

# GAO Highlights

Highlights of [GAO-24-107584](#), a testimony before the Subcommittee on Coast Guard and Maritime Transportation, Committee on Transportation and Infrastructure, House of Representatives

## Why GAO Did This Study

The U.S. Coast Guard employs a variety of vessels and aircraft, several of which are approaching the end of their intended service lives. Consequently, the Coast Guard plans to invest billions of dollars to acquire several high priority assets. These include three Polar Security Cutters, 25 Offshore Patrol Cutters, and 79 additional MH-60T helicopters.

This statement addresses (1) challenges with the affordability of the Coast Guard's portfolio of major acquisitions, and (2) key questions that the Coast Guard and Congressional decision-makers will need to address because of these challenges. The statement also highlights GAO's prior recommendations and matters for Congress which, if implemented, would help address the challenges. This statement is largely based on GAO's prior work on Coast Guard acquisitions issued from 2012 through 2024, including [GAO-18-454](#), [GAO-23-105805](#) and [GAO-23-105949](#).

Information about the scope and methodology of prior work on which this statement is based can be found in those products.

## What GAO Recommends

Since 2012, GAO has made 48 recommendations (16 of which remain open) on how to better manage the Coast Guard's major acquisition programs. GAO will continue to monitor the agency's progress in addressing these recommendations. GAO has also made matters for congressional consideration to improve Coast Guard acquisitions. Two of these matters remain open.

View [GAO-24-107584](#). For more information, contact Shelby S. Oakley at (202) 512-4841 or [OakleyS@gao.gov](mailto:OakleyS@gao.gov).

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## COAST GUARD ACQUISITION

### Actions Needed to Address Affordability Challenges

## What GAO Found

The Coast Guard plans to spend over \$40 billion to modernize its vessels and aircraft. But it faces persistent challenges managing its major acquisition programs—generally those with life-cycle cost estimates of at least \$300 million. These challenges include:

**Cost growth.** Coast Guard's planned investments for its portfolio of major acquisitions increased by \$8.2 billion since 2018. The increase is primarily related to cost increases on the Offshore Patrol Cutter program and additional investments in MH-60T helicopters. This problem increases the cost pressure on the overall portfolio.

**Lack of long-term planning.** The Coast Guard makes short-term budget decisions that obscure the trade-offs needed to balance the long-term affordability of the portfolio. In 2014, GAO recommended that the Coast Guard develop a long-term plan to manage its highest priority efforts. The agency agreed and statute directed the Coast Guard to develop such a plan. But the Coast Guard, as of June 2024, has yet to produce one.

**Affordability.** The Coast Guard's short-term budget decisions have resulted in a buildup—or bow wave—of near-term unfunded acquisitions. These decisions could negatively affect future acquisition efforts and operations.

#### The Coast Guard's Offshore Patrol Cutter



Source: U.S. Coast Guard. | [GAO-24-107584](#)

**Program uncertainties.** Further, the Coast Guard faces uncertainties—such as unrealistic schedules and cost estimates—on two of Coast Guard's highest priority programs: the Offshore Patrol Cutter and Polar Security Cutter. These uncertainties will likely exacerbate portfolio affordability challenges.

GAO has made several recommendations and matters for Congressional consideration that, if implemented, would inform key questions for decision-makers, such as:

- How can Coast Guard manage its acquisition programs to achieve better cost and schedule outcomes?
- Which programs will decision-makers cut, reduce, or defer to balance the affordability of the Coast Guard portfolio?