

UNITED STATES COAST GUARD 2013 POSTURE STATEMENT



WITH 2014 BUDGET IN BRIEF
APRIL 2013



**WE DON'T FEAR UNCERTAIN AND STORMY SEAS.
THAT IS WHEN WE GO TO WORK.
WE ARE THE U.S. COAST GUARD.**



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



I am proud to present the Coast Guard's 2013 Posture Statement and 2014 Budget in Brief. Since 1790, the Coast Guard has answered America's call to action. We protect those on the sea, protect the Nation from threats delivered by the sea, and protect the sea itself. The Coast Guard adapts to ensure we remain "Semper Paratus" - Always Ready.

This past year we exemplified the actions that characterize our Service's distinguished history. The Coast Guard worked during Hurricane Sandy and storm recovery operations. Our law enforcement units in the Caribbean and Eastern Pacific contributed to Operation Martillo—an international and cooperative interagency effort that has resulted in the disruption of 119 metric tons of cocaine since its inception in 2011. In the Arctic, we conducted Operation Arctic Shield to ensure safety and security of mariners off of Alaska's north shore, and led the federal response to the grounding of the drilling rig KULLUK on Kodiak, Alaska.

These events highlight the Coast Guard's versatility and effectiveness as the Nation's maritime first responder and leader from inside our ports to the high seas. We seek to prevent dangerous or illicit maritime activities, and if undesirable or unlawful events do occur – whether deliberate or accidental – to rapidly respond in order to protect the Nation, minimize the impact, and recover. The Coast Guard's enduring hallmarks for success in our diverse and challenging mission set are ensuring that our people are proficient and that they have the right tools and assets to safely get the job done.

Using prudent fiscal stewardship, the Coast Guard must continue to responsibly rebuild Coast Guard capabilities for the Nation. In 2013, we will commission our fourth and fifth Fast Response Cutters as part of the plan to replace the fleet of 110-foot patrol boats. We will also continue production of National Security Cutters, which replace our forty-plus year old high endurance cutters and provide robust command and control capabilities in the offshore environment, to meet today's demands and those of the future in the Arctic, Western Hemisphere, and Pacific.

As always, we balance investment in recapitalization with an unwavering commitment to excellence in current operations. In FY 2014, the Coast Guard will preserve the most essential front-line operations, sharply focused on channeling resources to the most vital and high priority mission activities. The Coast Guard will continue to be Always Ready to answer the Nation's call for emergencies and major incidents in the maritime domain. We will remain proficient and adapt to meet the Nation's needs. We will be ready today and prepared in the future to ensure America's maritime safety, security and stewardship.

A blue ink signature of R. J. Papp, Jr.

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

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WE PROTECT
THOSE ON THE
SEA, WE PROTECT
THE NATION
FROM THREATS
DELIVERED BY
THE SEA, AND WE
PROTECT THE SEA
ITSELF.

The sea provides the source of livelihood for hundreds of American communities and millions of American citizens, and is a critical means of commerce and exchange between the United States and the rest of the world. Today, about half of all Americans live within 50 miles of the U.S. coastline.

Underway every day, the Coast Guard is home to the world's finest maritime professionals who maintain operational presence, robust partnerships, and possess broad authorities to execute maritime homeland security, maritime law enforcement, and national defense missions.

The United States Coast Guard serves the Nation as a highly skilled and ready force in continuous maritime operations to protect the Nation's waters, guard the bounty of the Nation's seas, and serve as the Nation's maritime first responder.



2012

PERFORMANCE HIGHLIGHTS

The Coast Guard monitors more than 3.4 million nautical square miles of maritime territory, including 95,000 miles of coastline, 361 ports, the Intracoastal Waterway (ICW), Western Rivers, and the Great Lakes.

11,628

security boardings of small vessels in and around U.S. ports, waterways and coastal regions

1.85 million

hours of on-water recreational boating safety operations

3,560

lives saved by U.S. Coast Guard search and rescue

29.5 million

crewmembers and passengers screened prior to arrival in U.S.

235+

individuals identified with terrorism or criminal associations



2,955

migrants interdicted



6,000

fisheries conservation boardings

163 metric tons

of cocaine and marijuana interdicted

4,600

marine casualty investigations conducted

8,000+

Aids-to-Navigation discrepancies corrected



HURRICANE SANDY

Hurricane Sandy swept through the Caribbean and up the East Coast, making landfall on October 29, 2012 in the vicinity of Atlantic City, New Jersey. In response to Hurricane Sandy, the Coast Guard:

- Deployed an additional 833 members to affected regions to support response efforts (521 active duty, 184 reservists, 12 civilian personnel)
- Responded to over 559 federal pollution cases
- Recovered 1,797,983 gallons of oily-water mixture and hazardous materials
- Saved 35 lives



On October 29, a Coast Guard HC-130 Hercules airplane, two HH-60 Jayhawk helicopters, and Coast Guard Cutter Elm deployed to render assistance to the HMS Bounty that was foundering in 18-foot seas and gale-force winds, nearly 100 miles off the coast of North Carolina. Of the 16 crewmembers, the Coast Guard was able to save 14 before the ship sank.

Working around the clock to safely reconstitute the waterways, the Coast Guard quickly re-opened the port of New York and New Jersey to all tug and barge traffic, allowing industry to begin the critical delivery of energy products to the fuel-starved region. Coast Guard crews reset aids to navigation, cleared debris, and surveyed facilities, and waterways to ensure safe navigation.



Coast Guard Deployable Specialized Forces and Coast Guard Sector personnel worked alongside interagency partners to remove millions of gallons of water and re-opened the two miles of the Hugh L. Carey Tunnel between Brooklyn and Lower Manhattan, NY for its 45,000 daily customers.

UNITED STATES COAST GUARD AROUND THE GLOBE



5 ARCTIC // DISTRICT 17

A Coast Guard MH-60 Jayhawk helicopter Air Station Kodiak conducts the 13th hoist of 18 crewmen from the mobile drilling unit Kulluk, 80 miles southwest of Kodiak City, Alaska. The Kulluk ran aground during a tow. In addition to conducting the rescue operation, the Coast Guard District 17 Commander served as the Federal On-Scene Coordinator and Coast Guard personnel served in the Unified Command established to address the grounding and any associated environmental effects.



6 LIBERIA // INT'L TRAINING DETACHMENT

A Liberian Coast Guard (LCG) Petty Officer instructs fellow Coast Guardsmen on passive compliant techniques as a USCG Petty Officer looks on during a boarding officer training course provided by U.S. Embassy-Monrovia at the Liberian Coast Guard Base. U.S. Embassy-Monrovia brought in a U.S. Coast Guard mobile training team from the International Training Detachment of Coast Guard Training Base Yorktown, VA, to instruct the class of more than twenty LCG students on maritime security during boarding of vessels.



7 CAPE LOOKOUT, NC // ATLANTIC AREA

A Coast Guard rescue swimmer prepares to enter the water from a MH-60 Jayhawk out of Air Station Elizabeth City, NC. The rescue swimmer was part of a Coast Guard search and rescue mission that saved two persons onboard a sinking sailboat. This case was one of three distress calls that Coast Guard MH-60s and HC-130 crews from Air Station Elizabeth City responded to one night this winter during turbulent weather off of the East Coast.



1 HEARTLAND // DISTRICT 8

Coast Guard Cutter Chippewa, a river buoy tender homeported in Buchanan, Tennessee, works buoys on the Mississippi River. After high water conditions on the Mississippi River persisted through May 2012, just six months later, the river reduced to record-breaking low water levels. During the low water levels, the Coast Guard kept the Mississippi open for safe commerce by monitoring navigability of the river, ensuring aids-to-navigation were properly set, and by working with the U.S. Army Corps of Engineers to oversee rock pinnacle, debris removal, and dredging operations.



2 GREAT LAKES// DISTRICT 9

A Coast Guard tactical boat crew, aboard a 25-foot Response Boat-Small, patrols Lake Michigan near the city of Chicago during the 2012 NATO Summit. Boat crews enforced security zones 24-hours a day during the event.



3 GULF COAST // DISTRICT 8

The Gulf of Mexico is home to 17 of our nation's busiest ports including Houston, New Orleans and Tampa. More than 17,000 Coast Guard men and women conduct daily prevention and response activities to protect mariners and natural resources of this vast Gulf Coast region.



4 WESTERN CARIBBEAN // DISTRICT 7

Crewmembers aboard the Coast Guard Cutter Resolute, a 210-foot medium endurance cutter, offload \$36 million worth of cocaine and marijuana at their homeport in St. Petersburg, FL. The narcotics were interdicted during a 10-week deployment to conduct counter-drug and search and rescue operations in the Western Caribbean.



8 NORTH PACIFIC // DISTRICT 14

Coast Guard Cutter Rush escorted the seized fishing vessel Da Cheng, after it was suspected of engaging in high seas drift net fishing. District 14 plays an important role in several regional enforcement partnerships, and helps manage, control, and develop the fishery resources that fall within the U.S. Exclusive Economic Zone. These law enforcement activities promote the conservation and sustainable use of migratory fish stocks.



9 SOUTHERN CALIFORNIA// DISTRICT 11

The crew of Coast Guard Cutter Haddock watch over suspected undocumented migrants at Sector San Diego after they were intercepted approximately 12 miles west of Point Loma, CA. Maritime drug interdictions off of southern California increased in 2012.



10 EASTERN PACIFIC// JIATF-SOUTH

The crew of Coast Guard Cutter Boutwell intercepts a fishing vessel with three pangas in tow, which resulted in the interdiction of 1,300 pounds of cocaine at sea while on patrol off the coast of South America.



11 SAUDI ARABIA // PATROL FORCES SOUTHWEST ASIA (PATFORSWA)

LT Mike Maas, Commanding Officer of Coast Guard Cutter Adak discusses a Maritime Infrastructure Protection exercise with CDR Mohammed al Shaban, Commanding Officer of the Royal Saudi Naval Forces His Majesty's Ship Al Siddiq. Both ships participated in Red Reef, a theater security cooperation exercise designed to bolster joint operations between the U.S. and Saudi Arabia. The Coast Guard has maintained a presence in the U.S. 5th Fleet area of responsibility since 2003, specializing in Vessel Boarding Search and Seizure operations and Maritime Infrastructure Protection.

WE PROTECT THOSE ON THE SEA

The Coast Guard provides emergency response to save lives in peril, minimize loss of life, injury, and property damage. Responsible for the execution of the National Search and Rescue Plan (SAR), the Coast Guard plans searches, organizes and dispatches assets to search, locate, and rescue mariners in distress, and provides initial medical advice, assistance, and evacuation. The Coast Guard relies on extensive partnerships to conduct SAR, including maritime industry participation in the Automated Mutual-Assistance Vessel Rescue system, and coordinates SAR operations with international, Federal, state, local, and tribal authorities.

The Coast Guard promotes safety at sea and works to prevent maritime accidents through regulations, inspections and investigations. These efforts include coordinating the National Recreational Boating Safety Program, inspecting U.S. commercial fishing and merchant vessels, and licensing U.S. masters and crews. Within coastal and inland operational areas, the Captain of the Port enforces regulations for the protection and security of U.S. and foreign vessels, harbors, and waterfront facilities; anchorages; bridges; safety and security zones; and ports and waterways.

The Coast Guard is an international leader in maritime safety. The Coast Guard is the lead U.S. representative to the International Maritime Organization, a specialized agency of the United Nations responsible for establishing international legal regimes for maritime safety, security, and stewardship.



Petty Officer 3rd Class Cynthia Oldham

A Royal Danish Navy patrol vessel transits off the bow of the Coast Guard Cutter Juniper, homeported in Newport, RI during a towing exercise while underway off Greenland's west coast. The exercise was conducted as part of an Arctic deployment to enhance interoperability with international forces and to provide the experience of working and responding to incidents in the harsh Arctic environment.



A Coast Guard inspector from Coast Guard Sector Los Angeles-Long Beach checks carbon dioxide tanks onboard a motor vessel in the Port of Los Angeles. The Coast Guard conducts periodic port state control examinations on commercial vessels to ensure compliance with safety and security regulations.



Petty Officer 3rd Class Cory J. Mendennhall



Petty Officer 1st Class Krystyna Hannum

A Coast Guard Auxiliarist reviews equipment requirements for recreational boats during a safe boating course in Palm Beach Shores, Florida. Volunteers in the Auxiliary play a vital role in educating boaters about safe boating practices and the laws and regulations that govern recreational boating.

WE PROTECT FROM THREATS DELIVERED BY THE SEA

The Coast Guard's counter-drug operations removed over 107 metric tons of cocaine and 56 tons of marijuana last year through at-sea interdiction of smugglers and illicit cargo. Over 40 counter-drug and illicit trafficking bi-lateral agreements with partner nations and a cohesive network of joint and interagency partnerships provide a persistent maritime presence to detect, monitor, interdict, and apprehend traffickers at sea.

The Coast Guard reinforces the Nation's maritime border security by providing a layered defense to deter, detect, and interdict undocumented migrants attempting to enter the United States illegally. Working with other Federal, state, and local agencies, the Coast Guard enforces U.S. immigration laws and international conventions against human smuggling through the interdiction and the repatriation of undocumented migrants attempting the reach the U.S. from the sea.

Additionally, the Coast Guard provides for ports, waterways, and coastal security by conducting harbor patrols, vulnerability assessments, and security zone enforcement. The Coast Guard approves vessel and facility security plans and develops Area Maritime Security Plans to help prevent terrorist attacks and minimize damage from attacks. The Coast Guard also conducts short notice maritime response to address threats of maritime terrorism and weapons of mass destruction proliferation. The Coast Guard's efforts are focused by screening intelligence of potential threats to the United States.

Unique in its status as both a federal law enforcement agency and at all times an armed force, the Coast Guard actively participates in defense operations. The Coast Guard supports Combatant Commanders by conducting rotary-wing air intercept operations and providing capabilities and resources in support of naval forces, including port operations and defense, maritime interception operations, and international training in support of theater security cooperation.



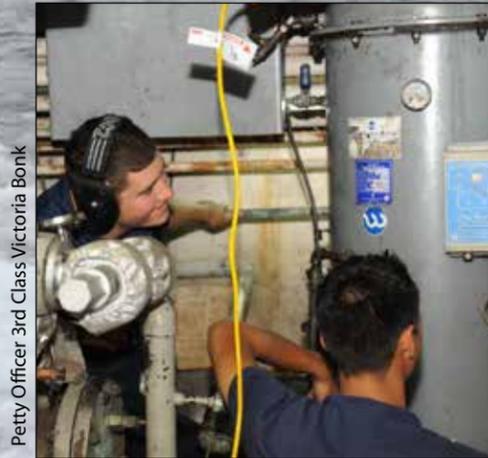
Petty Officer 2nd Class Michael De Nyse

Crewmembers aboard the Coast Guard Cutter Decisive, a 210-foot medium endurance cutter homeported in Pascagoula, Miss., offload nearly two tons of cocaine at Sector St. Petersburg, FL. on Dec. 5, 2012. The seizure had an estimated combined wholesale value of more than \$45 million, and was the result of a two separate multi-agency law enforcement efforts.

A small boat crew from the Coast Guard Cutter Tahoma bring aboard Haitian migrants from a sail freighter interdicted at sea south of Acklins Island, Bahamas. Coast Guard crews routinely rescue undocumented migrants who attempt to enter the U.S. illegally on grossly overloaded or unsafe vessels.



A Coast Guard Air Station New Orleans MH-65 Dolphin helicopter crew conducts an overflight near the Superdome for Super Bowl XLVII. The Coast Guard was one of 16 agencies supporting Super Bowl security. The Coast Guard's rotary wing air intercept capabilities are a key component in the security framework during national special security events.



Petty Officer 3rd Class Victoria Bonk

Coast Guard inspectors examine an oily water separator (OWS) onboard a commercial ship. The Coast Guard inspects vessels for compliance with environmental laws, including properly working OWSs. Coast Guard marine inspectors, Coast Guard Investigative Service special agents, and judge advocates support criminal investigations and prosecutions of environmental crimes committed onboard vessels.

A tug pushing barges passes under the Vicksburg, MS bridge before making its way past oil removal operations on the Mississippi River. A 16-mile stretch of the river was closed Jan. 27, 2013 after two oil barges struck a railroad bridge and one of them started leaking light crude. Coast Guard personnel were on-scene to oversee cleanup and salvage operations.



Petty Officer 3rd Class Jonathan Lally



Master Chief Petty Officer John Bowen

A small boat launched from the 87-foot Coast Guard Cutter Sea Otter approaches a commercial fishing vessel during a boarding off the coast of San Diego, California, Aug. 5, 2012. The Coast Guard conducts law enforcement boardings to ensure commercial fishing vessels are operating safely and in accordance with federal laws and regulations.

WE PROTECT THE SEA ITSELF

The sea is a precious habitat for many valuable resources. The United States has sovereign rights over all living and nonliving resources within its Exclusive Economic Zone, which encompasses more than 3.4 million square miles of waters within 200 nautical miles of the United States and its territories. Executing its Marine Environmental Protection responsibilities, the Coast Guard develops and enforces regulations that prevent and respond to oil and hazardous substance spills in the marine environment, prevent the introduction of invasive species into the maritime environment, and prevent unauthorized ocean dumping. Working closely with the National Marine Fisheries Service, the Coast Guard enforces regulations that prevent overfishing, reduce mortality of protected species, and protect marine habitat. Additionally, the Coast Guard safeguards natural resources in the maritime domain from illegal incursions by foreign vessels.

Coast Guard aids-to-navigation units minimize the risk of collision and pollution at sea by maintaining visual and electronic navigational aids, navigation information, and vessel traffic management services for U.S. navigable waterways. The Coast Guard ensures that bridges and causeways facilitate the safe passage of waterborne commerce and other marine traffic.

The Coast Guard has both domestic and polar icebreaking capabilities. The domestic icebreaking mission is conducted to prevent flooding caused by ice, enable search and rescue in icebound areas, and create safe passageways for commercial navigation that supplies critical resources to icebound communities. The Coast Guard conducts icebreaking in the polar regions to provide access to ice-covered and ice-diminished waters and in support of federal all-hazard contingency plans. Federal polar operations help protect United States sovereignty by providing the capability to carry out projects of national interest in the polar regions, and assist other governmental and scientific organizations in the pursuit of science activities.



WHO WE ARE

The Coast Guard is a workforce family made up of over 42,000 active duty members, over 7,800 reservists, more than 8,700 civilian employees, and over 30,000 volunteer Auxiliarists

ACTIVE DUTY

The U.S. Coast Guard is one of five branches of the U.S. Armed Forces and is an agency within the U.S. Department of Homeland Security. Coast Guard active duty personnel form a unique force that carries out an array of civil and military responsibilities touching almost every facet of the U.S. maritime environment. The Coast Guard's Active Duty workforce protects the maritime economy and the environment, as well as defends our maritime borders and saves those in peril.

When asked by a recruiter what kind of work she wanted to do for the Coast Guard, Petty Officer 2nd Class Amos-McDowell replied "I want to handle boats, and I want to be in search and rescue." Now the operations officer with Aids to Navigation Team Panama City, Florida, she is responsible for planning all aids-to-navigation maintenance operations across the northern Gulf Coast and Intracoastal Waterway. In addition to the arduous work and long hours she spends servicing the aids used by thousands of barges and recreational boaters, Amos-McDowell also volunteers in her local community.

Petty Officer 3rd Class Stephen Lehmann

Petty Officer 2nd Class Michael Anderson

FAMILY

The Coast Guard launched the Coast Guard Family Campaign in 2012. Designed to improve the well-being and resilience of our service members and their families, the Coast Guard Family Campaign targets improvements to work-life programs, government housing, ombudsman outreach efforts from Commands to families, child care, reservist post-deployment programs, retiree support, and morale, well-being and recreation programs.

CIVILIAN

The Coast Guard's dedicated and experienced civilian workforce plays a critical role in the successful execution of the Coast Guard's missions. There are over 200 different types of civilian careers in the U.S. Coast Guard, including professional, administrative, technical, trade and labor, and administrative support.



Walter Brooks never questioned where his career would take him when he followed in his family's path and became a worker at Baltimore's Coast Guard Yard. With Yard-employed family members on both his mother's and father's side, the Brooks' family story spans 87 years. Brooks himself works in the Yard's Structural Shop, responsible for ship construction and hull repairs that keep the fleet afloat. Brooks is one of the Yard's civilian employees who represent the variety of marine trades required to service the Coast Guard fleet.

Petty Officer 2nd Class David R. Marin

RESERVE

The Coast Guard Reserve is a flexible, responsive operational force that exists to support the Coast Guard roles of Maritime Homeland Security, National Defense (Domestic and Expeditionary), and Domestic Disaster Operations. The Coast Guard depends on the Reserve Force to be always ready to mobilize with critical competencies in boat operations, contingency planning and response, expeditionary warfare, marine safety, port security, law enforcement and mission support.



Aids to Navigation Team (ANT) San Diego relies on reservists to assist with larger operations and daily missions. One reservist, Machinery Technician Second Class Michael Dalager, helps maintain the aids in the area and also deploys with the crew to work aids in the Colorado River basin in Arizona and Nevada. When he is not working alongside ANT San Diego, Dalager shares the pride of his service by singing the National Anthem on behalf of the Coast Guard at USO-sponsored celebrations, sporting events, and military ceremonies.

AUXILIARY

The Coast Guard Auxiliary is a nonmilitary volunteer organization administered under the Coast Guard that promotes maritime safety and security. The Auxiliary supports many Coast Guard activities, including search and rescue, pollution response, and commercial fishing vessel examinations. The Auxiliary focuses on recreational boating safety to ensure the public has a safe, secure, and enjoyable recreational boating experience. With units in all 50 states, Puerto Rico, the Virgin Islands, American Samoa, and Guam, the Auxiliary is a true force multiplier for the Coast Guard and vital to accomplishing our missions.

PARTNERSHIPS

The Coast Guard leverages partnerships across federal, state, local, territorial and tribal governments to maximize mission effectiveness. For example, members of the Coast Guard Intelligence and Criminal Investigations Service participate in the Department of Homeland Security's Border Enforcement Security Task Forces (BEST), consisting of federal, state, and local law enforcement authorities. BESTs are responsible for identifying, interdicting and investigating a wide variety of maritime-related crime including trade fraud, cargo theft, and the illegal smuggling of drugs, persons, currency and weapons at U.S. ports. Recognizing the valuable experience of other stakeholders in the maritime domain, the Coast Guard also engages with international authorities, private industry, port operators, and professional mariners. Our partnerships create robust cooperation to ensure safe and secure practices on the Nation's waters and ports.





EXECUTING THE MISSION

The Coast Guard conducts integrated, layered operations across vast geographic maritime areas of responsibility. Coast Guard missions are conducted by the Maritime Trident of Forces: Shore-based Forces, Maritime Patrol Forces, and Deployable Specialized Forces. Operations are enabled through command and control, intelligence, and mission support functions. The Coast Guard's broad range of skills, tools, and assets are fully utilized to meet the array of potential threats and challenges to U.S. interests in the maritime domain.



LAYERED SECURITY

A LAYERED APPROACH TO COUNTER MARITIME RISK

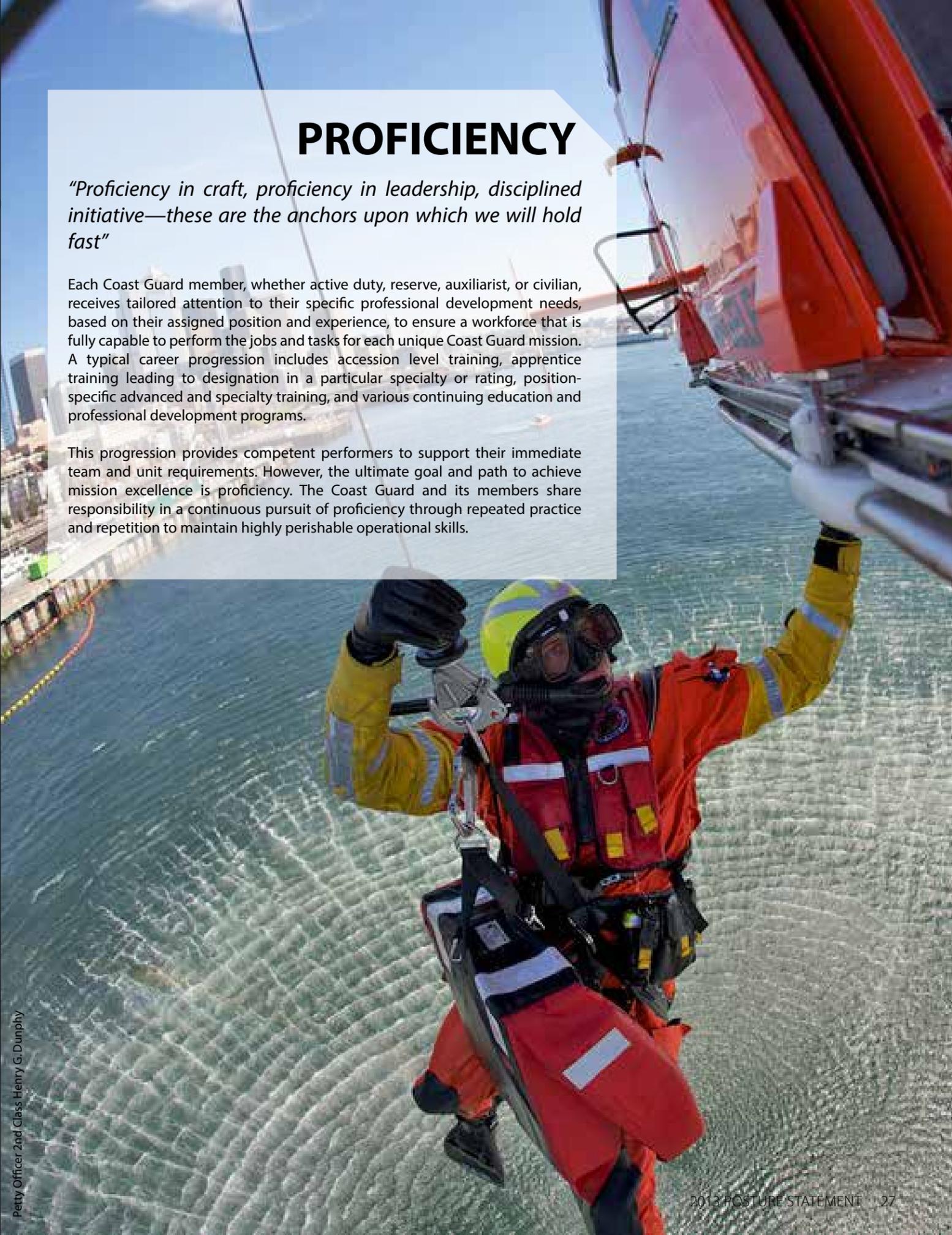
The Coast Guard's overarching strategy is to increase maritime border security through a layered security system that begins beyond the country's physical borders. This approach begins with foreign port assessments to gauge effectiveness of port security and antiterrorism measures. Offshore, the major cutter fleet responds to potential threats, maintaining a presence and the ability to launch aircraft and boats, and to stage deployable specialized forces in adverse weather conditions. This offshore capability works to identify or stop threats well before they approach our shores. The Coast Guard's planned fleet of National Security Cutters (NSCs) and Offshore Patrol Cutters (OPCs) will continue to meet these challenges. Additionally, Coast Guard C-130s and Maritime Patrol Aircraft provide broad surveillance capability. Screening and targeting systems provide critical information regarding vessels, crews, passengers, and cargo destined for the United States. To address potential threats approaching our coasts, Coast Guard helicopters and patrol boats such as the new Fast Response Cutter (FRC), provide the ability to monitor, track, interdict, and board vessels. In our ports, the Coast Guard patrols our waters and critical infrastructure, conducts vessel escorts, and inspects vessels and facilities. The Coast Guard's mix of cutters, aircraft, and boats allow the Coast Guard to maximize its unique authorities through the entire maritime continuum - from overseas to the critical ports within our homeland.

PROFICIENCY

"Proficiency in craft, proficiency in leadership, disciplined initiative—these are the anchors upon which we will hold fast"

Each Coast Guard member, whether active duty, reserve, auxiliariarist, or civilian, receives tailored attention to their specific professional development needs, based on their assigned position and experience, to ensure a workforce that is fully capable to perform the jobs and tasks for each unique Coast Guard mission. A typical career progression includes accession level training, apprentice training leading to designation in a particular specialty or rating, position-specific advanced and specialty training, and various continuing education and professional development programs.

This progression provides competent performers to support their immediate team and unit requirements. However, the ultimate goal and path to achieve mission excellence is proficiency. The Coast Guard and its members share responsibility in a continuous pursuit of proficiency through repeated practice and repetition to maintain highly perishable operational skills.



Petty Officer 2nd Class Henry G. Dunphy

MAINTENANCE & LOGISTICS SUPPORT



AVIATION LOGISTICS CENTER

The Aviation Logistics Center (ALC), located in Elizabeth City, North Carolina, is the hub for Coast Guard aviation support, including depot level maintenance, structural engineering, spare parts warehousing, and information service needs. Aviation depot level maintenance is the total overhaul of an airframe. ALC is the central point for all other aircraft maintenance and repair activities, including fleet support for minor repairs and routine maintenance through technical publications and a call center.



SHORE INFRASTRUCTURE LOGISTICS CENTER

Shore facilities are a vital component of the Coast Guard's operational capability and readiness. The Shore Infrastructure Logistics Center (SILC) is located in Norfolk, Virginia, and provides sustainable Shore Infrastructure and Base Operations support for Coast Guard's buildings and facilities. The SILC is responsible for enterprise-wide support services throughout the complete life-cycle of shore facilities, ranging from design, construction, maintenance and repair and demolition.



SURFACE FORCES LOGISTICS CENTER

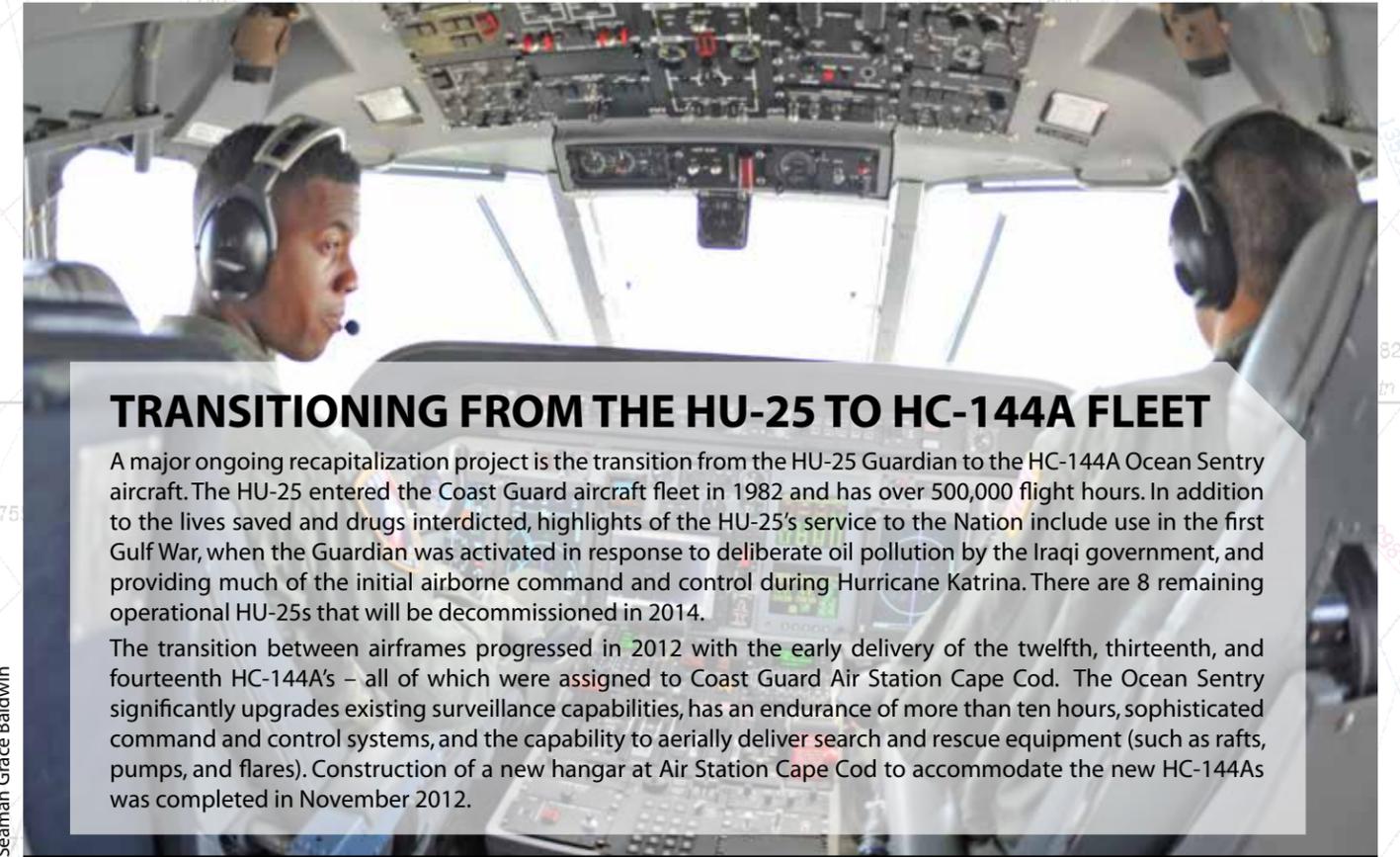
The Surface Forces Logistics Center (SFLC), located in Baltimore, Maryland, provides the Coast Guard's surface fleet and assets with maintenance, engineering, supply, and information services that enable Coast Guard mission execution. SFLC has a workforce of 1,935 military, civilian, and contractor professionals assigned in locations that range from Kodiak, Alaska to San Juan, Puerto Rico, and Honolulu, Hawaii to Portland, Maine. The SFLC uses a prioritization scheme to ensure that the most critical operational needs of the service are met.



COAST GUARD YARD

Subordinate to the SFLC, the Coast Guard Yard is also located in Baltimore, MD. The 625 employees of the Yard's workforce represent an invaluable pool of experience, expertise, and craftsmanship. The Coast Guard Yard is responsible for construction, repair, and renovation of vessels and aids to navigation. It is also the Coast Guard's only internal source for original design, forging, machining, and manufacturing essential to sustaining the Coast Guard's fleet of in-service cutters and boats.

DELIVERING NEW CAPABILITIES TO THE FLEET



TRANSITIONING FROM THE HU-25 TO HC-144A FLEET

A major ongoing recapitalization project is the transition from the HU-25 Guardian to the HC-144A Ocean Sentry aircraft. The HU-25 entered the Coast Guard aircraft fleet in 1982 and has over 500,000 flight hours. In addition to the lives saved and drugs interdicted, highlights of the HU-25's service to the Nation include use in the first Gulf War, when the Guardian was activated in response to deliberate oil pollution by the Iraqi government, and providing much of the initial airborne command and control during Hurricane Katrina. There are 8 remaining operational HU-25s that will be decommissioned in 2014.

The transition between airframes progressed in 2012 with the early delivery of the twelfth, thirteenth, and fourteenth HC-144As – all of which were assigned to Coast Guard Air Station Cape Cod. The Ocean Sentry significantly upgrades existing surveillance capabilities, has an endurance of more than ten hours, sophisticated command and control systems, and the capability to aerially deliver search and rescue equipment (such as rafts, pumps, and flares). Construction of a new hangar at Air Station Cape Cod to accommodate the new HC-144As was completed in November 2012.



TRANSITIONING FROM THE ISLAND CLASS PATROL BOAT TO FAST RESPONSE CUTTER FLEET

Named after Coast Guard enlisted heroes, the Sentinel-class Fast Response Cutters (FRC) are replacing the aging Island-class 110-foot patrol boats. The Island-class patrol boats were built in the late 1980s, part of the fleet completed a mission effectiveness project to replace obsolete components, and are at the end of the 15 year service life. The Coast Guard selected a "parent-craft" design for the Sentinel Class patrol boat to ensure that the operating force receives new patrol boats, capable of performing the required missions, as quickly as possible. At 154-feet in length, the FRCs are capable of deploying independently to conduct missions previously conducted by the Island-class patrol boats, including port, waterways and coastal security; fishery patrols; search and rescue; and national defense.



FISCAL YEAR 2014 BUDGET IN BRIEF

FY 2014 BUDGET PRIORITIES

The Coast Guard's FY 2014 Budget continues the critical balance between investment in current operations and recapitalization. The FY 2014 Budget strategically allocates resources to best mitigate current and long-term operational risks, while investing in new cutters, boats, aircraft, systems and infrastructure necessary to ensure the viability of the Coast Guard in the future. The Coast Guard's FY 2014 budget priorities are:

- **BUILD ESSENTIAL COAST GUARD CAPABILITY FOR THE NATION**
- **STRENGTHEN RESOURCE AND OPERATIONAL STEWARDSHIP**
- **SUSTAIN THE MOST CRITICAL FRONT-LINE OPERATIONS**



Petty Officer 2nd Class LaNola Stone

Petty Officer 3rd Class Sabrina Elgammal

THE FY 2014 BUDGET IN BRIEF



BUILD ESSENTIAL COAST GUARD CAPABILITY FOR THE NATION

Sustaining recapitalization at an acceptable rate is essential for the long term viability of the Coast Guard. The condition and serviceability of the Coast Guard's in-service surface fleet, the aging of fixed and rotary wing air assets, and the projected timelines to replace these assets require continued investment in surface and air recapitalization programs to maintain the capability to operate. To strengthen DHS' layered security approach offshore, the FY 2014 budget provides for the acquisition of the seventh National Security Cutter and two Fast Response Cutters, and continues to invest in pre-acquisition activities for the Offshore Patrol Cutter and Polar Icebreaker. The budget also continues sustainment and conversion work on fixed wing and rotary wing aircraft, procurement of cutter boats, and investment in Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems.

SURFACE ASSETS \$743.0M

The budget provides \$743.0 million for surface assets, including the following surface asset recapitalization and sustainment initiatives:

- National Security Cutter (NSC) – Provides funding for the seventh NSC; NSCs will replace the aging fleet of High Endurance Cutters, first commissioned in 1967. The acquisition of NSC-7 is vital for performing DHS missions in the far off-shore regions, including the harsh operating environment of the Pacific Ocean, Bering Sea, and the Arctic.
- Fast Response Cutter (FRC) – Provides funding to procure two FRCs. These assets replace the aging fleet of 110-foot patrol boats, and provide the coastal capability to conduct

- Search and Rescue operations, enforce border security, interdict drugs, uphold immigration laws, and enhance resiliency to disasters.
- Offshore Patrol Cutter (OPC) – Supports continued initial acquisition work and design of the OPC. The OPC will replace the Medium Endurance Cutter to conduct missions on the high seas and coastal approaches.
- Polar Ice Breaker (WAGB) – Continues funding for pre-acquisition activities for a new Coast Guard polar icebreaker. This cutter will provide continued heavy icebreaking capability to the nation for missions in the Arctic and Antarctic following the projected end of service life of the POLAR STAR on or about 2022.
- Cutter Boats – Provides continued funding for production of multi-mission cutter small boats that will be fielded on the Coast Guard's major cutter fleet beginning with the NSC.
- In-Service Vessel Sustainment – Continues to fund sustainment projects on 140-foot ice breaking tugs (WTGB), 225-foot seagoing buoy tenders (WLB), and the training Barque EAGLE (WIX).
- Survey and Design – Builds upon previous years to continue multi-year engineering and design work for multiple cutter classes in support of future sustainment and acquisition projects.

AIR ASSETS \$28.0M

The budget provides \$28.0 million for the following air asset recapitalization or enhancement initiatives:

- HH-65 – Continues modernization and sustainment of the Coast Guard's fleet of HH-65 helicopters, converting them to MH-65 Short Range Recovery (SRR) helicopters. The modernization effort includes reliability and sustainability improvements, where obsolete components are replaced with modernized sub-systems, including an integrated cockpit and sensor suite.
- C-130H – Funds sustainment of avionics systems on existing C-130H aircraft. The Avionics 1 Upgrade (A1U) installations on C-130H aircraft enhances the capability of the C-130H fleet by replacing aging/obsolete equipment, and updating avionics to comply with Communications Navigation Surveillance/Air Traffic Management (CNS/ATM) requirements.

OTHER (ASSET RECAPITALIZATION) \$59.9M

The budget provides \$59.9 million for asset recapitalization, including the following equipment and services:

- Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) – Provides design, development, upgrades, and assistance on



- C4ISR hardware and software of new and in-service assets.
- CG-Logistics Information Management System – Continues development and deployment to Coast Guard operational assets and support facilities.
 - Nationwide Automatic Identification System (NAIS) – Completes deployment of the permanent transceiver system to recapitalize the existing interim NAIS capability in 58 ports and 11 coastal areas.

SHORE UNITS AND AIDS TO NAVIGATION (ATON) \$5.0M

The budget provides \$5.0 million to recapitalize shore infrastructure for safe, functional, and modern facilities that support Coast Guard assets and personnel:

- Specific Project – Completes Phase One of Base Miami Beach waterfront facilities.
- ATON Infrastructure – Maintains transportation safety on Federal waterways through construction and improvements to short-range aids and infrastructure to improve the safety of maritime transportation.

PERSONNEL AND MANAGEMENT \$115.2M (818 FTE)

The budget provides \$115.2 million for pay and benefits for the Coast Guard's acquisition workforce.

STRENGTHEN RESOURCE AND OPERATIONAL STEWARDSHIP

The FY 2014 budget decommissions two High Endurance Cutters (WHECs) that are being replaced by more capable National Security Cutters. The Coast Guard will also consolidate regional assets where overlapping capabilities exist by closing Air Facilities in Newport, OR and Charleston, SC. The 2014 budget ensures that our resources are aligned to our Nation's highest priorities in a manner that balances key investments for the future with sustaining essential investment in today's missions and capabilities that provide the highest return on investment.

ASSET DECOMMISSIONINGS

In FY 2014, the Coast Guard will make targeted reductions to prioritize front-line operational capacity and invest in critical recapitalization initiatives.

HIGH ENDURANCE CUTTER (WHEC) DECOMMISSIONINGS -\$14.2M (-184 FTE)

The FY 2014 budget decommissions the fifth and sixth High Endurance Cutters (WHECs). National Security Cutters, including the seventh NSC which is fully funded in this budget request, replace the aging HEC fleet.

CUTTER SHORESIDE SUPPORT PERSONNEL REDUCTION -\$0.8 M (-10 FTE)

Reduces WHEC Maintenance Augmentation Team (MAT) and

Surface Forces Logistics Center (SFLC) billets associated with the decommissioning of two WHECs.

HU-25 AIRCRAFT RETIREMENT -\$9.4M (-36 FTE)

Retires the eight remaining HU-25 aircraft assigned to Coast Guard Air Station Corpus Christi, TX; Aviation Logistics Center, Elizabeth City, NC; and, Aviation Training Center, Mobile, AL. This will allow for the transition to HC-144A aircraft.

HC-130 AIRCRAFT RETIREMENTS -\$7.7M (-29 FTE)

This initiative eliminates funding and personnel associated with two HC-130H aircraft. The newly acquired HC-130J aircraft will provide increased operational reliability.

CONSOLIDATE AIR FACILITIES (AIRFACS) -\$5.1M (-28 FTE)

The Coast Guard will consolidate air facilities and reduce operating expenses to include the closure AIRFACs at Charleston, SC and Newport, OR. The Search and Rescue response times within the AIRFAC areas of responsibility will remain within national standards.

ENTERPRISE-WIDE EFFICIENCIES

Continuing implementation of the Department-wide efficiency review of 2009, the budget proposes administrative and programmatic efficiencies to improve service delivery, while continuing investment in Coast Guard activities that provide the highest return on investment.

- Enterprise-wide Efficiencies -\$52.7M (-53 FTE)
The Coast Guard has identified efficiencies and cost reductions in the areas of support personnel (commensurate with workforce reductions of this and prior years); technology application and leveraging; vehicle fleet mix optimization; travel and administration reductions; consolidation within leased real estate; planned real estate divestiture; reduction of funding for civilian temporary hires, awards, and incentives; and other efficiencies.

PROGRAMMATIC REDUCTIONS

The budget proposes targeted reductions in several base program areas. These base adjustments recognize changes in requirements for selected activities and prioritizes sustainable investment in recapitalization programs.

- Coast Guard Headquarters Staffing -\$6.7M (-53FTE)
Reflects the anticipated reduction in Coast Guard Headquarters personnel as a result of the existing hiring freeze and normal workforce attrition.
- Intelligence Program -\$1.5M (-14FTE)
Scales intelligence activities across the Service by consolidating analysts at Areas and Districts; consolidating IT support positions at headquarters; and eliminating the 24/7 call-in maritime watch at the El Paso Intelligence Center (EPIC).
- Port State Control Examinations -\$1.7M (-20 FTE)
Reduces Port State Control personnel by limiting



Petty Officer 2nd Class Barry Bena



Seaman Robert Butler

- examination activities aboard some foreign flagged vessels assessed as lower risk.
- Coast Guard Training -\$43.2M (-153 FTE)
Leverages web-based distance learning and reduces schoolhouse throughput. Specialty and technical training schools will group into centers of expertise. Educational benefits will be focused on enlisted personnel who are pursuing an initial undergraduate degree. Reduces accessions and support staffs as well as operational and maintenance funds at the Coast Guard Academy, Leadership Development Center, and Officer Candidate School commensurate with anticipated reduction in out-year accession projections based on reduced workforce levels.
- Other Targeted Program Reductions -1.2M (-26 FTE)
The Coast Guard will make targeted reductions to Auxiliary Program Management, the International Port Security Program, and District Drug and Alcohol Program Inspectors (DAPI). Routine DAPI functions will shift to Coast Guard Marine Inspectors and Investigators.

SUSTAIN THE MOST CRITICAL COAST GUARD OPERATIONS

The FY 2014 budget sustains the most critical frontline operations, including maintaining search and rescue coverage, protecting critical infrastructure and key resources, supporting safe navigation, safeguarding natural resources, protecting the environment, detecting and interdicting drugs and individuals attempting to enter the United States illegally, and supporting the Nation's foreign policy objectives.

ADJUSTMENT FOR FY 2013 INITIATIVES \$57.0M (-306 FTE)

The adjustment captures the \$57.0 million net impact of initiatives funded under the FY 2013 Consolidated and Further Continuing Appropriations Act of 2013.

ANNUALIZATION OF FY 2013 INITIATIVES \$19.7M (108 FTE)

The budget provides \$19.7 million to provide full-year resources to continue critical FY 2013 initiatives in 2014.

PAY & ALLOWANCES \$43.9M

The budget provides \$43.9 million to fund the civilian pay raise and maintain parity with DoD for military pay, allowances, and health care. As a branch of the Armed Forces of the United States, the Coast Guard is subject to the provisions of the National Defense Authorization Act, which include pay and personnel benefits for the military workforce.

OPERATING AND MAINTENANCE FUNDS FOR NEW ASSETS \$64.7M (213 FTE)

The budget provides a total of \$64.7 million to fund operations and maintenance of shore facilities and cutters, boats, aircraft, and associated C4ISR subsystems delivered through acquisition efforts. Funding is requested for the following assets and systems:

- Shore Facilities – Funding for the operation and maintenance of shore facility projects scheduled for completion prior to FY 2014.
- Response Boat-Medium – Funding for operation, maintenance and support of 30 RB-Ms as well as personnel for maintenance support requirements and instructors to support fleet training requirements.
- Rescue 21 (R21) – Funding for the support of the R21 System as well as maintenance of Coast Guard leased and owned towers, Western Rivers communications sites, and encrypted communications for over-the-air-re-key (OTAR).
- FRC – Operating and maintenance funding for FRCs #10-12 and funding for personnel to operate and maintain hulls #11-12, homeported in Key West, FL, as well as the first two San Juan, PR hulls (FRCs #13-14).
- NSC -- Operating and maintenance funding for NSC #4 to be homeported in Charleston, SC. The initiative also provides personnel to operate NSCs # 4-5.
- HC-144A MPA – Operating and maintenance and personnel funding to operate and support aircraft #16-17 that will be assigned to Air Station Corpus Christi, TX. Also funds maintenance of the first 17 Mission System Pallets (MSPs)—the sensor package for each operational HC-144A.
- Manned Covert Surveillance Aircraft (MCSA) – Operating, maintenance, and personnel funding to operate and support the first aircraft which is planned to operate out of Miami, FL and provide an additional 1,000 hours of maritime surveillance capacity.
- Air Station Corpus Christi Transition – Provides funding for the transition from operating HU-25 aircraft to operation of HC-144A aircraft.

FINANCIAL SYSTEMS MODERNIZATION \$29.5M

- Provides funding to support the Financial Management Service Improvement Initiative (FMSII) for Coast Guard and Transportation Security Administration (TSA). This initiative will plan, prepare, configure, test, and migrate the Coast Guard's and TSA's financial management system (FMS) including the financial, contract, and asset accountability management systems to a shared service provider (SSP).

TABLE 1: APPROPRIATION SUMMARY

Appropriation (\$000)	FY 2012 Enacted	FY 2013 Annualized CR	FY 2014 Request
Operating Expenses (OE)	\$6,755,254	\$6,796,596	\$6,755,383
Environmental Compliance and Restoration (EC&R)	\$13,500	\$13,583	\$13,187
Reserve Training (RT)	\$134,278	\$135,100	\$109,543
Acquisition, Construction, and Improvements (AC&I)	\$1,461,541	\$1,476,016	\$951,116
Alteration of Bridges	---	---	---
Research, Development, Test, and Evaluation (RDT&E)	\$27,779	\$27,949	\$19,856
Health Care Fund Contribution (HFC)	\$261,871	\$201,610	\$186,602
Sub-total (Discretionary Funding)	\$8,654,223	\$8,650,854	\$8,035,687
Retired Pay	\$1,440,157	\$1,440,157	\$1,452,150
Boating Safety	\$113,199	\$120,895	\$109,464
Maritime Oil Spill Program	\$213,423	\$289,000	\$238,600
Gift Fund	\$2,013	\$80	\$80
Sub-total (Mandatory Funding)	\$1,768,792	\$1,850,132	\$1,800,294
OSLTF Contribution	[\$45,000]	[\$45,000]	[\$45,000]
Overseas Contingency Operations (OCO) Funding (P.L. 112-74)	\$258,000	\$258,000	---
Rescission of unobligated balances pursuant (P.L. 112-74)	[\$37,800]	[\$37,800]	---
Rescission of unobligated balances pursuant to P.L. 112-74	[-5004]	(\$2,577)	---
Rescission of ACI personnel	[-879]	---	---
Transfer of OE funds for Maritime Patrol Aircraft (MPA)	\$1,328	---	---
Hurricane Sandy Supplemental (P.L. 113-2)	---	\$274,233	---
Proposed rescission of unobligated balances	---	---	(\$42,000)
Transfer of funds for Maritime Patrol Aircraft (MPA) to AC&I	(\$1,328)	---	---
Sub-total (Transfers and Supplementals)	\$258,000	\$529,656	-\$42,000
TOTAL APPROPRIATIONS	\$10,681,015	\$11,030,642	\$9,793,981

TABLE 2: FY 2014 NET DISCRETIONARY BUDGET AUTHORITY - BREAKOUT BY STATUTORY MISSION^{1, 2}

Coast Guard Mission ¹ (\$000)	FY 2012 Revised Enacted	FY 2013 Annualized CR	FY 2014 Request	FY 2012 +/- FY 2014
Search and Rescue	\$945,716	\$927,836	\$872,833	(\$72,883)
Marine Safety	\$675,434	\$579,392	\$623,113	(\$52,321)
Aids to Navigation	\$1,272,787	\$1,451,690	\$1,277,515	\$4,728
Ice Operations	\$117,406	\$116,909	\$107,933	(\$9,473)
Marine Environmental Protection	\$246,453	\$240,668	\$233,557	(\$12,896)
Living Marine Resources	\$878,691	\$870,424	\$845,152	(\$33,539)
Drug Interdiction	\$1,364,153	\$1,275,878	\$1,148,969	(\$215,184)
Migrant Interdiction	\$640,767	\$610,482	\$582,504	(\$58,263)
Other Law Enforcement	\$179,292	\$164,932	\$132,004	(\$47,288)
Ports, Waterways, and Coastal Security	\$1,757,107	\$1,825,868	\$1,680,572	(\$76,535)
Defense Readiness	\$518,800	\$514,683	\$531,535	\$12,735
Net Discretionary: Excluding Supplementals and Transfers	\$8,596,606	\$8,578,762	\$8,035,687	(\$560,919)
Mandatory	\$1,768,792	\$1,850,132	\$1,800,294	\$31,502
OSLTF Contribution	[\$45,000]	[\$45,000]	[\$45,000]	--
Overseas Contingency Operations (OCO) Funding (P.L. 112-74)	\$258,000	\$258,000	---	---
Rescission of unobligated balances pursuant (P.L. 112-74)	[\$37,800]	[\$37,800]	---	---
Proposed DoD OCO Transfer	---	---	[\$227,033]	--
DoD transfer pursuant to P.L. 112-74	\$63,500	\$63,500	---	(\$63,500)
Rescission of unobligated balances pursuant to P.L. 112-74	(\$5,004)	(\$2,577)	---	\$5,004
Rescission of ACI personnel	(\$879)	---	---	\$879
Transfer of OE funds for Maritime Patrol Aircraft (MPA)	\$1,328	---	---	(\$1,328)
Technical Adjustment 0.612% CR Increase	---	\$8,592	---	--
Hurricane Sandy Supplemental (P.L. 113-2)	---	\$274,233	---	--
Proposed rescission of unobligated balances	---	---	(\$42,000)	(\$42,000)
Transfer of funds for Maritime Patrol Aircraft (MPA) to AC&I	(\$1,328)	---	---	\$1,328
TOTAL BUDGET AUTHORITY	\$10,681,015	\$11,030,642	\$9,793,981	(\$887,034)

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

² FY 2012 Revised Enacted and FY 2013 Annualized CR include \$258M/872 FTE for Overseas Contingency Operations (OCO) appropriated directly to the Coast Guard. FY 2014 Request (Total Budget Authority) does not include OCO funding, which is anticipated via a transfer from DOD.

TABLE 3: OPERATING EXPENSES FY 2012 REVISED ENACTED TO FY 2014

Department of Homeland Security U. S. Coast Guard Operating Expenses FY 2012 to FY 2014 Budget Change (Dollars in Thousands)			
	Pos.	FTE	Amount
FY 2012 Revised Enacted ^{1,2}	49,644	48,890	\$ 6,755,254
Adjustments-to-Base			
Transfers to and from Other Accounts			
DHS Management for St Elizabeths Security	-	-	(2,800)
OCFO for Financial Audit Clearinghouse Database	-	-	2
USM OCAO for Shared Services	-	-	76
Transfer Follow-On	22	22	-
Total Transfers	22	22	(2,722)
Adjustments for FY 2013 Initiatives	(727)	(306)	57,022
FTP/FTE From FY 2012 Actual to FY 2014 Budget	(203)	365	-
Increases			
Annualization of Part Year Funding	-	108	19,746
Mandatory Personnel Entitlements			
Annualization of FY 2013 Military Pay Raise	-	-	9,014
FY 2014 Military Pay Raise	-	-	15,563
FY 2014 Civilian Pay Raise	-	-	5,837
FY 2014 Military Allowances	-	-	13,528
GSA Rent and Security	-	-	1,501
Operating and Maintenance Funds for New Assets			
Shore Facility Follow-On	2	1	2,760
Response Boat - Medium (RB-M) Follow-On	15	8	3,125
Rescue 21 (R21) Follow-On	-	-	4,095
Fast Response Cutter (FRC) Follow-On	106	53	12,904
National Security Cutter (NSC) Follow-On	146	106	19,838
Maritime Patrol Aircraft (MPA) Follow-On	31	31	13,880
Manned Covert Surveillance Aircraft (MCSA) Follow-On	12	3	2,495
Coast Guard Air Station Corpus Christi Transition	21	11	5,607
DHS Headquarters Consolidation Follow-On	-	-	5,150
Base Re-Allocations (Non-Add)			
Deployable Specialized Forces	25	25	[55,637]
Military FTP and FTE Transfer to Civilian	[91]	[91]	[8,262]
PPA Funding Technical Transfers	-	-	[67,817]
Total Increases	(572)	405	192,065
Decreases			
Termination of One-Time Costs	-	-	(29,049)
Part Year Management Annualizations	-	(311)	(45,611)
Asset Decommissionings and Retirements			
Two High Endurance Cutters (WHEC)	(368)	(184)	(14,195)
Cutter Shoreside Support Personnel Reduction	(19)	(10)	(809)
Eight HU-25 Aircraft	(71)	(36)	(9,371)
Two HC-130 Aircraft	(58)	(29)	(7,722)
Air Facilities Charleston, SC and Newport, OR	(55)	(28)	(5,081)
Management Efficiencies	(101)	(53)	(52,725)
Programmatic Reductions	(450)	(252)	(54,199)
Total Decreases	(1,122)	(903)	(218,762)
Total Adjustments-to-Base	(1,672)	(476)	(29,419)
2014 Current Services	47,972	48,414	6,725,835
Program Changes			
Program Increases			
Financial Systems Modernization	-	-	29,548
Total Program Changes	-	-	29,548
2014 Request	47,972	48,414	6,755,383
2012 to 2014 Total Change	(1,672)	(476)	129

¹ Includes 872 military FTE for Overseas Contingency Operations (OCO).

² Excludes \$258 million provided to the Coast Guard for Overseas Contingency Operations (OCO) Funding (P.L. 112-74).

TABLE 4: FY 2014 CONSTRUCTION INITIATIVES LISTING

Appropriations (\$000)	FY 2014 Request
Vessels	\$743,000
Survey and Design - Vessel and Boats	\$1,000
In-Service Vessel Sustainment	\$21,000
National Security Cutter (NSC)	\$616,000
Offshore Patrol Cutter (OPC)	\$25,000
Fast Response Cutter (FRC)	\$75,000
Cutter Boats	\$3,000
Polar Icebreaking Vessel	\$2,000
Aircraft	\$28,000
HH-65 Conversion/Sustainment Projects	\$12,000
Long Range Surveillance Aircraft (C-130H/J)	\$16,000
Other	\$59,930
Program Oversight and Management	\$10,000
Systems Engineering and Integration	\$204
C4ISR	\$35,226
CG-LIMS	\$1,500
Nationwide Automatic Identification System (NAIS)	\$13,000
Shore and ATON	\$5,000
Major Shore, ATON and S&D	\$2,000
Minor Shore	\$3,000
Personnel and Management	\$115,186
AC&I Core	\$439
Direct Personnel Costs	\$114,747
SUB-TOTAL	\$951,116
Rescissions (Note 1)	(\$42,000)
TOTAL	\$909,116

Note (1): The FY2014 President's Budget includes proposed rescissions totalling \$42 million in unobligated prior year balances from P.L. 111-83, P.L. 112-10, and P.L. 112-74.



PROGRAMS AND MISSIONS

OUR PROGRAMS AND MISSIONS



Public Affairs Specialist 2nd Class Patrick Kelley

The Coast Guard's value to the nation is rooted in responsibilities accrued over more than two centuries of service committed to operations in the maritime domain. Coast Guard missions are organized into six programs that align with the Department of Homeland Security's missions, national priorities, and the Quadrennial Homeland Security Review (QHSR) goals. The initiatives in the Coast Guard's FY 2014 Budget are crucial to the effective achievement of Department of Homeland Security mission priorities. Each program is explained below and the table on page 45 provides a listing of the six Coast Guard DHS programs and their relationship to the Coast Guard's 11 statutory missions.

MARITIME SECURITY OPERATIONS

Maritime Security Operations encompass activities conducted to detect, deter, prevent and disrupt terrorist attacks and other

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

► Ports, Waterways and Coastal Security

IN 2012 THE COAST GUARD...

- Conducted 11,628 security boardings of small vessels in and around U.S. ports, waterways and coastal regions.
- Conducted approximately 49,000 waterborne patrols near critical maritime infrastructure and security zones in American ports.
- Escorted approximately 5,000 high-capacity passenger vessels, naval vessels and ships carrying dangerous cargoes.
- Conducted 1,424 boardings of high interest vessels designated as posing a greater-than-normal risk to the U.S.

MARITIME LAW ENFORCEMENT

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

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

IN 2012 THE COAST GUARD...

- Removed 107 metric tons of cocaine and 56 metric tons of marijuana bound for the United States; interdicted 70 vessels, and detained 352 suspected drug smugglers.
- Coast Guard Law Enforcement Detachments (LEDETs) deployed for 1,632 days in FY 2012 and accounted for 34 percent of all cocaine removals.
- Interdicted 2,955 undocumented migrants attempting to illegally enter the United States.
- Encountered over 108 domestic significant fishery violations during boardings of over 6,400 U.S. vessels.
- Patrolled the U.S. EEZ boundary areas to reduce the threat of



Petty Officer 2nd Class Etta Smith

foreign poaching of U.S. fish stocks and ensured compliance with international living marine resource agreements. Detected 160 incursions and interdicted 24 vessels.

MARITIME PREVENTION

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

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

IN 2012 THE COAST GUARD...

- Conducted over 11,600 annual inspections of U.S. flagged vessels inspected and certificated in accordance with 46 Code of Federal Regulation (CFR) § 2.01.
- Performed over 6,100 inspections at facilities to ensure compliance, identifying over 1,600 deficiencies of safety, security and environmental protection regulations.
- Conducted 4,600 marine casualty investigations.
- Conducted more than 10,000 Port State Control and Security examinations on foreign flagged vessels, including examinations of ballast water for elimination of aquatic nuisance species, testing of oily water separators to prevent

oil from being discharged in the ocean and other pollution prevention and vessel safety activities.

- Completed over 25,575 container inspections, identifying more than 2,600 deficiencies that led to 1,186 cargo or container shipments being placed on hold until dangerous conditions were corrected.
- Conducted over 9,100 fishing vessel and 1,500 towing vessel examinations, ensuring vessels were in full compliance with regulations and safety requirements.
- Administered the National Recreational Boating Safety (RBS) Program where state law enforcement conducted over 1.8 million hours of on-water RBS operations, checked over 1.7 million vessels for carriage compliance, issued boating safety education certificates for over 450,000 individuals and issued over 99,000 safety citations and 275,000 warnings.
- Conducted over 49,000 recreational vessel boardings, issued 12,000 citations and visited 1,150 recreational boat manufacturers to provide education and ensure compliance with Federal regulations.
- Conducted over 7,800 voluntary commercial fishing vessel (CFV) dockside safety examinations, issued over 4,200 CFV safety decals and completed over 6,400 at sea CFVs compliance boardings.
- The Coast Guard exhibited international leadership through the International Maritime Organization (IMO) response to COSTA CONCORDIA grounding: the Coast Guard was a key participant in IMO efforts to develop lessons learned from the vessel major marine casualty.



- The International Port Security Program assessed the effectiveness of anti-terrorism measures in over 175 port facilities in 55 of our maritime trading partners.

MARITIME RESPONSE

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

- **Search and Rescue**
- **Marine Environmental Protection**

IN 2012 THE COAST GUARD ...

- Responded to 19,790 Search and Rescue incidents, saving 3,560 lives and protecting \$77 million in property.
- The Coast Guard coordinated the two-year NSARC effort to develop and promulgate the first ever U.S. Land SAR Addendum. This interagency Federal SAR guidance, comparable to the Coast Guard Addendum, provides detailed guidance to Federal SAR agencies for land SAR operations.
- Received 12,421 pollution reports, of those reports, 3,349 warranted an investigation.
- Participated in numerous joint spill response exercises with other countries including Canada, Mexico, Russia and the EcoCanal 2012 exercise in Panama.
- Continued to support the response to the remaining impacts of the April 2010 Deepwater Horizon explosion and oil spill in the Gulf of Mexico. Significant removal actions have been completed by the Gulf Coast Incident Management Team. Out of the 778 miles of shoreline that was impacted 304 miles have been signed off by the Unified Command.
- Held the Spills of National Significance (SONS) 2012 Executive Seminar on September 13, 2012 at Coast Guard Headquarters in Washington, DC. During the event, the Commandant and senior leadership from the DHS, NSS, and NRT member agencies discussed selected national-level interagency oil spill response policy issues (e.g., SONS governance structure, dispersant use, and the alignment of interagency messaging) in the context of an Arctic SONS scenario in the Chukchi/Beaufort Seas.
- Engaged with Department of Interior, NOAA, the Environmental Protection Agency, Alaska Department of Environmental Conservation and numerous other federal, state, local, native and industry participants to review and

- update oil spill contingency plans for the Arctic region.
- Established an International Maritime Organization sponsored multilateral forum with Cuba, the Bahamas and other northern Caribbean nations that are initiating oil exploration operations in their deep water environments to ensure protection of U.S. waters from adverse impacts should spills occur.
- Established an Incident Management and Preparedness Advisor position at each Coast Guard District to coordinate regional federal, state, local, and tribal interagency preparedness and contingency planning. These advisors serve as the District Regional Response Team co-chairs and FEMA Regional Interagency Steering Committee(s) to coordinate pollution and all incident/all hazard type II incidents.
- Conducted over 400 contingency-based exercises, with the majority of these exercises focused on anti-terror, oil and hazardous material release, or mass rescue operations.

DEFENSE OPERATIONS

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

- **Defense Readiness**

IN 2012 THE COAST GUARD ...

- Continued the deployment of six patrol boats and their supporting and command elements to U.S. Central Command (CENTCOM).
- Coast Guard Cutter Bertholf, the first National Security Cutter, and elements of the Coast Guard's Deployable Specialized Forces (DSF) participated in Rim of the Pacific (RIMPAC) exercise, the world's largest multi-national maritime exercise, with 22 nations participating in 2012. The purpose of the exercise is to enhance interoperability of the combined RIMPAC forces and improve war fighting competencies.
- Coast Guard Cutter Wausche, the second National Security

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





Cutter, deployed to Southeast Asia to participate with five regional partners in Cooperation Afloat Readiness and Training (CARAT) 2012. CARAT is a multinational exercise aimed at developing numerous proficiencies including maritime interception operations, naval gunnery and maneuvering events, and disaster response. Waesche crewmembers provided comprehensive training to maritime forces of Thailand, Malaysia, Singapore, and the Philippines.

- Coast Guard Port Security Units (PSU) deployed to the Middle East with Naval Coastal Warfare Squadrons to support point defense and harbor security operations in Kuwait.
- Coast Guard PSU and Maritime Safety and Security Team detachments continued port security operations in Guantanamo Bay, Cuba for harbor security and to provide force protection.
- Coast Guard Law Enforcement Detachments (LEDET) completed two deployments to western Africa in support of the African Maritime Law Enforcement Partnership, a professional exchange with officials from Sierra Leone, Cape Verde, Liberia, Gambia and Senegal. Additionally, CG watchstanders were embedded in host nation maritime operation centers during the entire deployment and participated in the first ever AMLEP collaboration between two African States (Senegal and Gambia).
- Coast Guard Advanced Interdiction Teams deployed on four Navy ships in support of USCENTCOM Counter-Piracy missions. Working with Combined Task Force 151, CG LEDETs conducted training of Iraqi Marines at Umm Qasr Schoolhouse for long-term protection of oil terminals and trained U.S. Navy VBSS Teams/Allied Forces in boarding procedures and maritime case prosecution.

MARINE TRANSPORTATION SYSTEM MANAGEMENT

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

- **Aids to Navigation**
- **Ice Operations**

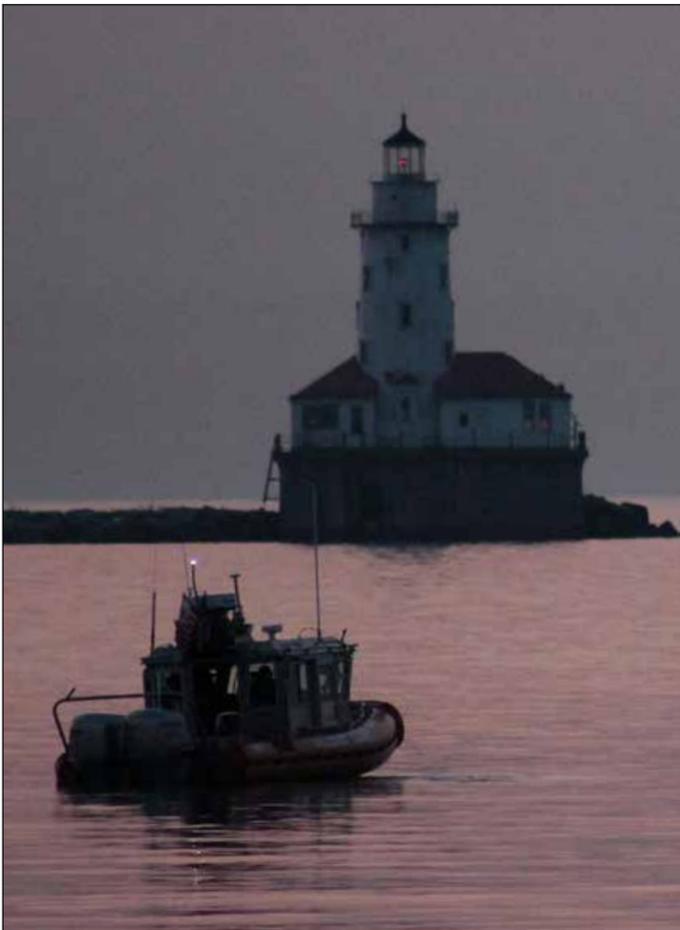


IN 2012 THE COAST GUARD ...

- Maintained a 97.5% Aid Availability Rate on over 43,400 aids to navigation, including almost 25,300 in the U.S. Western Rivers System, to ensure the safe transit of \$1,729 billion in commerce transiting 25,000 miles of U.S. Waterways.
- Coast Guard Cutter Healy partnered with the Canadian Coast Guard icebreaker Louis S. St-Laurent in the high Arctic for the fourth year to gather data required to determine the Extended Continental Shelf limit. On National Science Foundation missions, Coast Guard Cutter Healy supported NASA's study on the affect of climate change on sea ice, North Slope mooring maintenance and a winter Arctic copepod transect study.
- Ensured no ice-related waterways closures on the Great Lakes during the 2011-2012 winter shipping season and provided domestic icebreaking assistance in the Pribilof Islands and for commercial port facilities in Kodiak.
- Expended the remaining \$23 million of the \$142 million appropriated under the American Recovery and Reinvestment Act (P. L. 111-5), to alter the Burlington, Mobile, EJ&E and Galveston Causeway Bridges. The increased horizontal navigational clearance offered by these alterations will minimize the risk of allisions.
- Published the Interim Atlantic Coast Port Access Route Study to support planned offshore wind energy initiatives

ranging from Maine to Florida.

- Collaborated with the Canadian Great Lakes Pilotage Authority and the Great Lakes Pilotage Advisory Committee to revise the "Memorandum of Arrangements between Canada and the United States" for the shared operation of pilotage on the Great Lakes.
- Partnered with the Canadian Ice Service to help North Atlantic mariners make more than 4,500 safe commercial transits through iceberg laden waters.
- Coast Guard Cutter Juniper participated in Operation Nanook, a joint multi-national exercise designed to demonstrate a visible presence in the Arctic with sea, land and air forces while also developing multinational capabilities for future operations in the Arctic domain. Operation Nanook involved more than 1,100 participants from the Canadian Navy, Army, Air and Special Forces.
- Improved energy efficiencies by increasing the use of self contained light emitting diodes (LEDs) on red and green lighted buoys to 79%, an increase of 11% from 2011 and red and green lighted beacons to 33%, an increase of 12% from 2011. 54% of all lighted buoys and beacons (not including ranges, directional, and leading lights) have now been fitted with LEDs.





FISCAL YEAR 2014 BUDGET PRIORITIES

BUILD ESSENTIAL COAST GUARD CAPABILITY FOR THE NATION

STRENGTHEN RESOURCE AND OPERATIONAL STEWARDSHIP

SUSTAIN THE MOST CRITICAL FRONT-LINE OPERATIONS



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