard capabilities. Moreover, due to years of underinvestment, the Coast Guard's shoreside infrastructure is in a state of disrepair. GAO estimates that it will cost at least \$7 billion to address the Service's backlog of shoreside projects, with half of the Service's facilities beyond their intended service life.<sup>24</sup> The number is likely higher, as GAO's estimate does not include 234 projects for which the Coast Guard has not developed estimates, nor has the number been adjusted for inflation. The Coast Guard notes that based on the Service's \$24 billion property portfolio, and accounting for the poor conditions of current property, the Service requires between \$500 million to \$1 billion annually to meet its shoreside investment needs.<sup>25</sup>

To address these capability gaps, the reconciliation measure appropriates \$3.15 billion for the design and construction of necessary shoreside facilities, including hangers and home ports to support air and surface assets for which appropriations are provided in this bill.<sup>26</sup> This includes \$400 million to support aircraft hangers, maintenance and crew facilities, \$2.329 billion for homeports for cutters, and \$425 million for the recapitalization of barracks and a multi-use training center at the Coast Guard's enlisted bootcamp.<sup>27</sup>

The reconciliation measure also includes \$1.3 billion to improve the Coast Guard's depot maintenance facilities, including \$500 million to be used for construction of a ship handling facility and necessary dredging at the Coast Guard Yard in Baltimore, Maryland, to provide the facility with the capability to handle the Service's Offshore Patrol Cutters and National Security Cutters.

## V. WITNESS

- Admiral Kevin E. Lunday, Acting Commandant, United States Coast Guard

<sup>19</sup> Press Release, H. Comm. on Transp. and Infrastructure, *T&I Committee Approves Budget Reconciliation*, (Apr. 30, 2025), available at <https://transportation.house.gov/news/documentsingle.aspx?DocumentID=408584>; H. Comm. on Rules, *Committee Print 119-3*, (May 18, 2025), available at [https://rules.house.gov/sites/evo-subsites/rules.house.gov/files/documents/rcp\\_119-3\\_final.pdf](https://rules.house.gov/sites/evo-subsites/rules.house.gov/files/documents/rcp_119-3_final.pdf) [hereinafter *Committee Print 119-3*].

<sup>20</sup> *Committee Print 119-3*, *supra* note 19.

<sup>21</sup> *Id.*

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

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

<sup>24</sup> GAO, GAO-25-107581, COAST GUARD SHORE INFRASTRUCTURE: MORE THAN \$7 BILLION REPORTEDLY NEEDED TO ADDRESS DETERIORATING ASSETS (Feb. 25, 2025).

<sup>25</sup> Questions for the Record from Subcomm. Chairman Daniel Webster to Vice Admiral Paul Thomas, Deputy Commandant for Mission Support, United States Coast Guard (June 12, 2024).

<sup>26</sup> *Committee Print 119-3*, *supra* note 19.

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



## APPENDIX I

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

Program	FY 2024 Enacted <sup>28</sup>	FY 2025 Enacted <sup>29</sup>	President's FY 2025 Budget Request <sup>30</sup>	President's FY 2026 Budget Request
Operations and Support (O&S) .....	\$ 10,054,771	\$ 10,415,271	\$ 10,446,283	\$ –
Medicare-Eligible Retiree Health Care Fund (MERHCF) .....	\$ 277,000	\$ 290,093	\$ 281,851	\$ –
Procurement, Construction and Improvements (PC&I) ...	\$ 1,413,950	\$ 1,413,950	\$ 1,564,650	\$ –
Research and Development (R&D) .....	\$ 7,476	\$ 7,476	\$ 6,763	\$ –
Housing Fund † .....	\$ 4,000	\$ 4,000	\$ 4,000	\$ –
<b>Subtotal, Discretionary</b> .....	<b>\$ 11,753,197</b>	<b>\$ 12,130,790</b>	<b>\$ 12,319,547</b>	<b>\$ –</b>
Retired Pay .....	\$ 1,147,244	\$ 1,147,244	\$ 1,210,840	\$ –
State Boating Safety Grants .....	\$ 144,340	\$ 140,059	\$ 144,480	\$ –
Maritime Oil Spill Program .....	\$ 101,000	\$ 101,000	\$ 101,000	\$ –
General Gift Funds .....	\$ 2,864	\$ 2,864	\$ 2,864	\$ –
<b>Subtotal, Mandatory</b> .....	<b>\$ 1,395,448</b>	<b>\$ 1,395,167</b>	<b>\$ 1,459,184</b>	<b>\$ –</b>
<b>Total</b> .....	<b>\$ 13,148,645</b>	<b>\$ 13,525,957</b>	<b>\$ 13,778,731</b>	<b>\$ –</b>

<sup>28</sup> Consolidated Appropriations Act of 2024, Pub. L. No. 118–42.

<sup>29</sup> Full-Year Continuing Appropriations and Extensions Act, 2025, Pub. L. No. 119–4.

<sup>30</sup> OFF. OF MGMT AND BUDGET, BUDGET OF THE U.S. GOVERNMENT, FISCAL YEAR 2025, available at <https://www.govinfo.gov/content/pkg/BUDGET-2025-BUD/pdf/BUDGET-2025-BUD.pdf>.



## **THE FUTURE OF THE COAST GUARD: REVIEW OF COAST GUARD PROGRAMS AND STRUC- TURE**

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**THURSDAY, JUNE 5, 2025**

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

The subcommittee met, pursuant to notice, at 10 a.m., in Room 2167, Rayburn House Office Building, Hon. Mike Ezell (Chairman of the subcommittee) presiding.

Mr. EZELL. The Subcommittee on Coast Guard and Maritime Transportation will come to order.

I ask unanimous consent that the chairman be authorized to declare a recess at any time during today's hearing.

Without objection, so ordered.

I also ask unanimous consent that Members not on the subcommittee be permitted to sit with the subcommittee at today's hearing and ask questions.

Without objection, so ordered.

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

I now recognize myself for an opening statement for 5 minutes.

### **OPENING STATEMENT OF HON. MIKE EZELL OF MISSISSIPPI, CHAIRMAN, SUBCOMMITTEE ON COAST GUARD AND MARI- TIME TRANSPORTATION**

Mr. EZELL. As the Coast Guard prepares to undertake significant changes, today the subcommittee meets to review the Service's programs and structure.

I would like to welcome our witness, Admiral Kevin Lunday, Acting Commandant of the Coast Guard. Sir, it's good to see you again. I congratulate you on your nomination to serve as Commandant of the Coast Guard, and I look forward to working with you closely over the coming years. We certainly enjoyed having you in Mississippi's Fourth District last week. It was an honor to host you, and I want to thank you for choosing the gulf coast as your first official stop.

The Coast Guard is preparing to undergo a significant period of change and modernization. At the Coast Guard Academy graduation last month, Secretary Noem announced Force Design 2028, the Trump administration's vision for the future of the Coast Guard.

As you know, this initiative includes five main points: establish a Service Secretary so that the Coast Guard has the same representation as other military services, as reflected in my bill, H.R. 2546, the Secretary of the Coast Guard Act of 2025; reorganize the Service to streamline processes, better integrate capabilities, and eliminate redundancies; invest in the men and women who serve in the Coast Guard; invest in technology to improve efficiency and capability; and improve and streamline the acquisition process.

Admiral, I was encouraged by your support for this vision, and I look forward to hearing more about this plan, how the Coast Guard will implement it, what resources you will need, and what changes in authorities the Service will require. As the Coast Guard carries out these efforts, it is the subcommittee's expectation that you will work with us and keep us updated on the initiatives that move forward.

To meet the Trump administration's vision, the Coast Guard's modernization will require substantial resources to prepare the Service to meet the needs of future decades. Unfortunately, in recent years, the Coast Guard has taken up the motto "do more with less." After years of underinvestment, the Service is now operating with outdated or inadequate cutters, aircraft, IT systems, and shoreline infrastructure facilities that limit its effectiveness. A recent GAO study confirms what many of us already know and suspected: We have reached a breaking point. Coast Guard operational hours have fallen by nearly 20 percent since 2017, and mission effectiveness is suffering.

Last month, the House approved a budget reconciliation proposal that makes the largest investment in the Coast Guard's 234-year history. H.R. 1, the One Big Beautiful Bill Act, includes \$21.2 billion to purchase cutters, aircraft, and shoreside assets. Our investment would reduce the rate at which the Service is downsizing, but the investment must be matched with sustained, long-term funding if the Coast Guard is to fully make up recent losses.

Let me be clear, H.R. 1 allows the Coast Guard to carry out its current program of record. It does not fund the growth envisioned by the administration, nor does it account for any new missions. If the administration expects to fulfill its vision for the Coast Guard, it must submit a budget that actually supports these goals.

While I am pleased that the President's proposed fiscal year 2026 budget request provides a modest increase in overall funding, the request is insufficient to sustain the Coast Guard's current operations, let alone carry out the President's vision to grow and strengthen the Coast Guard over the long term.

Admiral, as you know, the Coast Guard currently owes this committee more than 50 legally mandated reports, some of which are years overdue. These reports are not optional. This committee relies on these reports to conduct the oversight that the American people expect of us.

Do I have your commitment that going forward, you will work to get us these reports in a timely manner?

Admiral LUNDAY. You do, Mr. Chairman.

Mr. EZELL. Thank you.

Before I end my statement, I want to recognize two individuals. First, the Coast Guard's House liaison, Justin Nadolny. I know

that is probably not the—where are you, Justin? There you are. Okay. Hey, Justin. I want to recognize you, Justin. His 2-year assignment with the House is coming to an end. We will miss you, Justin. Justin has been an enormous asset to Members, staff, and the Coast Guard, working with us to strengthen the Service, and I really thank you.

I also want to recognize Commander Nicole Bredariol—Nicole, where are you?

Commander BREDARIOL. Back here, Mr. Chairman.

Mr. EZELL. Okay. The subcommittee's Coast Guard Fellow. During her 2 years serving on the subcommittee, Nicole contributed in countless ways, and her background as an operator and attorney proved invaluable.

On behalf of the subcommittee, thank you both for your service. I wish you fair winds and following seas as you take on your next assignments.

Admiral Lunday, thank you for being here today, and I look forward to our discussion.

[Mr. Ezell's prepared statement follows:]

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**Prepared Statement of Hon. Mike Ezell of Mississippi, Chairman,  
Subcommittee on Coast Guard and Maritime Transportation**

As the Coast Guard prepares to undertake significant changes, today the Subcommittee meets to review the Service's programs and structure. I'd like to welcome our witness, Admiral Kevin Lunday, Acting Commandant of the Coast Guard. Sir, it's good to see you again. I congratulate you again on your nomination to serve as Commandant of the Coast Guard, and I look forward to working with you closely over the coming years. We certainly enjoyed having you in Mississippi's Fourth District. It was an honor to host you, and I want to thank you for choosing the Gulf Coast as your first official stop.

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While I am pleased that the President's proposed Fiscal Year 2026 Budget Request provides a modest increase in overall funding, the request is insufficient to sustain the Coast Guard's current operations, let alone carry out the President's vision to grow and strengthen the Coast Guard over the long term.

Admiral, as you know, the Coast Guard currently owes this committee more than 50 legally mandated reports, some of which are years overdue. These reports are not optional. This committee relies on these reports to conduct the oversight that the American people expect of us. Do I have your commitment that going forward, you will work to get us these reports in a timely manner?

Before I end my statement, I want to recognize two individuals. First, the Coast Guard's House Liaison, Commander Justin Nadolny, whose two-year assignment with the House is coming to an end. Justin has been an enormous asset to Members, staff, and the Coast Guard, working with us to strengthen the Service. I also want to recognize Commander Nicole Bredariol, the Subcommittee's Coast Guard Fellow. During her two years serving on the Subcommittee, Nicole contributed in countless ways, and her background as an operator and attorney proved invaluable. On behalf of the Subcommittee, thank you both for your service. I wish you fair winds and following seas as you take on your next assignments.

Admiral Lunday, thank you for being here today, and I look forward to our discussion.

Mr. EZELL. I now recognize Ranking Member Carbajal for an opening statement for 5 minutes.

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

Mr. CARBAJAL. Thank you, Mr. Chair.

Let me also, before I start my remarks, wish adieu to Commander Justin Nadolny. I wish him the best of luck. He has been an extraordinary representative and liaison from the Coast Guard. He has represented you well, Admiral Lunday, and before that, Commandant Fagan.

He has always demonstrated the highest standards of professionalism. He has a great sense of humor, a little serious sometimes, but I just want to wish you the best, Justin, and congratulations on your promotion to captain coming up, I believe, in a week or so.

So, thank you for your service.

And I also want to recognize Admiral Lunday is a very smart guy. Today, he brought his lovely wife with him to join us today, which makes it hard for us to ask him even harder questions, but I am going to do my best to ask him hard questions nonetheless.

Welcome.

Good morning, and thank you, Mr. Chair, for calling this hearing today.

Welcome, Admiral Lunday, and congratulations on your nomination for Commandant.

One thing that is great about this subcommittee is that we are all on the same page on a very important issue: supporting the United States Coast Guard. There is no organization like it in the world. The servicemembers are top notch, and since 1790, our country is safer because of their service.

I also agree with Secretary Noem when she said that the Coast Guard has been neglected and underresourced for far too long. Un-

fortunately, when I look at the budget, this is another case of “watch what I say, not what I do.”

The overall funding is not as exciting as one would hope. It does not account for increasing the size of the Service. It does not account for taking on new missions like those associated with the Arctic Security Cutter, and most importantly, it reverses course on recapitalizing the Coast Guard’s shoreside infrastructure.

The Government Accountability Office recently issued a report that found the Coast Guard’s \$7 billion estimate for the shoreside infrastructure backlog is actually much higher. Over 200 projects to date still have no cost estimates, and none have been adjusted for inflation.

The shoreside infrastructure backlog directly impacts Coasties and their families. This is real-world stuff. In my district, a member of the Coast Guard recently fell through the floor of the Coast Guard’s housing as they were taking a shower because the persistent moisture and mold rotted the floor.

I have brought this to the Coast Guard’s attention, and I hope to hear a report about all the things that are being done regarding those items that I have pointed out regarding housing in my district.

We must do better, because this is completely unacceptable. What is in the administration’s first transformational budget for the Coast Guard infrastructure, you may ask? A cut of 90 percent, a scant \$21 million to address a more than \$7 billion backlog.

Budgets demonstrate values and priorities. What are this Secretary’s priorities?

Well, we know that she is planning to follow the President’s lead in obtaining not one but two Gulfstream V jets to accommodate her travel at a cost of upwards of \$54 million. That is 2½ times the entire shoreside infrastructure budget for the Coast Guard.

Budgets show priorities. Talk about fraud, waste, and abuse!

Fortunately, I believe that my colleagues on this subcommittee share my interest in providing for servicemembers, and I will continue to work across the aisle to ensure Congress provides prudent, robust investments in the Coast Guard.

Another place where I am certainly on the same page with my colleagues is the importance of the Coast Guard’s role in law enforcement. The first step is enforcing the law and following the law.

Unfortunately, just last week, the Service sent us a letter saying that they have zero intention of following a law that is instrumental to growing the Coast Guard. Why? Because it conflicts with an Executive order. I know that Admiral Lunday is an attorney, so I look forward to hearing a legal justification for that decision.

Does Executive order trump the law or does the law supersede an Executive order?

I have always been and continue to be a champion for fully funding the Coast Guard at a level commensurate with their needs and their service to the country. To be clear, Congress and every President for the past 20 years has failed to do this.

Admiral Fagan boldly stated that the Coast Guard is a \$20 billion Service and deserves to be funded as such. Despite their stated interest in reviving and growing the Service, I am concerned that

this administration's actions show that they do not agree with Admiral Fagan's assessment.

While the prospect of funding through reconciliation is welcome news, it still falls short and does not provide the long-term and predictable funding the Coast Guard needs. We must do better.

Congress and Coast Guard leadership owe it to the Coasties who serve this country to deliver on these promises.

With that, I yield back, Mr. Chairman.

[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**

Good morning, and thank you, Chair Ezell, for calling today's hearing.

Welcome Admiral Lunday, and congratulations on your nomination.

One thing that's great about this Subcommittee is that we're all on the same page on a very important issue: supporting the United States Coast Guard. There is no organization like it in the world. The servicemembers are top notch, and, since 1790, our country is safer because of their service.

I also agree with Secretary Noem when she said that the Coast Guard has been neglected and under resourced for far too long. Unfortunately, when I look at the budget, this is another case of "watch what I say, not what I do."

The overall funding is not as exciting as one would hope. It does not account for increasing the size of the service. It does not account for taking on new missions like those associated with the Arctic Security Cutter. And, most importantly, it reverses course on recapitalizing the Coast Guard's shoreside infrastructure.

The Government Accountability Office recently issued a report that found the Coast Guard's \$7 billion estimate for the shoreside infrastructure backlog is actually much higher.

Over 200 projects to date still have no cost-estimates, and none have been adjusted for inflation. The shoreside infrastructure backlog directly impacts Coasties and their families.

This is real world stuff. In my district, a member of the Coast Guard recently fell through the floor of Coast Guard housing as they were taking a shower because the persistent moisture and mold rotted the floor.

We must do better—because this is completely unacceptable.

What is in the Administration's first "transformational" budget for the Coast Guard infrastructure you may ask? A cut of 90 percent. A scant \$21 million to address a more than \$7 billion backlog.

Budgets demonstrate values and priorities. What are this Secretary's priorities? Well, we know that she is planning to follow the President's lead in obtaining not one but two new Gulfstream V jets to accommodate her travel at a cost of upwards of \$54 million.

That's two-and-a-half times the entire shoreside infrastructure budget for the Coast Guard. Budgets show priorities.

Talk about fraud, waste and abuse!

Fortunately, I believe that my colleagues on this Subcommittee share my interest in providing for servicemembers, and I will continue to work across the aisle to ensure Congress provides prudent and robust investments in the Coast Guard.

Another place where I am certain my colleagues, and I agree with is the importance of the Coast Guard's role in law enforcement. The first step to enforcing the law is following the law.

Unfortunately, just last week the Service sent us a letter saying that they have zero intention of following a law that is instrumental to growing the Coast Guard. Why? Because it conflicts with an Executive Order. I know that Admiral Lunday is an attorney so I look forward to hearing a legal justification for that decision.

I have always been, and continue to be, a champion for fully funding the Coast Guard at a level commensurate with their needs and their service to the country.

To be clear, Congress and every President for the past 20 years has failed to do this. Admiral Fagan boldly stated that the Coast Guard is a \$20 billion service and deserves to be funded as such.

Despite their stated interest in reviving and growing the service, I am concerned that this Administration's actions show that they do not agree with Admiral Fagan's assessment.



While the prospect of funding through reconciliation is welcome news, it still falls short and does not provide the long term and predictable funding the Coast Guard needs. We must do better.

Congress and Coast Guard leadership owe it to the Coasties who serve this country to deliver on these promises.

With that, I yield back.

Mr. EZELL. The gentleman yields.

I now recognize the chairman of the full committee, Mr. Sam Graves, for 5 minutes for an opening statement.

**OPENING STATEMENT OF HON. SAM GRAVES OF MISSOURI,  
CHAIRMAN, COMMITTEE ON TRANSPORTATION AND INFRA-  
STRUCTURE**

Mr. GRAVES. Thank you, Chairman Ezell, and thank you, Ranking Member Carbajal, for this hearing.

And I welcome our witness. Admiral, it is good to see you here today. It is good that you are coming onboard.

I hate the fact that we are losing Commander Justin Nadolny and also Nicole, our Fellow back here, and then we are also losing Corey Sites, too. So, they have done a wonderful job being a part of your team and helping us out.

But I do want to congratulate you with everybody else on your nomination to be the next Commandant of the Coast Guard, and the Committee on Transportation and Infrastructure is very glad to host you for your first hearing after being nominated, and I hope you are quickly confirmed in that position.

I would be remiss if I did not tell you just how proud I am of the jurisdiction, our committee's jurisdiction over the U.S. Coast Guard. It really means a lot to me, and I know it means a lot to the members of the committee, too. I look forward to working with you to establish a Secretary of the Coast Guard, implement the Force Design 2028 vision, and complete the budget process, which is going to give historic funding levels for the Coast Guard.

During my time as chairman, I have had the privilege of meeting many of the men and women in the U.S. Coast Guard that serve our Nation and protect our seas and our ports and conduct life-saving missions throughout the United States. The importance of the Coast Guard to our country's security, it cannot be overstated, and I look forward to working with you, Admiral, and ensuring that the servicemembers have every tool at their disposal and everything that they need to successfully complete their mission.

And with that, Mr. Chairman, I will yield back, but it is good to have you.

[Mr. Graves' prepared statement follows:]

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**Prepared Statement of Hon. Sam Graves of Missouri, Chairman, Committee  
on Transportation and Infrastructure**

Thank you, Chairman Ezell, for holding today's hearing, and welcome to our witness, Admiral Lunday. Congratulations on your nomination to be the next Commandant of the Coast Guard. The Committee on Transportation and Infrastructure is very glad to host you for your first hearing after being nominated. I hope you are quickly confirmed so that we can get to work. I'm sorry to note that at the same time, we're losing some good staff from our teams: Commander Justin Nadolny, Commander Nicole Bredariol, and Corey Sites.

I'd be remiss if I didn't tell you how proud I am of this committee's jurisdiction over the U.S. Coast Guard—it means a lot to me and the Members of the Committee. I look forward to working with you to establish a Secretary of the Coast Guard, implement the Force Design 2028 vision, and complete the budget reconciliation process, which will provide historic funding levels for the Coast Guard.

During my time as Chairman, I have had the privilege of meeting many of the men and women in the Coast Guard who serve our nation, secure our seas and our ports, and conduct life-saving missions. The importance of the Coast Guard to our country's security cannot be overstated, and I look forward to working with you, Admiral. We must ensure our servicemembers have every tool at their disposal and everything they need to successfully complete their missions.

Mr. EZELL. Thank you, Mr. Chairman.

Briefly, I would like to take a moment to explain the lighting system to our witness. There are three lights in front of you. Green means go. Yellow means slow; you are running out of time. Red means start winding her down.

I ask unanimous consent that the witness' full statement be included in the record.

Without objection, so ordered.

I ask unanimous consent that the record of today's hearing remain open until such time as our witness has provided answers to any questions that may be submitted to him in writing.

Without objection, so ordered.

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

Without objection, so ordered.

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

With that, Admiral Lunday, you are recognized for 5 minutes for your testimony.

**TESTIMONY OF ADMIRAL KEVIN E. LUNDAY,  
ACTING COMMANDANT, U.S. COAST GUARD**

Admiral LUNDAY. Thank you, Mr. Chairman.

Chairman Graves, Chairman Ezell, Ranking Member Carbajal, and distinguished members of this subcommittee, thank you for the opportunity to testify before you today.

Thank you for your strong and enduring support for our Coast Guard, for our Coast Guard men and women, and for their families.

Chairman, it was great to join you and your staff on the gulf coast last week. Thank you for taking the time to visit with our Coast Guard units. Our men and women there, they are so proud of their mission, and then also for visiting with the shipyards in Mississippi and Alabama that are building new Coast Guard cutters that we badly need to conduct our operations in support of the American people.

For nearly 235 years, the American people have depended on the Coast Guard as a vital instrument of national power to ensure U.S. economic prosperity and national security. Today, the Coast Guard is at one of our most consequential periods in our history, a time of profound challenge and extraordinary opportunity.

As our Nation faces increasingly dangerous and complex threats from nation-states, terrorists, and criminals, the American people need a strong and capable Coast Guard now more than ever. Under the leadership of President Trump and Secretary Noem, the Coast Guard is making America more secure. The Service's highest priority is achieving complete operational control of the U.S. border, including our ports and waterways.

On January 21st, I directed our operational commanders to immediately increase Coast Guard presence along the U.S. border and maritime approaches, starting with the southern border where the President had declared a national emergency the day before. We surged forces, tripling the number of cutters, boats, aircraft, and deployable teams to control, secure, and defend that southern border.

The Coast Guard also increased efforts to secure and defend our ports and waterways both in the physical domain and in cyberspace that is so essential to economic prosperity and strategic mobility.

And I have set as a top operational priority combating fentanyl in maritime cargo shipments approaching the U.S.

The Coast Guard beyond the southern border continues to control, secure, and defend our northern border and the U.S. border and approaches around Hawaii and Alaska, our three U.S. Territories in the Pacific, and two U.S. Territories in the Caribbean.

The Coast Guard is delivering results for the American people. We are deterring illegal maritime migration and stopping the illicit flow of drugs into the United States. In the last 5 months alone, we have interdicted over 1,000 aliens trying to reach the U.S. by sea, and we have deterred thousands more.

We have already surpassed our entire fiscal year 2024 cocaine removal numbers, and we continue to combat foreign terrorist organizations and cartels by interdicting the bulk smuggling of cocaine and other drugs at sea.

However, despite the success in our missions and the great work of our people, the Coast Guard is in a severe readiness crisis that is decades in the making. Today, our Coast Guard is less ready than at any other time in the past 80 years since the end of World War II.

The downward readiness spiral we are on is not sustainable, and we must take action now to change that direction. Together we must restore the Coast Guard readiness and transform the Service into a more agile, capable, and responsive fighting force.

Following years of underinvestment, we must eliminate maintenance backlogs for our cutters, boats, aircraft, shore infrastructure, and C5I systems to return our assets to full operational readiness. At the same time, we need to invest in new assets, in modernizing our existing platforms, accelerating the adoption of new technology, and providing our people the support and the training that they need to be successful.

As we work through the fiscal year 2026 appropriations process to increase the Coast Guard's top budget line, we look forward to the opportunity of unprecedented investment in the budget reconciliation. I appreciate the extraordinary support from this sub-

committee and across Congress and the unprecedented leadership of the administration.

With President Trump's direction, we build our Nation's military and secure the border, and under Secretary Noem's leadership, the Coast Guard will implement Force Design 2028, a bold blueprint to renew our Service. Through Force Design 2028, we will transform how the Coast Guard functions and operates to defeat our adversaries and protect the homeland.

As we navigate through this time of transformation, I have certain hope for the future of our Service, because no matter the challenges ahead, if there is one thing our distinguished Service history in both peace and war tells us, with a ready Coast Guard crew and the strong support of the American people, there is nothing we cannot accomplish.

Thank you. I look forward to your questions.

[Admiral Lunday's prepared statement follows:]

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**Prepared Statement of Admiral Kevin E. Lunday, Acting Commandant,  
U.S. Coast Guard**

INTRODUCTION

Chairman Ezell, 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. It is my privilege to appear before you today to discuss your oversight of the Service and Coast Guard accomplishments and priorities.

The Coast Guard is part of the Department of Homeland Security (DHS) team protecting America, is one of the six military services, and is part of the joint force defending it. We maintain a persistent presence in maritime domains—from coastal ports and inland waters to the high seas—to control, secure, and defend the U.S. border and maritime approaches from maritime threats; facilitate the flow of safe and secure commerce; respond to maritime disasters; and save lives. As a maritime Nation, America's economic prosperity and national security are inextricably linked to the sea, our ports, and inland waterways. The Coast Guard is a vital instrument of national power to ensure our Nation's maritime dominance.

In Fiscal Year (FY) 2024, our men and women conducted maritime interdiction operations, intercepting over 5,200 aliens and seizing more than 275,000 pounds of illicit drugs, preventing these narcotics, valued at approximately \$3.3 billion, from reaching U.S. shores. In U.S. ports, an integral part of our border and vital to the American economy, the Coast Guard ensured safe and secure movement of over 1.6 billion tons of goods critical to U.S. national security and economic prosperity. Our crews maintained nearly 45,000 navigational aids across the Marine Transportation System (MTS), conducted more than 9,600 patrols to protect maritime critical infrastructure, and safeguarded 4.4 million square miles of Exclusive Economic Zone, boarding 180 foreign vessels to suppress illegal fishing activities.

The Coast Guard also deployed the Nation's only two polar icebreakers—cutters *Polar Star* and *Healy*—to assure U.S. access to the Polar regions, protect U.S. sovereignty, and advance geopolitical, security, and economic interests. Coast Guard cutters and deployable specialized forces teams interdicted smuggling vessels in the Arabian Sea and Gulf of Oman carrying 170 tons of pre-cursor explosive material and, in lock step with our Department of Defense (DoD) partners, deterred malign activity against commercial shipping through the Strait of Hormuz and across the region. Your Coast Guard saved over 4,800 lives, assisted nearly 22,000 people in distress, and responded to six catastrophic weather events.

In January of this year, under the leadership of Secretary Noem, I directed our operational commanders to immediately increase Coast Guard presence along U.S. border and maritime approaches, starting with the southern border where President Trump declared a national emergency. We surged forces, tripling forward-deployed air and surface assets in that area. Since then, the Service has interdicted or deterred over 1,000 aliens from reaching the U.S. by sea in coastal and offshore approaches between U.S. and Mexico in the Pacific Ocean and Gulf of America, and

along the southeast border and approaches in the Caribbean. Concurrently, the Service exceeded its entire FY 2024 cocaine maritime interdiction numbers by mid-February of this year. By surging operational forces to the region and in close coordination with DoD, Customs and Border Protection (CBP), and other interagency partners, our goal is total operational control of the U.S. southern border. In addition to supporting the national emergency at the U.S. southern border, the Coast Guard moved to control, secure, and defend our ports and waterways in both physical and cyber domains.

Our MTS powers the national economy, ensures strategic mobility, and is part of our U.S. border. The Coast Guard also continues operations to control, secure, and defend the U.S. northern border, including the Great Lakes, and U.S. border and maritime approaches surrounding Alaska, Hawaii, and the U.S. territories in the Pacific and Caribbean. Our highest priority remains full operational control of the U.S. borders and maritime approaches, including U.S. ports and waterways in the physical domain and cyberspace, and we are delivering results for the American people. Critically, the Coast Guard's work also supports the Trump Administration's Drug Policy Priorities, released on April 1 of this year, including Priority 2: Secure the Global Supply Chain Against Drug Trafficking, which focuses on decreasing the global movement of illicit drugs through all shipping modalities; and Priority 3: Stop the Flow of Drugs Across Our Borders and into Our Communities, which aims to decrease the domestic availability of illicit drugs and save American lives.

The U.S. Coast Guard is facing a severe readiness crisis due to decades of underinvestment. Tasked with defending the Nation's maritime borders, countering threats like illegal migration and drug trafficking, safeguarding our ports and waterways, responding to maritime disasters, and saving lives, the Service is now stretched thin, with significant workforce shortages and aging, underfunded assets that often cannot meet mission requirements. The Coast Guard's current organizational structure and reactive posture are no longer adequate to meet current and emerging challenges. To restore its strength and fulfill its mission, the Coast Guard must undergo a fundamental transformation—not just evolve, but revolutionize how it operates. With President Trump's directive to rebuild the military and secure U.S. borders, the Coast Guard plans to implement Force Design 2028, a bold blueprint to grow military force, drive urgent innovation, modernize capabilities, and ensure we remain a proactive, resilient, and dominant maritime force.

Additionally, the Coast Guard will leverage President Trump's Executive Order on Restoring America's Maritime Dominance to encourage growth of the domestic maritime industry through initiatives that facilitate expansion of U.S. operators' fleets, foster growth of emerging maritime technologies, and ease entry of American workers into the maritime industry. To this end, the Coast Guard took steps to reduce barriers to entry for vessels into the U.S.-flag fleet, expanding application of Navigation and Vessel Inspection Circular (NVIC) 01-13 to a broader group of vessels seeking to flag into the United States, enabling the Service to play a leading role in rebuilding the domestic maritime industry.

As we work through the FY 2026 appropriations process and look toward the opportunity of substantial organizational investments via the FY 2025 budget reconciliation process, we recognize unprecedented government support, to include this subcommittee, addressing this readiness crisis and investing in the Coast Guard. These parallel and complementary investments can fundamentally renew the Service, enabling the Coast Guard to modernize its assets by completing essential acquisition programs.

We must eliminate backlogs in maintenance for our cutters, boats, aircraft, and shore infrastructure, returning our assets to peak operational readiness to deliver results and guarantee crew safety. We must invest in new assets across our surface, aviation, shore, and cyber programs and modernize existing platforms with advanced enabling technologies. We must also redouble efforts to recruit and retain the highly skilled workforce necessary for our complex missions.

#### *Cutter Fleet*

The Service's top surface acquisition priority remains the Polar Security Cutter (PSC) and expanding the icebreaking fleet to meet the President's direction. Continuing to invest in heavy polar icebreakers is vital to counter foreign malign influence and protect America's sovereign interests in the polar regions. We recently received permission to enter full production of the first PSC as functional design maturity surpassed 95%.

Since the founding of the Revenue Cutter Service in 1790, our missions focus on executing border security and defense at sea. To meet future mission requirements, the Offshore Patrol Cutter (OPC) remains one of the Coast Guard's top acquisition priorities, and is absolutely vital to replace and enhance capabilities provided by our

legacy fleet of 210-foot and 270-foot Medium Endurance Cutters (MEC), which first entered service in the 1960s and 1980s, respectively.

While PSC and OPC are priorities, we cannot ignore our needs across the full surface fleet. Some of our inland tenders remain in service since the 1940s, maintaining both fixed and floating aids to navigation for the MTS—the 25,000 miles of rivers and navigable channels that serve as the lifeblood of our economy. Waterways Commerce Cutters (WCC) will replace our legacy inland tender fleet. WCCs feature modern designs for propulsion and crew habitability to enable men and women to serve America’s heartland, where they help ensure food, energy, consumer goods, and raw materials continue to flow safely and securely through our navigable waterways despite constantly changing conditions and water levels.

#### *Aviation Fleet*

Coast Guard aviation is more essential than ever to guarantee territorial integrity by controlling national borders and maritime approaches. Recent termination of the C-27J missionization program and stalled growth in our HC-130J program place our readiness to conduct various missions in jeopardy, including long range surveillance, disaster response, and border security operations. Our rotary wing fleet must continue to accelerate transition of air stations from short-range MH-65Es to medium-range MH-60s to ensure sustainability and increase our capability to serve national priorities. Additionally, the Service stands ready to lead counter unmanned aircraft systems (UAS) operations in the maritime domain, providing protection to select critical infrastructure and Coast Guard assets.

#### *Shore Infrastructure*

Coast Guard facilities must be resilient to meet mission demands and serve as sound investments for the future. Based on the nature of our missions, most Coast Guard facilities are in areas prone to hurricanes, flooding, earthquakes, and other natural disasters. The Nation’s reliance on the Coast Guard as a first responder underscores the importance that our facilities must be resilient to disasters and ready for operations. Budgetary constraints often force us to defer or scale needed shore infrastructure recapitalization, placing that strain on our front-line personnel. We should update and where possible replace legacy military housing and support facilities, modernize shore facilities to accept new assets, and develop robust training infrastructure to prepare our workforce for their dangerous missions. Despite the best efforts of our engineers, the Service carries substantial backlogs for both infrastructure recapitalization and shore asset maintenance. While we made headway recapitalizing our cutters and aircraft, that progress requires making tough annual trade-offs that continue to impact our shore infrastructure needs, leading to increasing safety and habitability concerns.

#### *Cybersecurity*

The Coast Guard has a unique role to protect and defend the U.S. MTS in cyberspace, as well as the physical domain, as a co-Sector Risk Management Agency, Intelligence Community member, and member of the Armed Forces. Maritime cybersecurity is a critical element of our national and economic security. Not only does maritime cybersecurity facilitate the flow of trillions of dollars of commerce, it also ensures strategic mobility to supply our warfighters abroad. Our cybersecurity forces consist of Cyber Protection Teams and a Cyber Mission Team that defend our Nation. We must grow our investment in people and technology needed to ensure the Coast Guard’s ability to secure and defend cyberspace.

### CONCLUSION

Our commitments to control, secure, and defend our Nation’s borders and maritime approaches grow every day and demand for the Service has never been higher. Investments we make now will not only address immediate readiness concerns but also rebuild a stronger, more capable, and resilient Coast Guard for decades to come. Since 1790, the American people have depended on our missions and unique value the Coast Guard provides to assure our national security and economic prosperity. If there is one thing our distinguished Service history in both peace and in war shows, it is this: with a ready Coast Guard crew, there is nothing we cannot accomplish. I have confidence and hope for the future of our Service. We must act now to ensure the Coast Guard receives the resources necessary to fulfill our vital missions and protect the American people. Thank you for your enduring support. *Semper Paratus.*

Mr. EZELL. The gentleman yields.

Thank you, Admiral, for your testimony.

We will now turn to questions, and I will recognize myself for 5 minutes for questions.

[Slide shown.]

Admiral, as the chart from the Government Accountability Office, GAO, shows, the increasing age of the Coast Guard assets has reduced the Coast Guard's ability to carry out its missions, driving up cost as maintenance becomes more expensive or driving down operational hours as assets are laid up or undergoing repair. This is a bad combination.

How will the investments contained in the reconciliation bill reverse this trend and position the Coast Guard for success?

Admiral LUNDAY. Well, Mr. Chairman, as I look at this graph, the first thing that jumps out at me is that it is great reflection of the seriousness of the downward readiness spiral and the readiness crisis the Coast Guard faces itself in.

I mean, to me this graph tells me that we are spending more money to keep older assets operating, but their availability keeps dropping. And that situation continues to get worse.

But if you take this graph and we go down to the waterfront and we see a Coast Guard cutter returning from a patrol, that crew will take much of that cutter apart, pulling apart critical supplies and parts in order to make the next cutter ready to get underway. We're eating our own readiness, and we can't sustain that.

So, our crews are living this, this and reality, every day. So, sir, the opportunity that the investment of reconciliation provides will go a long way to stopping the downward spiral, but it will just be the beginning. It will need to be matched with the sustained higher growth in annual top line, budget top line in the annual appropriation, both PC&I and our operation and sustainment accounts.

Now, the fiscal year 2026 President's budget begins a strong start in that right direction. It gives us an increase of over \$1 billion in both PC&I and O&S total over the fiscal year 2025 expenditure, and so that is \$344 million in PC&I and over—almost \$650 million—\$644 million in O&S.

Mr. EZELL. The fiscal year 2026 budget continues the trend of underinvestment and the consequences that go with it. Going forward, what is your plan to request the resources the Service requires to sustain its operations and fulfill President Trump's growth vision?

Admiral LUNDAY. Mr. Chairman, we look forward to working with the committee on the fiscal year 2026 appropriation, and then going forward, to increase top-line growth in our annual appropriation for both PC&I and O&S.

That is going to be essential to rebuild and renew the Coast Guard, which the Secretary of Homeland Security was clear in her remarks at the Coast Guard Academy graduation on the 21st of May when she talked about her discussion with the President and the need to provide the Coast Guard what we need in the future to be ready to serve the American people.

Mr. EZELL. Force Design 2028 calls for at least a 25-percent reduction in the Coast Guard's flag corps to streamline the decision process. Late last month, we were notified that the promotion

board recommendations for the rank of rear admiral lower half were rejected and a number of other positions appear to have been eliminated with the release of this year's flag assignments, including the flag officer in charge of Government and public affairs.

Aside from these notifications, we have not received a detailed reorganization plan. Does the Service have a detailed reorganization plan for the flag corps?

Admiral LUNDAY. Mr. Chairman, we are working on a detailed plan. That is part of the Force Design implementation plan that I owe back to the Secretary in the coming weeks.

And once the Secretary has received and approved that plan and we begin to implement it, then we look forward to briefing the committee on that plan.

Mr. EZELL. Very good. All right. I am going to yield at this time. We will probably have a second round of questions here coming up.

And I now recognize Mr. Carbajal for his 5 minutes.

Mr. CARBAJAL. Thank you, Mr. Chairman.

Admiral Lunday, in my opening statement, I mentioned the state of Coast Guard infrastructure. Not only did the Coasties in my district fall through their shower floor, they have been forced to live with mold and continuous water issues.

How can we justify spending 2½ times more on executive jets than on housing for rank-and-file servicemembers?

Admiral LUNDAY. Ranking Member Carbajal, the area of housing in Santa Barbara that you are very familiar with, and thank you for your personal visit last year to take a look at the situation in those eight homes in Santa Barbara.

So, we did have mold issues, and although that is not uncommon broadly in the area, I think the significant rainfall more recently in the last several years has made that problem worse.

We have gotten after the problem of mold remediation. We replaced the areas in the shower sets in the units that had mold, and for units that had people living in them with mold, we were able to move them so we could do those repairs and remediate them.

None of our members should live in housing units that have mold or other conditions that present hazards for them, and so we are getting after those problems to address them.

Ranking Member, on your question about the aircraft, sir, that was a decision I made to include a long-range command and control aircraft in the fiscal year 2025 spend plan.

The Coast Guard operates C-37 aircraft as part of our operational aircraft fleet. They provide long-range military command and control that is reliable transport and secure communications for the Secretary, the Acting Commandant, the Deputy Secretary, the Acting Vice Commandant, and our two area commanders to enable us to conduct command and control.

Those assets are critically important. The two that we own, the one is older. It is 23 years old now, and it is increasingly obsolete in its avionics, and the communications need upgrade, and they are both facing significant maintenance periods this year that will take them offline and out of service.

Mr. CARBAJAL. Thank you.

We understand that Master Chief Petty Officer of the Coast Guard Heath Jones was invited to join us today until his recent



forced retirement. Master Chief Jones is one of the most admirable people I have ever met serving in the Coast Guard.

What message does this forced retirement send to enlisted servicemembers?

And are you aware of any cause for his termination?

Admiral LUNDAY. Ranking Member Carbajal, Master Chief Petty Officer of the Coast Guard Jones is currently serving and remains the master chief petty officer of the Coast Guard right now. He is at home on leave right now. I won't get into personally why he is at home on leave, but he has got a second granddaughter that he and his wife are celebrating the arrival of.

So that wasn't a reason that I didn't have him here at the table. I would want him by my side, but he is at home on leave right now.

Mr. CARBAJAL. So you are saying he is not retired?

Admiral LUNDAY. He plans to retire this year. That is correct, and I will go through the process subject to confirmation by the Senate as the next Commandant. I will go through the process of selecting the next master chief petty officer of the Coast Guard.

Mr. CARBAJAL. So it is not a forced retirement?

Admiral LUNDAY. Well, I have decided to select a new master chief petty officer of the Coast Guard, if confirmed as the next Commandant.

Master Chief Petty Officer of the Coast Guard Jones has served with honor and distinction for his entire career. He has a distinguished career, and we are going to celebrate that career at the change of watch toward the end of July with the next master chief petty officer of the Coast Guard and a great celebration for Master Chief Petty Officer of the Coast Guard Jones' career.

Mr. CARBAJAL. So if you decide to select somebody new, you basically say, "Your services are no longer needed."

Admiral LUNDAY. Ranking Member Carbajal, changing out military leadership, including our senior enlisted leadership, is part of the normal cycle of what we do in the Service. This is not unusual, sir.

Mr. CARBAJAL. Thank you.

Recently, in response to a statutorily required strategy to address recruitment and accession strategy, the Coast Guard plainly told Congress that you are choosing to follow an Executive order rather than follow the law.

Do you plan to continue violating the law?

And how do you determine which laws to follow and which laws not to follow?

Admiral LUNDAY. Ranking Member Carbajal, as a part of the executive branch, the Coast Guard is following the Executive order and the guidance from the Department of Homeland Security in this regard, with regard to that report and other reports that call for reporting on DEI matters.

Mr. CARBAJAL. Section 11249 of the Don Young Coast Guard Authorization Act of 2022 is a statute that provides guidance on this issue, and there was an Executive order that was issued, and I am just trying to understand why you would not follow the law rather than this Executive order that was put forth that is not the law.

Admiral LUNDAY. Sir, I am working to follow the law and the guidance of the executive branch, and I understand clearly the requirement in the authorization act that requires the report as well.

Mr. CARBAJAL. So do you plan to fulfill the statute?

Admiral LUNDAY. Sir, we are doing our best to follow the guidance as part of the executive branch under the President's Executive order and the guidance from the Department.

I understand the frustration of the committee because of the existence of the requirement to deliver that report. At this time, the report that we have submitted is the report that stands for our submission.

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

Mr. EZELL. The gentleman yields.

Now I recognize Mr. Webster for his 5 minutes of questions.

Mr. WEBSTER OF FLORIDA. Thank you, Mr. Chairman.

And thank you, Admiral, for coming. We appreciate it. At least from my reports, I am getting pretty firm information that you are going to be confirmed. Nothing is set in this place, but congratulations.

There is one thing I wanted to carry on about, which was the "Atlantic Coast Port Access Route Study," which—it's not just now. It's not just a few years ago. We have just been waiting and waiting on a report that is a study which has just not come.

It's kind of perplexing. Is there any hope of having that happen?

Admiral LUNDAY. Congressman, we are continuing to work on the port access route study, and we look forward to briefing that once that is completed.

Mr. WEBSTER OF FLORIDA. So, is there a timeline for completing this?

Admiral LUNDAY. Congressman, let me get back to you with a specific update on the timeline for the delivery of that report.

Mr. WEBSTER OF FLORIDA. It's kind of like a timeline for the timeline, but anyway, thank you for those answers. I appreciate it.

There is also the idea of the Force Design 2028, and that has some great things in it and a great design, modernization, and so forth, all that.

Do you see that happening as far as money-wise, training all of these new recruits that are going to happen and 17,000 new ones?

What do you see about the funding versus the idea that is on a piece of paper?

Admiral LUNDAY. Congressman, the Force Design 2028 offers a bold blueprint forward that the Secretary has given us to deliver transformational, even revolutionary change that we will have not seen at any other time at this scale since the formation of the modern Coast Guard organization in 1915.

As you said, sir, and as the chairman mentioned, it is across five lines of effort starting with the creation of a Secretary of the Coast Guard, but also the other campaigns to improve organizational streamlining of decisionmaking; improvement of pushing that decisionmaking to the field; improving the recruiting, training, and development of our people; advancing the use and application of technology to make the Coast Guard a leader in the Federal Government; and then streamlining our acquisition and contracting.

That must be matched with the investment necessary to make that a reality, and that investment will come not only in the budget reconciliation, but also sustained higher top-line annual growth in our annual appropriation, both PC&I and O&S.

That will be the necessary engine to drive the change that is laid out in Force Design 2028.

Mr. WEBSTER OF FLORIDA. Do you foresee sparks flying in Alabama and Mississippi on the new Polar Security Cutter anytime soon?

Admiral LUNDAY. Well, Mr. Webster, Congressman, we definitely are. The chairman and I were down there last week, and we visited Bollinger Mississippi, where they are constructing the first of three heavy icebreakers, the first that will be built in half a century for our United States, Polar Security Cutter number 1.

The full production of Polar Security Cutter number 1 was authorized by the Department of Homeland Security back in the end of April, but we had already begun advanced work to fabricate some of the early modules the shipbuilder had that will teach them how to move faster in the production later in the series as we move forward with the production of the full program of record.

So, they are cutting steel. They are building that first Polar Security Cutter, sir.

Mr. WEBSTER OF FLORIDA. Do you think the speed of number 2 is going to be a lot faster than number 1, as far as completion?

Admiral LUNDAY. Congressman, the first ship in class is always the most difficult because that is where the most learning occurs. What we see with the shipbuilder there is that they are learning from the early work they are doing on number 1, and yes, sir, I expect that the delivery of number 2, which is planned to be 2 years after the delivery of number 1, that it will accelerate, and they will be able to move faster in the production.

Mr. WEBSTER OF FLORIDA. Awesome. I yield back.

Mr. EZELL. The gentleman yields.

I now recognize Mr. Pappas for 5 minutes.

Mr. PAPPAS. Thank you very much, Chairman Ezell and Ranking Member Carbajal, for holding this session.

I want to thank you for joining us, Admiral Lunday, and congratulate you on your recent appointment to serve as the Commandant of the Coast Guard, and welcome to the subcommittee.

Sir, I appreciate you taking the time discussing the vital work of our Nation's Coast Guard, both now and in the future. We know that the Coast Guard deserves full parity and resources to be able to recapitalize and modernize the Service, to honor the service and sacrifice of the men and women of the Coast Guard and the great work they do every day.

We know that your leadership is critical to our efforts to increase preparedness and to face down security threats and to make sure that we are prepared for the growing demands that the Coast Guard is going to be asked to respond to.

I want to start with one local issue that is really important to my district but, I think, speaks to the readiness challenges that you spoke of in your testimony.

In January of 2024, back-to-back winter storms with tides as high as 18 feet severely damaged U.S. Coast Guard Station Ports-

mouth Harbor, which is located in the town of New Castle, New Hampshire. Significant damage was sustained to the station's seawall and boathouse.

As a result, the station is no longer able to dock two emergency response boats and has been forced to make alternative temporary arrangements.

While the Coast Guard in New Hampshire has been able to overcome these challenges and perform their missions, the logistical challenges and the daily risk mitigation experience in the aftermath of these storms regularly threatens the readiness of that station.

So, my office has spoken with the commanding officer, Eugene Kaminski, and it is clear that the full funding for Coast Guard's PC&I budget is necessary to support the boathouse and seawall rebuild.

Additionally, it is going to take the commitment of the Coast Guard leadership to ensure that these repairs do not experience any further or unnecessary delays.

So I am wondering, Admiral, if you have had the opportunity to speak with leadership at Portsmouth Harbor Station about these repairs, and if not, if I can have your commitment that you will discuss the needed repairs with the Portsmouth Harbor Station commanding officer and other leadership as soon as possible.

Admiral LUNDAY. Congressman, thank you for your support and the support of the full committee in Congress for the supplemental appropriation that will deliver \$24 million to effect those needed repairs following those devastating winter storms.

And so I have not spoken with the commanding officer since that appropriation, but I will have a direct conversation with the commanding officer and ensure that we are successful in executing the money necessary to do those critical repairs.

Mr. PAPPAS. We are really grateful for that. Thanks very much for being willing to make that connection.

And besides a robust PC&I budget, does the Coast Guard require any additional tools from Congress to ensure timely repairs to this particular station or to any of the others that are suffering from damage from storms?

Admiral LUNDAY. Congressman, I think overall we needed a stronger operations and sustainment budget, and that is to keep up with the ongoing regular maintenance for much of our shore facilities.

While we see significant storms that cause damage that need recapitalization and there are other longer term recapitalization needs that are covered by the PC&I budget, the regular daily maintenance that is required to keep these facilities working, particularly on the coast where they experience extreme weather, requires a stronger O&S budget as well.

Mr. PAPPAS. Thank you.

Admiral, a longstanding issue facing the Coast Guard has been the recruitment and retention of women in the Coast Guard. In fact, a study found that at the 10-year mark of their careers, the retention rate for women as opposed to men was 12 percentage points lower for both officers and enlisted members.

Key provisions in the last House-passed Coast Guard reauthorization focused on the recruitment and retention of women in the Coast Guard, including the Fair and Equal Treatment of Women in the Coast Guard Act.

Admiral, can you speak to the existing retention efforts the Coast Guard is undertaking to ensure that women Coasties are equally valued and respected in their service?

And are there additional congressional actions that are needed to support the Service in these efforts?

Admiral LUNDAY. Congressman, we have had significant success not only in recruiting recently, but also in the retention across our Coast Guard, both men and women. For the recruiting side, I am pleased to report that this year, we have already had people either join or sign up, over 4,900 people, well beyond our 4,300 annual target, which far exceeds even last year's successful number of recruits, both men and women.

And we continue to increase our recruiting capacity to move and be able to recruit from across our great United States the best talent, both men and women, into our Coast Guard.

We also need to retain our best talent, men and women, in the Coast Guard as well, and so that is a top priority, and as the Secretary as part of Force Design has set a goal to grow the Coast Guard workforce, both Active and Reserve, by 15,000 people, men and women, both Active and Reserve, then we need to continue to keep our foot on the gas on recruiting and retention.

Mr. PAPPAS. Thank you.

I yield back.

Mr. EZELL. The gentleman yields.

The Chair now recognizes Mr. McDowell for his 5 minutes of questions.

Mr. MCDOWELL. Thank you, Chairman.

And thank you, Admiral, for being here today to testify before the subcommittee.

I am glad to see that modernization of Coast Guard IT systems is a priority in Force Design 2028, particularly the long awaited and greatly anticipated modernization of the antiquated Merchant Mariner Credentialing Program.

Are mariner licensing examinations part of the proposed transformation of the Merchant Mariner Credentialing Program, and how will that be accomplished?

Admiral LUNDAY. Congressman, improving the technology systems that we use for mariner licensing and credentialing is critically important. That is a part of the way forward, as you mentioned, and also making sure that the training and certification process that is provided by schools for mariners that the Coast Guard is responsible for overseeing, that continues to meet the high standards necessary for mariners to be able to develop the skills and competencies and qualifications necessary.

This is also vital given the President's direction in the Executive order to restore America's maritime dominance, and part of that is by reinvigorating our merchant marine and so that remains and will be a top priority going forward, sir.

Mr. MCDOWELL. Is course approval process part of the proposed transformation of the credentialing program?

And how will that be accomplished?

Admiral LUNDAY. Sir, the course credentialing program and the approval process is already a high priority because of some challenges we have seen in the last several years, but I will commit to you we will bring that into our efforts that are part of restoring our effort, the Coast Guard's contribution to restore America's maritime dominance because it's a critical component of our mariners being able to operate and do their job.

Mr. McDOWELL. Admiral, when this subcommittee met in March, we had a conversation about the Coast Guard's aging infrastructure and assets, and at one point we were talking about the Coast Guard continuing to operate vessels with literal holes in them, which I am no expert in ships, but that is a problem.

And the Coast Guard has historically struggled with the recapitalization efforts since the Service must maintain day-to-day operations, which result in assets that are operated well beyond their service life.

And so, lack of access to funding obviously contributed to this problem, but today, however, we have an influx of congressional support for historic levels of funding, which seems to be unacknowledged in the Coast Guard's budget request.

Can you explain the reason for the discrepancies between the Coast Guard's relatively modest budget request and the \$21 billion recapitalization investment provided for in the House budget's reconciliation bill?

Admiral LUNDAY. Well, Congressman, I would say that the fiscal year 2026 President's budget reflects a strong start in the right direction with over a \$1 billion increase between PC&I and O&S, along with the significant historic investment levels that budget reconciliation reflects, will give a significant move in the right direction to restore Coast Guard readiness.

And, of course, that will need to be matched in the following years by a stronger top line for PC&I and O&S to continue to rebuild and restore Coast Guard readiness.

Mr. McDOWELL. One of the most important things to me is making sure that you all have what you need to do drug interdiction as these drugs try to come into our country. What is the single most helpful thing we could do to give you the tools you need to stop fentanyl trafficking, human trafficking?

Obviously, you all are doing a fantastic job this year with catching these criminals, but what is the single most helpful thing we can do?

Admiral LUNDAY. Congressman, the work that we are doing to control and secure and defend our borders from illegal drug trafficking that brings death and destruction to our communities, including in fentanyl, is one of our top priorities.

We talk about the importance of search and rescue, but that mission saves lives just as much as search and rescue does. And so in terms of the top priority, I would say that the shipbuilding acquisitions to deliver the Offshore Patrol Cutter, which will replace our aging 210-foot fleet, the ships that you described that often have holes in them, and that are not quite as old but still old, 270-foot cutters; those Offshore Patrol Cutters will get advanced technology and capability.

But it will also be matched by investments in our boats and our advanced sensors and technology that enable our boarding teams who are doing this work at the tactical edge against adversaries who are smuggling these drugs linked to the cartels, many who are designated as foreign terrorist organizations, that will give them the advantage that they need to be successful, to be able to get that mission done and return home safely.

Mr. McDOWELL. Thank you, sir.

I yield back.

Mr. EZELL. The gentleman yields.

The Chair now recognizes Ms. Strickland for 5 minutes of questioning.

Ms. STRICKLAND. Thank you, Chairman Ezell and Ranking Member Carbajal.

It is nice to see you, Admiral Lunday. Congratulations, and I look forward to working with you, and a shout out to Mrs. Lunday for being here. It is nice to see you both.

So, I represent Washington State and the South Puget Sound where the maritime sector is integral to our national security and our economy, and I am concerned that this administration's neglect and misuse of Coast Guard assets will compromise both.

Slashing the Coast Guard shoreside infrastructure budget by 90 percent, as mentioned earlier, while spending \$50 million on a new jet for Secretary Noem is unserious and signals to the men and women of the Coast Guard that this administration does not value the mission or their well-being.

I want to talk first about movement of cutter assets. I want to talk about focusing on the diversion of assets critical to marine safety and capabilities from their assigned districts.

So, earlier this year, the subcommittee learned that two Fast Response Cutters in the Pacific Northwest were being taken from District 13 for the rest of the year to support security operations of the southern border. These were the only Fast Response Cutters serving the entire Pacific Northwest coastline, and we were informed that to address the long-term coverage gap in Washington State, a cutter is being transferred from Alaska. This will leave communities in Alaska with one fewer cutter.

Now, I think my colleagues on the committee, perhaps including Congressman Begich from Alaska, would appreciate a thorough explanation of decisions that impact search and rescue operations and responsiveness to marine safety concerns that require a Fast Response Cutter.

Robbing Alaska to pay Washington State only exacerbates the gaps in regions that need coverage, especially now that fishing season and summer boating season are going to be in full effect.

Admiral Lunday?

Admiral LUNDAY. So, Congresswoman, the decision to move temporarily assets around in order to meet higher priority needs is something that I and the operational commanders within the Coast Guard do every day in the face of increasing mission demand across our mission areas.

And so, the decision to temporarily deploy Fast Response Cutters from the Pacific Northwest down to support controlling and enforcing and securing our southern border is not unusual.

And in making decisions in conjunction with the Pacific area commander and the district commanders on how to address and position other assets temporarily to accomplish other missions is part of the work that we do every day across the Coast Guard.

I will say that in the Pacific Northwest under the leadership of the district commander, Admiral Fosse, he is taking significant action and steps over the last 4 months under Operation Arctic Fox to secure the northern border, working not only with other Federal, State, and local partners, but with our allies in Canada, working together to make sure that we can control threats in that area.

So, we remain active in our operations not only for marine safety, but for controlling and securing and defending our northern border as well.

But what I would say, Congresswoman, that also points out that because we are in the state of readiness that we are in today, we are not able to deliver the same level of services in all of our mission areas that we have traditionally tried to do. We are not as resilient, and we do not have the same level of bench strength that we had in the past because of increasing decades of underinvestment, and so, we do not have the same level of availability of assets.

Ms. STRICKLAND. Thank you.

I want to talk a bit about privatization of search and rescue missions. DHS officials have said that the Coast Guard should not be doing search and rescue, and subcommittee staff recently learned that private companies are looking to contract for this mission.

Now, I have nothing against private contractors supplementing, in addition to, but substitution raises really big red flags for me.

So can you talk a bit about the search and rescue mission and whether you plan to allow privatization of it when it should be a public service?

Admiral LUNDAY. Congresswoman, I am certainly aware that there are commercial companies that provide salvage services for mariners who need it. Coast Guard search and rescue remains one of our primary missions. In fact, it is more than that. It is a special trust we have with the American people. It is part of our DNA.

And so, we are not lowering our response standards for maritime search and rescue.

But I would tell you, beyond search and rescue, other missions we do also save lives. Controlling, securing, and defending our border and maritime approaches against illegal drugs and illegal migration, that also saves lives.

Defending our border and our maritime critical infrastructure from cyber threats to that infrastructure that could threaten the movement and facilitation of commerce——

Ms. STRICKLAND [interrupting]. I want to get back to the question though. Are you going to allow privatization of the search and rescue function instead of having the Coast Guard do it?

Admiral LUNDAY. Congresswoman, I have no plans to step away from our search and rescue operations or turn that over to private companies.

Ms. STRICKLAND. Thank you.

I yield back.

Mr. EZELL. The gentlelady yields.



I now recognize Mr. Begich from Alaska. Go ahead, sir.

Mr. BEGICH. Thank you, Mr. Chair.

First of all, Admiral, let me just compliment you on your responsiveness on our Nation's most southern border. Your mission there is of critical importance, and it is great to see an administration prioritize that important security mission, and we certainly appreciate all the hard work that you have done and your team has done to prioritize that mission, in addition to all the other responsibilities that you have across the country.

So, shifting focus to Alaska, Alaska's vast, rugged maritime domain makes the Coast Guard indispensable for search and rescue, law enforcement, fisheries enforcement, and border security.

But delays in modernizing home ports, housing, and icebreaking capabilities disproportionately impact Alaska's public safety.

Chronic undercapitalization has left Alaska's bases and vessels in disrepair. Your written testimony underscores the severe strain this has placed on crews and missions.

The fiscal year 2025 budget reconciliation, however, includes over \$21 billion to recapitalize assets and rebuild shoreside infrastructure, which are key for Alaska's future readiness.

So with that as a backdrop, what assurances can you provide that the current \$3.15 billion shoreside infrastructure funding will prioritize Alaska's most urgent recapitalization needs rather than be diverted to lower priority projects in the lower 48?

Admiral LUNDAY. Congressman, as you know, sir, the U.S. is an Arctic nation because of the State of Alaska. The Coast Guard presence in Alaska is strong, and so our recapitalization needs that are already on track will be fueled even more and accelerated by the investments in reconciliation.

And so we are very excited about future asset delivery into the State of Alaska. In fact, the chairman and I on the gulf coast visited the Coast Guard cutter *Storis* just before she got underway.

She is now underway in the Gulf of America steaming toward the Panama Canal, and after going up the west coast will arrive in Juneau for a formal commissioning ceremony on the 8th of August before conducting her first operational patrol.

That is our Nation's third polar icebreaker we have just added to the fleet, and we are very excited about that. It is a year ahead of the planned schedule that we are operating that asset.

Mr. BEGICH. That is impressive. We are very excited about *Storis* coming to Alaska. We believe this is the first of many investments with respect to icebreakers that are necessary for the Arctic, and I think it will go a long way to restoring that capability for the United States.

One additional question. Given the unique operational demands of Alaska's vast and remote maritime environment, how does the Coast Guard plan to ensure that new technologies and platforms like autonomous vessels or AI-enabled surveillance systems are adapted for Alaska's extreme conditions, including winter operations and our limited infrastructure?

Admiral LUNDAY. Congressman, I think we have certainly learned lessons with Rescue 21 and some of the persistent challenges we had in Alaska with the design and function of that, given the extreme conditions in that operating area.

And so as we go forward with the Coastal Sentinel, which is one of the systems that was mentioned in Force Design 2028 to use technology to advance our maritime domain awareness, to help control, secure, and defend our border, we will have to make sure that that technology is functioning and able to be as successful and effective in the harsh Arctic conditions in Alaska.

Mr. BEGICH. Thank you, Admiral.

We are very excited about your pending confirmation, and we appreciate your continued leadership of our Nation's border security, search and rescue operations, and more, and we look forward to working with you going forward.

And with that, Mr. Chair, I yield back.

Mr. EZELL. The gentleman yields.

The Chair will now recognize Ms. Scholten for 5 minutes.

Ms. SCHOLTEN. Thank you, Chair Ezell and Ranking Member Carbajal.

And welcome, Admiral Lunday. It is good to see you again.

Before I jump into my questions, I just want to share my gratitude for your service to our Nation and congratulate you on your nomination to serve as the next Commandant of the Coast Guard.

I am so grateful that west Michigan is warming up this time of year, but we are coming off a very significant winter. Our Coasties in Muskegon and Grand Haven are tasked with ensuring that lake freighters can pass through these waters and make deliveries on time, regardless of the weather conditions.

It was, in fact, just weeks ago I feel like I can count on my hands that I was out there watching an incredible ice rescue off of our Grand Haven pier.

The Great Lakes region has kept supply chains running with one icebreaker, a single icebreaker, which is why the Service requested congressional support for a new Great Lakes icebreaker in fiscal years 2024 and 2025.

However, the Coast Guard's most recent request does not include a funding ask for an additional Great Lakes icebreaker. Further, the budget does not include a request for dollars to replace the 40-year-old *Bay* class 140-foot icebreaking tugs, two-thirds of which are in the Great Lakes.

Admiral Lunday, can you elaborate on the exclusion of these Great Lakes priorities in the Coast Guard's fiscal year 2026 budget?

Admiral LUNDAY. Congresswoman, let me start. The President was very clear that the Nation needs 40 icebreakers. Now, the Coast Guard is very excited about that because we are the ones that operate the Nation's icebreaker fleet.

Now, a lot of people focus on our polar icebreakers, but it includes our domestic icebreaking fleet, which of course is centered on the Great Lakes fleet.

And so we appreciate the support for the funding in 2024, \$20 million of the 55 needed to begin the analyze and select phase for an additional Great Lakes icebreaker, and we have begun that work.

But it is critical as we look at the reconciliation and the opportunity that that affords that we certainly will be using that to build

out our domestic icebreaking fleet, including an additional, the Great Lakes icebreaker that you mentioned.

Ms. SCHOLTEN. We are also very grateful that the President has mentioned a priority, but again, we are going to need to see that in the budget. Can you direct me to any specific actions where we might be able to see substantive action taken and where the Coast Guard intends to specifically delineate that we can expect to see those Great Lakes icebreakers included in the budget?

Admiral LUNDAY. Well, Congresswoman, it is not in the fiscal year 2026 request because, although we did see an increase, it did not have a higher top line that enabled us to include it in this year's budget request.

Ms. SCHOLTEN. When do you anticipate it would be included?

I am sure you can appreciate my dismay when, on the one hand, we are talking about a commitment to 40 icebreakers, but then we don't actually see the request included in the fiscal year 2026 budget.

Admiral LUNDAY. Well, Congresswoman, we are also looking at the opportunity that the budget reconciliation will provide for significant capital infusion and recapitalization of our ships, including all of our icebreaker fleet, which includes the Great Lakes fleet.

Ms. SCHOLTEN. So, would you anticipate, then, that through the reconciliation package, we would be able to specifically allocate funding for a Great Lakes icebreaker?

And would you be willing to submit language that would specifically delineate that?

Admiral LUNDAY. Congresswoman, we are working with the administration and Congress as the budget reconciliation package moves forward, now on the Senate side. The Great Lakes icebreaker, a new one, is a high priority, but we will work with the administration on that language as part of the reconciliation process.

Ms. SCHOLTEN. My office is more than willing to work with you as well. In the Great Lakes, we are unfortunately far too used to getting by with much less, but when it comes to the Great Lakes icebreaker program, we need to continue to elevate the importance of this program.

And, again, we look forward to working with you to make sure that this is not overlooked in the budget reconciliation process.

I want to, if I may, one more quick question on the importance of the Coast Guard and its people.

The President's budget is an opportunity to demonstrate priorities, as my colleagues have said. Despite intentions to grow the size of the Service significantly, this budget does not meaningfully increase operations in support account and drastically cuts shore-side infrastructure for things like housing and, critically important to me, childcare facilities and healthcare facilities.

How do you propose to grow the size of the Coast Guard without significantly increasing operations and support and shoreside infrastructure?

Admiral LUNDAY. Congresswoman, within the O&S inside the fiscal year 2026 budget request is \$27 million as part of Force Design 2028 that will get after some of the key elements that are enablers for that.

And so, it will get after increasing our recruiting. It will deliver a Coast Guard human resources IT system that we are badly in need of to help us develop our workforce in the future, and so, that includes some key early investments in O&S that will get after some of the workforce needs.

Ms. SCHOLTEN. I appreciate that.

I know I am running out of time here, but I would like to resubmit my question specifically about childcare facilities, and if you can get me more specific details on that for the record, I would be grateful.

Admiral LUNDAY. I will do that for the record, Congresswoman.

Ms. SCHOLTEN. Thank you.

I yield back. Thank you, sir.

Mr. EZELL. The gentlelady yields.

The Chair now recognizes Mr. Patronis for 5 minutes.

Mr. PATRONIS. Thank you, Mr. Chairman.

Good morning. Thank you for being here, and congratulations on your selection.

I got to spend Memorial Day weekend down in Miami toward your station down there. Marilyn took great care of me. Sometimes the best way I learn is visually. So, being able to spend some time with the team down there was rewarding for me.

Look. I understand where the chairman has gone. I appreciate your commitment to wanting to put in the budget what you need and then the President's agenda of strengthening shipbuilding along all of Florida's and Mississippi's and Alabama's Gulf of America.

Chairman, I wish I could have joined you this week. That sounds like it was an exceptional visit, but seemed to double down on investment and importance of shipbuilding and the amazing job creation opportunities that brings. That helps. It gets me excited.

But I appreciate you joining us today discussing the future of the Coast Guard. I am fortunate. I get to share a load-bearing wall with your liaison office, and the guys over there I pretty much check on every morning when I walk in. You have got good people, and it is a real good fortune for me, as I am brand new, to have some folks there willing to spoon feed me to understand the issues that are so important to our country.

So again, thank you for assembling a good team.

But let's talk a little bit about when I grew up. My home was Panama City when I grew up, and I remember as you get imprinted when you are a young child, Coast Guard cutter *Dependable* would make the news, WJHG, and it was a big deal.

My family's business was right down the street from the Coast Guard station, and when I started thinking about this job I'm taking, I decided to Google it. This vessel was built back in the 1960s and it is still operational.

And I understand the importance of keeping up with the times. With the investment of these new OPC cutters, what do you see probably as the most significant contribution that they will bring to the next generation for, I guess, multiple generations as the life expectancy of these vessels expects to be?

Admiral LUNDAY. Well, sir, the Offshore Patrol Cutter is a critical investment for the Coast Guard because it replaces what is the

backbone of our cutter fleet, which right now is done by a combination of those older 210s like *Dependable* and then the 270-foot cutters that we also continue to operate.

And so, they enable us to provide that presence not only offshore, near offshore, but in the long-range maritime approaches to the U.S. border, in all of the places there is a U.S. border, and that is a lot of territory.

And so, the ability to have that advanced capability the Offshore Patrol Cutter provides is critical to enabling our crews to control, secure, and defend the border and approaches.

Mr. PATRONIS. Thank you.

When it comes to giving you the resources to meet your training needs, open-ended question, are we doing enough?

Admiral LUNDAY. Well, sir, the training—first of all, Congressman, our people are our most important asset, and making sure that they not only have the assets and capabilities they need, but that they have the training they need, is critically important.

And so, part of our need in the operations and sustainment side is to ensure that we have the right resources to be able to deliver that training to them.

And when we talk about Force Design 2028, one of the campaigns is technology. It's: How do we use technology to deliver the training and the performance improvement that they need in a cutting-edge way? The traditional way of training people is in a classroom or simulators that require significant travel, but we can provide through augmented and virtual reality, and we are leaning into that now, but there is so much more opportunity to do it to deliver advanced training in a way that provides realistic training to enable our people to be successful.

Mr. PATRONIS. I appreciate that.

When I got on this committee, I was definitely excited to see that the chairman's leadership was wanting to make this part of our funding priority. I thought, that's kind of cool. I got to be a part of hopefully seeing an investment which I think it impacts especially an individual that has got a big coastal area and important as it is for the Service, you and the men and women you lead, provide.

Thank you for your service.

And, Mr. Chairman, I yield.

Mr. EZELL. The gentleman yields.

The Chair now recognizes Mr. Larsen for his 5 minutes of questions.

I'm sorry. Mr. Garamendi.

Mr. GARAMENDI. I appreciate being called the ranking member of the committee. I am sure Rick would find that difficult. Thank you very much.

Mr. EZELL. I saw you sitting there.

Mr. GARAMENDI. No problem at all.

Admiral Lunday, I promised myself I would be polite, and I am going to do the very best I can. We have been at this icebreaker thing for well over 12 years, 12 years that I have been on the committee, and it is one misstep, one bad decision after another.

There is no money in the ongoing budget for icebreakers. You are looking at the *Polar Star*, the new polar icebreaker, at its earliest sometime in early 2030, maybe 2031, 2032.

We are looking at, as you just said, additional money in the reconciliation. That's, I guess, good, except it's in a bad bill.

My point to you is, What are you doing within the administration of the Coast Guard to put in place the right people with the right authority to get this job done?

At least in the last decade that has not happened, with multiple admirals sitting in that chair, not providing the competency and the organizational structure within the Coast Guard to get a critical job done.

So, what are you doing?

Admiral LUNDAY. Congressman, the Force Design 2028 blueprint for transformational change that the Secretary announced will do that in two key ways. First, the establishment of the Secretary of the Coast Guard with the support of the Congress will provide direct focus, civilian control over the Coast Guard that includes responsibility for that Secretary over the acquisition programs for the Coast Guard, including the polar icebreaker.

The other part of that, in the acquisition, one of the four lines of effort is to streamline our acquisition process so that we can move at the speed and scale to deliver the assets needed and move away from the challenges we've had in the past with acquisition.

Mr. GARAMENDI. God, I have heard the happy talk so many times.

So, we have a civilian Secretary responsible for the icebreaker program. Is that what I heard you say?

Admiral LUNDAY. Well, sir, the construct—and this is where we are working with the administration and Congress on the language to create a Secretary of the Coast Guard, which is an administration priority, but it is similar to the construct for other military Service Secretaries that provides that civilian, political level leadership and accountability—

Mr. GARAMENDI [interrupting]. Excuse me. Excuse me.

Admiral LUNDAY. Yes, sir.

Mr. GARAMENDI. So, that is going to take a law. Has that been introduced?

Admiral LUNDAY. Yes, sir. Chairman Ezell has introduced a bill on the House side. Senator Scott has introduced a bill on the Senate side, and the administration is working on that legislation.

Mr. GARAMENDI. Now, within your organization, are you structuring an organization with specific responsibility with an appropriate level of authority and staff to get this job done?

Admiral LUNDAY. Yes, sir, we are.

Mr. GARAMENDI. And could you please provide that in writing to the committee and certainly to me?

Admiral LUNDAY. Congressman, we will provide it in writing in specific detail as part of the Force Design implementation plan that includes how we are clarifying the accountability on how those programs will be successful as we execute that money not only for the icebreaker programs, but all of our acquisition programs.

Mr. GARAMENDI. Thank you. I look forward to getting that detail soon because these issues are in play both in this committee as

well as in the Armed Services Committee over the next couple of months.

Just note that I have serious doubt, but I think it is imperative that this committee focus on the organizational structure to be set up and the accountability and the responsibility within your organization.

And furthermore, if the reconciliation bill fails to move or if your piece of it is eliminated along the way, it is imperative that those funding programs be made available and that they be made available immediately, not over the next decade.

With that, Mr. Chairman, I yield back.

Mr. EZELL. The gentleman yields.

The Chair now recognizes Mr. Van Drew for his 5 minutes of questions.

Dr. VAN DREW. Thank you, Mr. Chairman.

Admiral, or really Acting Commandant, I wish you the very best sincerely, and thank you for being here today.

To some degree, I want to associate myself with the remarks of Mr. Garamendi. He has been here more years than I have. I am going on my seventh year in Congress, 7 years, and it is not a reflection on you at all because I think we are all going to turn the page now.

We have gone through this process, and that's why I have tried to keep pushing for benchmarks, even working on legislation that we have benchmarks, because we have these discussions, we hear these things—and it's our bad, too, by the way; it's Congress as well—and we just don't get anywhere near the finish line.

Now, to be very focused here, would I be correct—I am just going to ask you for some quick answers first, then we will get into a little more detail—that with the administration, there is a new, forceful commitment through the reconciliation bill, by the way? Ms. Scholten is not here now, but I wish I could say to her I am not worried about the budget bill at this point. We haven't done particularly well with budget bills whether it be an omnibus bill or the 12 separate bills, but the reconciliation process, I know I have had direct conversations with you folks, direct conversations with the administration, and I believe, and I have seen it, that there is a new, forceful commitment in will and desire as well as dollars.

Would you agree that is true?

Admiral LUNDAY. Yes, Congressman.

Dr. VAN DREW. Thank you.

I want to just make that clear. I want everybody to hear that.

And would you agree with me that a lot of this is being done through the budget reconciliation process?

Admiral LUNDAY. At this time, that's correct, Congressman.

Dr. VAN DREW. Yes, it is. Thank you.

That's the plan. That's one of the reasons that we are doing the reconciliation, because we just can't seem to get the damn thing done when we go through the budget bills. Multiple administrations, not blaming one side or the other. So this is why this is a unique time in history.

And that's why I believe in the benchmarks as well. I think it's important stuff, whether it's icebreakers, patrol cutters, whether it's infrastructure and facilities.

Again, you are familiar with all of this. I know you do your homework and look this all up when you come here.

In Cape May, 85 percent of your recruits go through Cape May. That's where the training center is. Again, to answer Ms. Scholten, there are dollars there for new barracks. We have begun that process. It's moving forward. That's going to be helpful, particularly to the females that are now enlisting in the Coast Guard as well; is that correct?

Admiral LUNDAY. Yes, sir. That's correct.

Dr. VAN DREW. Thank you.

What steps are being taken—and I know it's hard to be real specific because we have got to get the damn reconciliation bill done first, though—can you share with us briefly any steps and timelines for Offshore Patrol Cutters and Polar Security Cutters?

And I know you have answered that already. So just any spots you want to touch up on.

Admiral LUNDAY. Yes, sir. So, there are two stages for the Offshore Patrol Cutter. We talked a little bit about stage 1, the first four that are being built in Panama City, Florida, and the first hull is scheduled for delivery by the end of this calendar year, but it's only 72 percent complete, and so it's at high risk of delivery to meet that first target.

And OPC stage 2 being built by Austal of Mobile, Alabama, that is OPC's numbers 5 through 15. They began construction last August and are making strong progress on delivery of that first one, which I believe is scheduled for 2028.

I will get the exact date on the OPC number 5, but they are making strong progress, having started construction less than a year ago.

Dr. VAN DREW. And wouldn't you say that there is a new energy, a new commitment, a new sense of urgency that we have got to get these things done, stop talking about them, even when we deal with these different entities that you named?

Admiral LUNDAY. Well, there is an urgency, Congressman, not only an urgency we feel in the Coast Guard to deliver assets for our crews that are operating on hold, assets that are increasingly harder to maintain and increasingly not available for operations, but nationally to provide the Coast Guard to meet the needs of the American people in the face of increasing threats, including nation-state threats.

Dr. VAN DREW. Absolutely, and I was going to review all that, but I didn't because everybody up here knows it, and you know it. Certainly, all of you know it very well.

There is \$21 billion appropriated to address shortfalls in the reconciliation package. Do you believe that's going to be helpful if that reconciliation package is successful?

Admiral LUNDAY. Congressman, it will be an important start to reversing the downward readiness trend, but it will need—yes, sir?

Dr. VAN DREW. Thank you.

The Active-Duty Force, we have talked about that a little bit before, too. Any particular plans to reinvigorate that, to reenergize it, to get more folks?

Admiral LUNDAY. Yes, sir. The Secretary has announced as part of Force Design 2028 a direction to grow the Coast Guard work-



force, principally our enlisted workforce, both Active and Reserve, by up to 15,000 new members.

And so, that will put our already strong progress we've made on recruiting—we will have to keep the pedal to the floor and continue to recruit to meet that goal by the target, which is by the end of 2028.

Dr. VAN DREW. I appreciate your work. Let's do this, Chairman. We're breaking new ground here. We're going to do good stuff.

I yield back to you.

Mr. EZELL. The gentleman yields.

The Chair now recognizes Ms. King-Hinds for your 5 minutes.

Ms. KING-HINDS. Thank you, Mr. Chairman.

Congratulations, Admiral Lunday.

The Coast Guard has had an enduring presence across the Pacific Islands since World War II, and as somebody who is coming from the Northern Mariana Islands, I can personally attest to the value that the Coast Guard brings, the men and women, to protect our waters and save lives, whether responding to typhoons or delivering aid to atolls around the Pacific Islands, drug interdiction, or just protecting our sovereign waters from illegal fishing, you guys have been there. So, I want to first of all express my deep gratitude on behalf of our community for all the work that you have put into protecting our waters.

So, my first question is, we have been hearing a lot about just some of the issues that folks have with the budget, but I wanted to hear from your perspective.

Can you describe the benefits the Coast Guard could receive based on the House-passed reconciliation package?

Specifically, can you tell us how the House-passed investments will provide our servicemembers with resources they need to conduct lifesaving missions and drug interdictions?

Admiral LUNDAY. Congresswoman, the investment in reconciliation will provide a recapitalization of the capital assets we need, our cutters, boats, aircraft, C5I systems, and shore infrastructure necessary to conduct all of those operations, including throughout the Indo-Pacific.

Ms. KING-HINDS. Thank you.

Everybody is talking about these cutters, and really, I don't normally sit in this subcommittee. So, one of the reasons or the primary reason I wanted to sit in, and thank you to the chairman and ranking member, is to talk about the fast cutters.

From what I understand, they have been a force multiplier for our region, especially within the FSM and the other remote island nations when it comes to the bilateral shiprider agreements.

Can you speak to the value that the Fast Response Cutters bring to the region?

And also, what would it take for the CNMI to be considered as an alternative home port option for your cutters?

Admiral LUNDAY. Well, Congresswoman, as you know, the U.S. is not only a Pacific nation. It is a Pacific Islands nation because of the Americans that live in and make their home in Hawaii and the three Territories in the Pacific, including the Northern Mariana Islands, Guam, and American Samoa.

In the last 6 years since I served out there, since LyndaLee and I served out there in District 14, we have increased the Coast Guard cutter presence by eight cutters—eight new cutters—six of those Fast Response Cutters in Honolulu, six based in Guam, two National Security Cutters in Hawaii as well, and we have added a 270-foot cutter that we permanently transferred.

With support of the Congress here and the administration, we have appropriations in 2024 to deliver next year two additional Fast Response Cutters out to the Western Pacific to be based there.

We are looking at home port options in Guam, and we will look at options also in the Northern Mariana Islands as we explore. There is a lot of demand for space out there, and so, we have other competing needs with others that want a home port, but we need those cutters forward.

They are game changing capability not only to control, secure, and defend our borders in the U.S. Territories there, but also to strengthen our relationship with the other Pacific Islands nations that are working to control their own borders and protect their sovereignty against the malign influence of the Chinese Communist Party throughout the Pacific Islands.

Ms. KING-HINDS. Well, thank you for that.

Please do let me know how I can be of assistance to get you to make the decision to consider the CNMI to be one of the fast cutter's home port.

Thank you.

Admiral LUNDAY. Thank you.

Ms. KING-HINDS. I yield back my time, Mr. Chairman.

Mr. EZELL. The gentlelady yields.

I now recognize myself for another 5 minutes.

Admiral, I know we have discussed at length this morning and in previous times, but I want to put a fine point on this reconciliation.

The reconciliation investments we were able to secure under President Trump's leadership are absolutely transformational. I think everybody on this subcommittee would agree that the billions of dollars we are seeing in investment for our Coasties is a non-partisan issue.

We have got to get this done, and I hope my colleagues will join me in the package and voting yes on this coming up.

Thank you.

Moving on to my next question, despite receiving other substantial cash infusions, the Offshore Patrol Cutter, OPC, stage 1 contractor, Eastern Shipbuilding Group, has indicated that they cannot carry out the contract without taking an unabsorbable loss.

As a result, the Coast Guard has issued a stop work order for hulls 3 and 4 and has issued a request for information, RFI, to determine options to move the stage 1 hulls to yet another yard to complete the work.

OPC 1 was scheduled to be commissioned at the end of the year. Can you give us an update on whether hull 1 will be delivered, and if so, when?

Admiral LUNDAY. Congressman, based on a completion level on OPC 1 of only 72 percent, I would say that the delivery of that

asset by the end of the calendar year, which is the current scheduled delivery, is in doubt.

Mr. EZELL. It's in doubt?

Admiral LUNDAY. Yes, sir.

Mr. EZELL. Very good. Thank you.

Given these delays, what's your plan to maintain the readiness of the Medium Endurance Cutter, MEC, fleet until it is replaced?

Admiral LUNDAY. Well, Chairman, the 210-foot Medium Endurance Cutters are increasingly expensive to maintain, and as Congressman Webster mentioned, they often have holes in them that need to be repaired on any major drydock or dockside availability.

And so we have plans in the fiscal year 2026 budget to decommission three of those aging 210-foot cutters.

Now, our 270-foot cutters are not quite as old. We are continuing a process to conduct a service life extension program of six of those thirteen 270-foot cutters. That is being conducted up at our Coast Guard yard.

That will extend the life of half of that fleet to enable us to bridge the gap until the delivery of the Offshore Patrol Cutter and those join the operational fleet.

Mr. EZELL. Very good. The administration has put out an RFI that includes the option of building icebreakers in foreign yards. As you are aware, Coast Guard vessels are required to be built in the United States unless the President provides a national security waiver.

Can you provide greater detail on why the administration included foreign yards in its RFI?

Admiral LUNDAY. Mr. Chairman, part of that RFI, working with the administration, is to provide as much information and options to the President to inform the President's decision within the President's discretion.

What I would say, sir, is that since 1790, when our first Coast Guard cutters were built, all of them have been built in U.S. shipyards by American labor, craftsmen, and tradesmen who are skilled at what they do, and they have delivered superior ships and cutters that we have operated for almost 235 years with rare exception.

And as we saw last week on the gulf coast, both in shipyard in Bollinger Mississippi, and at Austal, we saw those same American craftsmen and tradesmen hard at work building the next generation of Coast Guard cutters.

Mr. EZELL. Thank you.

And you can provide us assurance that the United States will have every opportunity to compete for the Coast Guard's icebreaker business?

Admiral LUNDAY. Mr. Chairman, the President has issued an Executive Order on Restoring America's Maritime Dominance, another Executive order on the defense industrial base that moves to restore American competitiveness including in shipbuilding.

So, I don't think I could say it any better than the President has.

Mr. EZELL. Great. It appears there has been some significant resistance from the Coast Guard on the issue of automated systems aboard some commercial vessels. In 2020, the Coast Guard reversed a longstanding practice of authorizing engine room crewing reductions for articulated tug barges, or ATBs, with automation.

More recently, the Coast Guard declined to implement a statutory change in the fiscal year 2023 NDAA permitting the agency to issue certificates of inspection for automated system ATBs with reduced engine room crewing.

Given the significant advances in technology, and in coordination with Force Design 2028's pillar on technology, I believe automation on commercial vessels is here to stay. Vessel operators have made significant investments in automated machinery, which increase vessel safety and reliability, and enhance the mariner's situational awareness.

Most importantly, I understand that the available data on automated system ATBs demonstrates that they were operated safely for years with reduced crewing. The Coast Guard should keep pace with technological innovations and engage constructively with industry. Doing so keeps them in line with Force Design 2028's pillar on technology, which reads, "The Coast Guard will accelerate the adoption of secure, state-of-the-market technologies to enhance data sharing, situational awareness, and operational effectiveness."

The default answer cannot be simply "no," and that especially applies when Congress enacts laws that the Coast Guard is obligated to implement.

Can you give me a little response on that, please?

Admiral LUNDAY. Well, Mr. Chairman, the articulated tug and barge, those have grown, continued to grow in size and employment and with the implementation of Subchapter M, the minimum manning of two engineers is the standard that is currently applied.

Now, as those have gotten larger, we have seen them approach the size of some tankships that have a separate manning requirement of four engineers.

Now, facilitating commerce is critically important. It is one of our primary responsibilities, and that includes the safe movement of commerce, and I know maritime industry shares that same priority.

Now, while we agree that technology has enabled those engineers that are standing watch on the ATBs to be more successful and more efficient at standing watch, we don't believe that the technology is sufficiently advanced in robotics and automation to be able to reduce below the current levels in Subchapter M what those standards are.

But we look forward to working with industry and also with the committee on as we see advances in that technology and when the opportunity might be in the future to change that manning standard. But for now, we feel that is the safe standard for ATBs.

Mr. EZELL. Thank you, Admiral.

I yield back.

Mr. Carbajal, would you like to?

Mr. CARBAJAL. Thank you, Mr. Chair.

A lot has been said today about the positive Coast Guard funding in the bad, really bad reconciliation bill. While I made it clear that I support significant increases to our Coast Guard budget, I believe it shouldn't come on the backs of other Americans.

Has the Coast Guard determined how many Coast Guard veterans will be at risk of losing Medicaid coverage if H.R. 1 passes?

Admiral LUNDAY. No, Ranking Member Carbajal.

Mr. CARBAJAL. We might want to look at that, because I think numbers are staggering.

Force Design 2028 is at best a concept of a plan. Yet despite not having a detailed plan, the Secretary has ordered the removal of at least 25 percent of the flag corps.

How did the Coast Guard land on a 25-percent reduction?

And what data and evidence did the Service use in determining that it had too many admirals?

Admiral LUNDAY. Ranking Member Carbajal, the Secretary signed out a memo directing the reduction this year by no less than 25 percent of the flag corps, and in that memo, it also specified that the five Coast Guard flag officers that were assigned to combatant commands under the Department of Defense remain intact and the Office of Chief Prosecutor also remain intact.

And so, we are looking to develop the plan. The full plan, as I said, was part of the Force Design 2028 implementation plan, and we look forward to briefing you on that plan.

But that is the information I have now.

Mr. CARBAJAL. Were you consulted on the 25-percent reduction?

Admiral LUNDAY. The Secretary's direction for 25 percent was provided, and then it was up to me to determine this year, given the movements of flag officers and the importance of maintaining leadership continuity and continuity of command of flag positions, that I make decisions, and those were the ones you saw reflected on the 25th of July in the release of the flag assignment message.

Mr. CARBAJAL. Admiral, I am going to challenge your loyalty talent. Were you consulted in reaching the 25-percent reduction?

If you could, just answer yes or no.

Admiral LUNDAY. Yes. I was part of discussions with departmental leadership before the Secretary signed that memo, yes, sir.

Mr. CARBAJAL. Thank you very much.

Mr. Chair, I yield back.

Mr. EZELL. The gentleman yields.

The Chair now recognizes Mr. Mast for his 5 minutes of questioning or additional time if you need it, sir.

Mr. MAST. Well, thank you, Mr. Chairman. I appreciate that.

Admiral, congratulations, absolutely. That will be monumental, monumental to be able to take the reins, and so, I congratulate you on that.

I want to talk a little bit about the Coast Guard's operations in the State of Florida, probably no surprise. I am a Representative of the State of Florida.

I have seen a number of different attempts to enter our waters and then ultimately make their way to shore, individuals coming from Haiti, individuals coming from the Bahamas, oftentimes to their own deaths as they capsize their vessels, things like that, miles and miles offshore.

But I just wanted to walk through that a little bit and have some conversation about your layer, where that layers with the State law enforcement, with local law enforcement, how everything is working together.

Are there technologies that we need to bring to bear?

Are there threats that you are seeing?

Just today, the news has been paying attention to the drone strike that Ukraine conducted against Russia 1,000 miles inland. But what are you doing to deal with threats as it relates to drones powered by AI to identify specific vessels or individuals in uniforms, things like that?

I just want to have a conversation about these things and see where you land on the vulnerabilities and what we are doing about them.

Admiral LUNDAY. Well, Congressman, on the southern border where the President has declared a national emergency, in the Coast Guard, we view that as a system. So most people think, of course, of the southwest border, including the maritime portions, but for us that is also the southeast maritime border approaching the State of Florida and also our Territories in the Caribbean, from threats of migration, illegal migration, from Haiti and Cuba and the Bahamas, as you said, as well as movement of drugs and other threats.

And so, that is just as high a priority and part of what we view as our response to that Presidential national emergency.

As you know, sir, that is under the leadership and command of Admiral Doug Schofield in the Seventh District, along with Admiral Nate Moore in the Atlantic Area. And so, that remains a high priority.

In terms of the collaboration with other Federal agencies and the State and local, it is probably the gold standard of cooperation that I have seen across the Coast Guard. We work hand in hand with Federal, State, and local and county law enforcement to address the range of threats that are approaching by sea, and we do that successfully.

Sir, you asked about the concerns about countering UAS or UAS threat, and we are also concerned about that. We have a mobile deployable capability in our maritime security response teams, one on the west and the east coast, and we have two fixed systems, one installed on a Fast Response Cutter in New England, the other in southern California to address counter-UAS threats.

But that is not enough capacity. My concern is we have got to scale and we have got to scale fast to address the kind of evolving dynamic threat that we have seen, that was reflected, as you said, sir, in the dynamic strike that we have seen news reports of from Ukraine into Russia.

Mr. MAST. Very good. As you look at that, I have gotten to know a lot of my Coasties over the years. I live in Fort Pierce with a small Coast Guard station in Fort Pierce there. They are great individuals, and so, I just take that opportunity to thank them for their service as my neighbors, friends and neighbors that have worked there.

To move a little bit more specifically to some of those threat profiles, what is the greater threat profile going on right now, given, I don't want to say change in operations since the change of Presidency, but the change in the way those operations are being enforced?

You have the same core mission sets that you had then, but new President, new way of operating. So, has the threat profile changed in terms of individuals attempting to come across our borders and

the volume of people coming across our borders? Has that volume changed?

Admiral LUNDAY. Well, in some ways it has changed, Congressman. So, we have seen a drop in attempted illegal maritime migration from Cuba and Haiti, but the conditions inside those countries that would drive migration have not changed.

So, our strong enforcement presence is keeping that pressure for attempted movement of illegal migration into the U.S., particularly south Florida, that's keeping that at bay.

Mr. MAST. It may change or not change with the threat profile for drugs?

Admiral LUNDAY. We still are concerned about the movement of drugs toward Florida and the rest of the southern border, sir. There is record cocaine production in Central and South America, and so, as we ratchet down pressure on certain parts of the southern border, like the land portion, we expect to see and have seen increased movement and pressure by those cartels to try and move drugs and people by maritime means.

And so, that is why our increased presence off of California and then off of Texas in the Gulf of America is so critical to addressing and making sure that those cartels are not successful in moving those threats along the maritime side.

Mr. MAST. Thank you, Admiral. I appreciate it.

Mr. Chairman, thank you for the time. I yield back.

Mr. EZELL. The gentleman yields.

You are not going to believe this, Admiral, but I have got a couple more questions.

The Coast Guard plans to acquire larger cutters and aircraft over the next decade, and the reconciliation bill provides a substantial boost to those efforts.

However, despite repeated requests from this subcommittee, we have yet to receive a detailed plan on where those new assets will be based as well as a plan to build out the required infrastructure needed to operate them.

These projects take years, and if you don't start now, you will be running into a serious problem when these new assets come online.

When the committee asked for a plan, we were provided with a short document purportedly listing future home ports. For reference, we have created a chart here with this information, which can be seen on the screen.

[Slide shown.]

Does the Coast Guard have a long-term plan for the shoreside capital investments needed to homeport new cutters and aircraft that it plans to bring online for the next decade?

If so, can you commit to providing the committee with a detailed schedule and cost projections for those projects?

Admiral LUNDAY. Mr. Chairman, we will provide a plan and the home port to the degree we have that information solidified.

On the chart you see here, I would note that there is a notation "not publicly announced." That's different than the "to be determined." Now, public announcement, we may have a very strong plan for a home port for particular cutters or series of cutters, but it's not quite ready for public announcement because we don't want to change those decisions once they have been publicly revealed.

But I think what this also reflects, Mr. Chairman, is that with the challenges we have had with funding year after year, and oftentimes the money for homeporting, which is funded not necessarily at the same pace as our cutters are that are going to be homeported in those places where the shore infrastructure needs to be built out, that we often are relying on unfunded priority list and the support of Congress above the top line to be able to fund those projects.

And so, it doesn't enable us to deliver with confidence because we don't have that funding what the projected home ports are going to be because we haven't had the confidence to make those decisions in a way that fills out the chart the way that you would want to.

Mr. EZELL. Thank you.

The environmental compliance project backlog impact statement contained in the fiscal year 2026 budget represents \$163 million in environmental cleanup costs, significantly underestimating the Service's liabilities.

Is the Coast Guard considering the significant environmental remediation efforts and associated costs that will go along with these projects when preparing for project budgets?

Admiral LUNDAY. Mr. Chairman, the environmental remediation costs are present in every part of the life cycle from planning to maintenance and sustainment to disposition, and so, they are always a significant part or cost that is involved in the process of managing the shore infrastructure.

So, for new shore infrastructure or recapitalization, some of the support that the committee has provided and Congress for survey and design is critically important to enabling us to adequately assess and identify what those environmental remediation costs are so that we can include them in the requests so that when those requests come to you they are more mature, and we have higher confidence in them, and we won't have to come back for more additional funding.

Mr. EZELL. Final question. Reconciliation provides \$4.3 billion for polar security vessels and nearly \$5 billion for Arctic Security Cutters and domestic icebreakers.

Without these investments, will the Coast Guard be able to maintain a presence in the Arctic, protect American sovereignty, and guard our national interests?

Admiral LUNDAY. Mr. Chairman, the polar icebreaker program is our highest acquisition priority. The Nation needs those icebreakers to not only control, secure, and defend our border around Alaska, but to ensure U.S. sovereignty throughout the increasingly navigable Arctic Ocean.

But it requires that icebreaker capability, and so, they are essential to national security and preserving our national security.

Mr. EZELL. Thank you.

Mr. Carbajal?

Mr. CARBAJAL. I don't have any other additional questions, Mr. Chair.

Mr. EZELL. The gentleman yields back.



If there are no further questions from any members of the subcommittee who have not been recognized and would like to say anything?

Seeing none, that concludes the hearing for today. I would like to thank you, and I thank you all for being here today, for our witness and your testimony.

The subcommittee now stands adjourned.

[Whereupon, at 11:39 a.m., the subcommittee was adjourned.]



## APPENDIX

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### QUESTIONS TO ADMIRAL KEVIN E. LUNDAY, ACTING COMMANDANT, U.S. COAST GUARD, FROM HON. MIKE EZELL

*Question 1.* The Fiscal Year (FY) 2026 President's Budget requests \$164 million to acquire four MH-60 helicopters and fund ongoing SLEP projects.

*Question 1.a.* Of the 164 million, how much will be spent on MH-60 acquisitions, and how much will be spent on fleet sustainment? Does the United States Coast Guard (Coast Guard or Service) intend to procure used MH-60's from the Navy, and if so, how many hours would they have?

*ANSWER.* The \$164 million in the Fiscal Year 2026 President Budget is solely for Procurement, Construction, and Improvement investments of the H-60 Acquisition/Sustainment Program to support on-going and baselined activities for the H-60 SLEP (approximately \$36 million) and H-60 Fleet Growth (approximately \$128 million) increments of the acquisition program. This funding will support continued conversion of retired Navy HH-60H or SH-60F hulls already in possession of the Coast Guard. The Service does not intend to procure any additional U.S. Navy H-60 hulls with these funds.

*Question 1.b.* What alternative options exist for acquiring used MH-60 hulls that would be more long-term cost effective and could perform the Coast Guard's missions to the same level as the MH-60 platform?

*ANSWER.* There are no current or expected alternative options for acquiring additional retired/used H-60s hulls for conversion to the Coast Guard MH-60T. The Coast Guard is currently exploring other alternatives, including options that would leverage the private sector to produce new rotary wing aircraft for Coast Guard operations. That market research is ongoing, and the Service would be pleased to brief you when there is more information available. In addition, the One Big Beautiful Bill Act of 2025 provides \$2.283 billion to expand the Coast Guard's rotary-wing fleet by up to 40 aircraft.

*Question 2.* In April 2024, the Government Accountability Office (GAO) published a study that found that the Coast Guard needed to conduct a fleet mix analysis to help ensure it identifies the necessary number of helicopters it requires to meet its mission demands. Additionally, the Don Young Coast Guard Authorization Act of 2022 directs the Coast Guard to develop a comprehensive aviation strategy that is informed by the recommendations of the GAO's study. As of this hearing, the Coast Guard has yet to conduct a fleet mix analysis or develop an aviation strategy.

Without a fleet mix analysis or comprehensive aviation modernization strategy, how can the Coast Guard ensure that its aircraft can continue to perform its unique mission set into the future?

*ANSWER.* The Coast Guard appreciates the Government Accountability Office's report and is working to incorporate their recommendations, including the fleet mix analysis, to better inform future decisions. The Coast Guard's Aviation Strategy was briefed to Congress in May of 2025.

*Question 3.* Currently, the majority of the Coast Guard's rotary-wing fleet consists of the MH-65 short range recovery helicopter, which are now out of production. As many of these aircraft approach their 30,000 hour service life, spare parts have become increasingly scarce. In March, the Coast Guard published a request for information (RFI) on industry options for leased helicopters to perform the function of the MH-65 Dolphins, presumably to alleviate the increasing pressure to find an MH-65 replacement.

*Question 3.a.* What is the status within the Coast Guard of this lease proposal?

*Question 3.b.* What is the Coast Guard's plan for this fleet of leased helicopters? Where would they be based?

*Question 3.c.* For how long would a potential lease last? Depending on the length of a lease, can you explain the benefit of considering procurement of a short-range helicopter to ensure current and future mission coverage, complementary capabilities of two different rotary-wing ranges and functions, and reduce the risk of lack of assets in case of a fleet-wide grounding, as has happened with other military services?

*Question 3.d.* From which budget or account will the funding for this potential lease come?

*ANSWER to 3.a., 3.b., 3.c., & 3.d.* A request for information for a leased rotary wing asset concluded on March 21, 2025. The Coast Guard is evaluating the responses to inform possible future actions.

*Question 4.* The Coast Guard has stated its rotary-wing plan is to phase out the standard shipboard-deployable, short range recovery helicopter in favor of an all medium-range recovery helicopter fleet transition to an all-MH-60 fleet.

*Question 4.a.* If the Coast Guard transitions to an all MH-60 fleet with fewer total helicopters, would the same number of air stations be required? Does the Coast Guard plan to close air stations as part of the transition to an all MH-60 fleet? Will the transition to an all-MH-60 fleet reduce the number of helicopters available to conduct search and rescue missions at each air station?

*ANSWER.* Due to the increased range, endurance, and capability of the MH-60, the Coast Guard expects to need a fleet of at least 127 MH-60s. The Service is focused on first transitioning coastal search and rescue units that require minimal infrastructure modifications and is still assessing the final asset laydown and fleet size needed.

*Question 4.b.* If the Coast Guard closes any Air Stations or Air Sub-Facilities, could the Service provide the exact same level of response and capability to the areas and communities the Coast Guard currently serves?

*ANSWER.* Any potential changes to asset laydown will incorporate robust planning and evaluate mitigating factors to ensure the Coast Guard continues to provide the capability the American public deserves and expects.

*Question 4.c.* Assuming the Coast Guard continues with the transition to an all MH-60 fleet, can every current Air Station and Air Sub-Facility support the increased size and personnel needs of the H-60 helicopter?

*ANSWER.* Air station facilities may require some level of modification to support the MH-60 helicopter and additional personnel. The Service is focused on first transitioning MH-65E air stations that require minor facility modifications while conducting an analysis of facilities that may require more extensive modifications.

*Question 4.d.* Does the Coast Guard have funding to increase the hanger size, personnel housing, and other infrastructure needs to accommodate an all MH-60 fleet?

*ANSWER.* As the Coast Guard prepares to transition air stations that require more extensive facility modifications, the Service will incorporate the necessary funding through the annual appropriation process.

*Question 4.e.* Is it true that to fit the MH-60s inside the current hangers on Coast Guard cutters, the helicopters must be modified to have folding tails?

*Question 4.e.i.* If so, how often does the tail-fold mechanism fail?

*ANSWER to 4.e. & 4.e.i.* Yes, the Coast Guard is re-installing blade-fold/tail-fold capability on the MH-60 fleet so they can be hangered on the Service's newest cutter classes, including the National Security Cutter, Offshore Patrol Cutter, and Polar Security Cutter. The tail-fold mechanism is manually operated as part of a standard maintenance procedure and is not expected to have a high failure rate.

*Question 4.f.* Can the MH-60 operate on all helicopter-capable Coast Guard cutters? Given the much greater size of the MH-60T in comparison to the existing cutter-based H-65s, is there an increase in risk factors, particularly at night and in inclement weather, when conducting shipboard landings?

*ANSWER.* All shipboard helicopter operations carry inherent risks, but the MH-60 can safely operate onboard the National Security Cutters, Famous B Class (270 foot) cutters, and is planned to operate onboard the future Offshore Patrol Cutters and Polar Security Cutters in various weather conditions.

*Question 4.g.* What is the increased number of personnel required to maintain MH-60s vs the H-65s? Does the Coast Guard have the required personnel and funding to sustain the additional Coast Guard members and housing for their families?

*ANSWER.* The MH-65 requires 10 maintenance personnel per airframe while the MH-60 requires at least 16 enlisted maintenance personnel per airframe. As the

Coast Guard grows the MH-60 fleet, the Service will request the necessary funding and personnel to support and operate the assets.

*Question 5.* Earlier this year in March, the Coast Guard issued a Request for Information (RFI) to seek statements from vendors able to lease and maintain helicopters capable of performing missions currently conducted using the Coast Guard MH-65 platform. It is my understanding the Coast Guard will use the results of this RFI, along with other market research, to assess the feasibility and desirability of potential contracting strategies.

*Question 5.a.* Can you please provide more background explaining why the Coast Guard issued this RFI?

*ANSWER.* The MH-65 is beyond service life and in need of replacement. The Coast Guard does not have an adequate parts supply chain to sustain the MH-65 fleet and the MH-65 fleet is currently operating at our lowest readiness rate in its history. The Request for Information was released to conduct market research on potential assets that may be able to support Search and Rescue, Rotary Wing Air Intercept or Airborne Use of Force operations.

*Question 5.b.* Does the Coast Guard anticipate a need for additional rotor-wing aircraft in the near future due to retirements from the current fleet or from an increase of aircraft needed to perform the Service's missions? Please detail the Coast Guard's reasoning behind this RFI.

*ANSWER.* The RFI was market research to understand what potential material solutions exist to better inform future decisions. The Coast Guard does anticipate a need for additional rotor-wing aircraft due to the end of life of the MH-65.

*Question 6.* As the Coast Guard continues its acquisition process, can you provide the Committee with a commitment from you that the Service will work with Congress on creative solutions that will maximize our taxpayers' dollars in acquiring the equipment needed to perform Coast Guard missions?

*ANSWER.* Yes.

#### QUESTIONS TO ADMIRAL KEVIN E. LUNDAY, ACTING COMMANDANT, U.S. COAST GUARD, FROM HON. MARILYN STRICKLAND

*Question 1.* Admiral Lunday, in January 2025, you announced a revision of reporting guidelines for the prevention and resolution of harassment in the Coast Guard workplace.

*Question 1.a.* Could you talk about what the new guidelines consist of?

*Question 1.b.* How do they differ from the previous guidelines?

*Question 1.c.* What was the motivation for the change?

*Question 1.d.* Since the new guidelines went into effect, do you have data on workplace harassment problems resolved in the chain of command, or EEOC complaints filed since the new guidelines went into effect?

*ANSWER to 1.a., 1.b., 1.c., & 1.d.* On January 27, 2025, the Coast Guard paused significant portions of Harassing Behavior Prevention, Response, and Accountability, Commandant Instruction 5350.6, to enable a comprehensive review of policy and procedures, and ensure they best serve the needs of the workforce, our leaders, and the Coast Guard. This review has been extended, and it is ongoing.

Coast Guard members and employees may still report harassment or any other misconduct to their chain of command or supervision. Under the interim accountability policy, reports of sexual harassment and hate incidents continue to be handled in accordance with the procedures and requirements in Commandant Instruction 5350.6. All other reports of harassing behavior are being resolved in a timely manner by leaders at the lowest appropriate level. Additionally, both civilian and military members may still report discriminatory harassment to the Civil Rights Division through the Equal Employment Opportunity or Military Equal Opportunity programs.

The Coast Guard is collecting data on the processing and resolution of harassment under the interim accountability policy and will continue to maintain records for complaints resolved through the Equal Employment Opportunity and Military Equal Opportunity programs.

QUESTIONS TO ADMIRAL KEVIN E. LUNDAY, ACTING COMMANDANT,  
U.S. COAST GUARD, FROM HON. HILLARY J. SCHOLTEN

*Question 1.* Stakeholders across my district and the larger Midwest region are leading an effort to create a consortium of shipyards, suppliers, and manufacturers in the Great Lakes region to actualize recent commitments to boost the Coast Guard's capabilities. To that end, I encourage the Coast Guard to leverage the incredible talent and innovation throughout our region. Can you touch on how Congress can encourage the private and public sectors to collaborate to make up for decades of underinvestment in the Coast Guard?

*ANSWER.* Demand for Coast Guard capabilities has never been higher, and the Service needs the right assets, systems, and infrastructure to support mission execution properly. The Coast Guard requires a strong maritime industrial base, including a robust and skilled maritime workforce to meet our shipbuilding, maintenance, and repair needs, and is engaged with the Navy and other federal partners to support investments in the maritime industrial base that enhance readiness and support national security. The Coast Guard also recognizes that comprehensive industry outreach and engagement on the Service's specific needs translates into better outcomes. The Coast Guard appreciates Congressional efforts to strengthen domestic capacity and capability across the maritime sector, including initiatives to address supply chain disruptions and shortfalls. The Service currently has several requests for information and proposals posted for major shipbuilding efforts and looks forward to receiving competitive bids. The Coast Guard will also continue to work with our federal partners to identify additional opportunities to strengthen the maritime industrial base.

*Question 2.* Stakeholders have expressed concerns that the Coast Guard is duplicating the work of the Equal Employment Opportunity Commission (EEOC) in standing up its own reporting and investigating structure for harassment in the maritime workplace. As you know, EEOC is charged by Congress with investigating complaints of harassment in the workplace and ensuring that employers maintain a zero-tolerance environment. Recreating this function at the Coast Guard could be counterproductive to the timely resolution of incidents and taking action against offenders.

*Question 2.a.* What definition or standard of harassment is the Coast Guard using to guide its work? If it varies from EEOC's definitions, standards, and guidelines, please explain why.

*ANSWER.* The Coast Guard investigates a wide range of mariner misconduct, including harassment cases (e.g., bullying, hazing). Generally, Coast Guard harassment investigations address incidents that violate company harassment policy and definitions. Harassment investigations differ between the Equal Employment Opportunity Commission and the Coast Guard in several significant ways, as enumerated in the below table.

**Harassment: EEOC vs. USCG Investigation**

EEOC	USCG Personnel Investigations
Purpose: Prevent and remedy unlawful discrimination in the workplace.	Purpose: Suspension and revocation (S&R) proceedings to promote safety at sea. (46 USC 77).
Applicability: Employers with 15 or more persons employed (20 or more for age discrimination). The EEOC is a charge-driven agency, meaning under most circumstances, the EEOC initiates an investigation because an individual voluntarily filed a charge of discrimination with the EEOC. By law, the EEOC must keep charge information confidential and will not disclose information related to a charge to the public.	Applicability: Individuals holding a valid Merchant Mariner Credential.
Basis: The EEO laws protect individuals from discrimination because of race, color, religion, sex, national origin, age (40 or older), disability, or genetic information, including harassment that creates a hostile work environment. The laws also protect individuals from retaliation if they oppose employment discrimination, file a complaint of discrimination, or participate in the EEO complaint process.	Basis: The USCG can investigate any act of mariner misconduct under 46 CFR 5.27.

**Harassment: EEOC vs. USCG Investigation—Continued**

EEOC	USCG Personnel Investigations
Reporting Timeline: Individuals must file a charge with the EEOC within 180 days of the alleged discrimination. Except for age discrimination claims, the time frame is extended to 300 days if the alleged discrimination occurred in a jurisdiction with a state or local agency authorized to grant or seek relief. For age discrimination claims, the time frame is extended to 300 days only if there is a state (not local) agency with authority to grant or seek relief.	Reporting Timeline: Upon knowledge of an incident, the responsible entity (i.e., owner, master, employer) must report to the USCG. The responsible entity then has 10 days to provide a company after-action summary to the Coast Guard for sexual harassment cases. (46 USC 10104) However, there is no set statute of limitation for individual mariner reporting.
Action by EEOC: Possible action includes mediation, investigation, and/or determination as to whether there is reasonable cause to believe that discrimination has occurred. When reasonable cause is found, the EEOC will try to resolve the charge through conciliation, a voluntary process in which parties must agree to the resolution. If the EEOC cannot reach a settlement, the case will be referred to EEOC's legal staff (or the Department of Justice in certain cases), who will decide whether to file a lawsuit. If the EEOC does not decide to file a lawsuit, or if the EEOC does not make a finding of reasonable cause, the EEOC will issue the charging party a Notice of Right to Sue allowing them to file their claims on their own in court within 90 days of receipt.	Final Action by Agency: Administrative action, such as S&R, taken against the mariner's credential.

**Key Takeaway:**

The USCG has broader authority for investigation of an individual mariner's conduct, including harassment, but serves a complementary function to the EEOC's narrower focus on employer-based discrimination. While the processes are complementary, there may be overlap, and therefore, employees may report harassment to the EEOC, regardless of whether the alleged discriminatory action falls under the scope of the USCG's reporting requirements.

Many small passenger vessel operators employ fewer than 15 individuals, which places them outside the jurisdiction of the EEOC and limits potential remedies under that process. In contrast, the Coast Guard's procedures apply to all credentialed mariners, regardless of the size of their employer. Furthermore, the resolution mechanisms differ significantly: the EEOC focuses on employer accountability through informal resolution efforts and civil litigation, while USCG's S&R centers on credentialing actions against individual mariners.

*Question 2.b.* In terms of budget and staffing, can you tell us how many resources are being allocated for harassment reporting?

*ANSWER.* The Coast Guard has approximately 180 active-duty Marine Investigators trained to conduct investigations into merchant mariner misconduct, including incidents of harassment.

**QUESTIONS TO ADMIRAL KEVIN E. LUNDAY, ACTING COMMANDANT,  
U.S. COAST GUARD, FROM HON. JOHN GARAMENDI**

*Question 1.* Admiral Lunday, what lessons has the Coast Guard learned from the delays and cost-overruns of the Polar Security Cutter program? How will these lessons be applied to the Arctic Security Cutter program?

*Question 1.a.* What specific changes are being made to ensure the timely and cost-efficient acquisition of the icebreakers the Coast Guard needs for their vital mission?

*ANSWER to 1 & 1.a.* The Polar Security Cutter encountered challenges typical of a first-of-class program. The program incorporated lessons observed in similar programs and feedback from operators and maintainers to acquire a ship that best meets mission requirements on schedule and within budget. Specifically, the Polar Security Cutter program made changes to contract strategies, design and production strategies, and changed management processes to incorporate these lessons learned. These lessons will be applied at the start of the Arctic Security Cutter program and integrated through the acquisition, as applicable.

*Question 1.b.* Will greater accountability be incorporated into the acquisition program? If yes, how specifically will accountability be built into the program?

*ANSWER.* Yes. The Polar Security Cutter program leverages multiple accountability measures via a Fixed-Price-Incentive contract structure, the use of incen-

tives, and the Contractor Performance Assessment Reporting System. The Coast Guard will consider these greater accountability measures when starting the Arctic Security Cutter program.

*Question 2.* The Government Accountability Office recommended the Coast Guard “complete an analysis of the cost and sequencing for the polar icebreaker fleet expansion, including how these efforts are affordable within its larger acquisition portfolio.” Can you talk about the Coast Guard’s progress on this recommendation?

*ANSWER.* The joint Coast Guard and Navy Integrated Program Office analyzed the cost of the Polar Security Cutter, including sequencing considerations. The Government’s assessment of cost was used to assess the shipbuilder’s proposal to reestablish baseline as fair, reasonable and affordable.

The Service also considered cost in the context of the broader future polar fleet, to inform budget requests. The Coast Guard is working to update its Polar Fleet Mix Analysis to reflect the Administration’s priorities in light of the appropriations in the One Big Beautiful Bill Act of 2025.

*Question 3.* Admiral Lunday, how might broader investments in U.S. maritime infrastructure benefit the Coast Guard? As we work to strengthen our maritime industrial base, what changes might have the most positive impact on the Coast Guard?

*ANSWER.* Demand for Coast Guard capabilities has never been higher, and the Service needs the right assets, systems, and infrastructure to support mission execution. With the strong support of the Administration and Congress, the Service is investing in a multibillion-dollar portfolio to acquire operational assets and shore infrastructure to accomplish those missions. The Coast Guard relies on a strong maritime industrial base, including a robust and skilled maritime workforce, to meet our shipbuilding, maintenance, and repair needs, and the Coast Guard is engaged with the Navy and other federal partners to support investments in the maritime industrial base that enhance readiness and support national security. Additional maritime industrial base capacity and capability means more competitive solutions for the Coast Guard to meet mission.

#### QUESTIONS TO ADMIRAL KEVIN E. LUNDAY, ACTING COMMANDANT, U.S. COAST GUARD, FROM HON. LAURA GILLEN

*Question 1.* Last year, under the Coast Guard’s FY24 Force Realignment Initiative, Coast Guard Station Jones Beach was one of 19 stations which the Coast Guard adjusted to a “new operational status,” part of a broader reduction in presence and capabilities devoted to Long Island, including the closure of the East Moriches Station and the removal of an 87-foot Coast Guard Cutter from Montauk and the region. Will the Coast Guard consider restoring station capability at Station Jones Beach as part of the upcoming Force Design 2028?

*ANSWER.* The Coast Guard will continue to prioritize the safety of Long Island boaters. As the Coast Guard recovers from an unprecedented workforce shortage, and recruiting and retention continue to show improvements, we will evaluate operational demands to determine the best allocation of our workforce and resources.

*Question 2.* Coast Guard District One, which encompasses Long Island, is considering a Buoy Modernization Proposal. Under this initiative, the Coast Guard is proposing to discontinue and eliminate, including two buoys and aids to navigation in the Fourth Congressional District of New York—at the East Rockaway Inlet and Jones Inlet. Will you commit to review this proposal and not replace or remove the physical buoys at East Rockaway and Jones Inlet?

*ANSWER.* The Coast Guard commits to review this proposal. Any decision to discontinue or make changes to buoys and/or aids to navigation will be made after careful consideration during a review process which includes public outreach and comment.