

STATEMENT OF JAMES H. BURNLEY IV  
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UNITED STATES DEPARTMENT OF TRANSPORTATION  
BEFORE THE  
SUBCOMMITTEE ON COAST GUARD AND NAVIGATION  
OF THE  
COMMITTEE ON MERCHANT MARINE AND FISHERIES  
UNITED STATES HOUSE OF REPRESENTATIVES  
FEBRUARY 23, 1984

Mr. Chairman and members of the Subcommittee, I am Jim Burnley, the Deputy Secretary of Transportation. It is a pleasure to appear before you this morning to discuss the Coast Guard's authorization proposal for fiscal years 1985 and 1986. I am accompanied by Admiral James S. Gracey, Commandant of the United States Coast Guard.

Secretary Dole and I appreciate the interest that you and the members of the Subcommittee have shown in the Coast Guard and the attention that you have given the Coast Guard's operations. We are very proud to have the opportunity to work with and to represent this fine service. Because of a scheduling conflict, Secretary Dole asked me to represent her today.

With your permission, I will read a short statement summarizing the major elements of our Fiscal Year 1985 Authorization request for the Coast Guard. Admiral Gracey and I will be happy to answer your questions about the provisions of this request.

The Fiscal Year 1985 authorization request we are presenting totals \$2.15 billion. This request will permit the Coast Guard to discharge its diverse and important responsibilities while providing for the prudent allocation of our tax dollars. Excluding the \$300 million appropriated for Coast Guard's Acquisition, Construction and Improvements in the FY 1984 DOD Appropriation Act, the authorization requested would permit increased appropriations of \$80 million over 1984. We are also requesting an authorization of appropriations for "such sums as may be necessary" for FY 1986.

#### OPERATING EXPENSES

The Coast Guard's FY 1985 operating expense budget request of \$1.8 billion provides an increase of \$67 million over the amount already appropriated by Congress and supplemental appropriations requested for FY 1984. A general authorization is included in the event unforeseen circumstances require us to request a supplemental appropriation. The \$1.8 billion will be used to fund the operation and maintenance of Coast Guard ships, aircraft and facilities. In addition, the Coast Guard will do about \$65 million of work for other agencies on a reimbursable basis.

#### ACQUISITION, CONSTRUCTION AND IMPROVEMENTS

We are requesting an authorization of \$362 million for FY 1985 for the Coast Guard's acquisition, construction and improvement program. This will be used to fund capital improvements such as the aircraft and helicopter procurement programs, cutter acquisitions, and fleet renovations and modernizations, as well as replacement and renovation programs at selected

shore sites and facilities. This request, when combined with the \$300 million appropriated for the Coast Guard's AC&I account in the FY 1984 DOD Appropriations Act, will permit the Coast Guard to accelerate its renovation and modernization programs for vessels and aircraft.

We are continuing to fund from the AC&I account mid-life overhaul programs which will rehabilitate and modernize our older cutters. This effort will result in extended serviceability, capabilities and habitability for the crews. Major modernization programs will continue on five 378-foot high endurance and three 210-foot medium endurance cutters. Safety and support upgrading will also begin on five older cutters. In FY 1985, major renovations will be in progress or completed on fourteen older long range search aircraft and two additional seagoing buoy tenders. Renovation and replacement of obsolescent shore facilities will also continue.

In FY 1985, the Coast Guard expects to take delivery on the fifth of a new class of multi-mission medium endurance cutter, the first four new patrol boats and the seventh new icebreaking tug, as well as 24 of the new short range recovery helicopters.

#### OTHER PROVISIONS

The Coast Guard's research and development request totals \$23.5 million, an increase of \$1 million over the FY 1984 level. A substantial share of FY 1985 funds will be concentrated in programs to improve the effectiveness of search and rescue and commercial vessel safety operations. As I am sure you are aware, the Secretary and I are committed to improving the safety of all modes of transportation. Traditionally, the safety of life and property at sea

has been one of the most important missions of the Coast Guard. In addition, an increased level of funding will be devoted to improving the Coast Guard's law enforcement capabilities, a mission area that has grown in importance over recent years.

A \$15 million funding level for financial assistance to the states has been proposed for the development and implementation of a coordinated national recreational boating safety program. This level will finance the full amount authorized by law for the boating safety aspects of the program.

We are also requesting an authorization of \$59 million for the reserve program and a selected reserve strength of 12,500 members, an increase of 500 over FY 1984. For the bridge alteration and removal program, we are requesting \$5.2 million. This amount will enable us to meet our current obligations under this program.

During FY 1985, the Coast Guard will increase use of contracting with the private sector where feasible in support of the Administration's efforts to contract out functions to the private sector where it is economically advantageous to do so. These actions are expected to reduce military and civilian employment by about one percent.

There are other provisions in our authorization proposal which Admiral Gracey and I will be happy to discuss in detail, if you wish. These proposals deal with the management and operation of the Coast Guard.

Mr. Chairman, this concludes my prepared statement. The Commandant and I will be happy to answer any questions that you or the members of the Subcommittee might have.