



OFFICE OF DEMOCRATIC LEADER NANCY PELOSI

FACT SHEET

December 4, 2012

House-Senate Agreement on Coast Guard Reauthorization

Key Points:

- On Wednesday, the House will consider, under suspension of the rules, H.Res. 825, providing that the House concurs in Senate amendments to H.R. 2838, Coast Guard Reauthorization, with amendments. This legislation reflects a House-Senate agreement on the Coast Guard Reauthorization bill. The House passed its version of the bill on November 15, 2011, by voice vote. The Senate passed its version of the bill on September 22, 2012, by unanimous consent.
- In today's world, the Coast Guard has many key responsibilities – ranging from homeland security to drug interdiction to marine safety to traditional search and rescue. In October 2010, the 111th Congress enacted a Coast Guard Authorization that included major reforms – including increasing its authorized end-strength by 1,500 members to 47,000 and enhancing its homeland security resources.
- This bipartisan House-Senate agreement authorizes \$8.6 billion in FY 2013 and \$8.7 billion in FY 2014 for the activities of the Coast Guard. It includes some additional reforms and changes beyond the reforms in the 2010 Coast Guard bill, such as clarifying and enhancing the Coast Guard's authorities and reporting requirements, including regarding acquisitions and procurement. Some of the bill's provisions also include giving the Coast Guard greater parity with the Department of Defense.
- Like the House bill, the House-Senate agreement also authorizes \$295.8 million in FY 2013 for the national security aspects of the Maritime Administration in the Department of Transportation.
- The House-Senate agreement does not include the controversial provisions of the House-passed bill, strongly opposed by the Administration, that decommissioned the Coast Guard POLAR STAR and POLAR SEA heavy icebreakers. By contrast, the agreement prohibits the decommissioning of the two icebreakers until studies can be conducted on the costs and merits of extending their useful service lives.
- The House-Senate agreement also does not include the controversial Ballast Water provisions of the House-passed bill that set a nationwide standard for the discharge of ballast water, which critics argued prevented states from setting stricter standards to protect important local waters.

On Wednesday, the House will consider, under suspension of the rules, H.Res. 825, providing that the House concurs in Senate amendments to H.R. 2838, Coast Guard Reauthorization, with amendments. This legislation reflects a House-Senate agreement on the Coast Guard Reauthorization bill. The House passed its version of the bill on November 15, 2011, by voice vote. The Senate passed its version of the bill on September 22, 2012, by unanimous consent.

Following is an overview of some of this bipartisan bill's provisions.

- **Authorizes Funding for the Coast Guard for FY 2013 and FY 2014.** The bill authorizes the Coast Guard for FY 2013 and FY 2014, and extends the recently-established service strength of 47,000 active duty personnel for the two-year period. Specifically, the bill authorizes \$8.6 billion in FY 2013 and \$8.7 billion in FY 2014 for the activities of the Coast Guard.
- **Gives Coast Guard Greater Parity with the Department of Defense.** The Coast Guard is one of the nation's five armed services. However, the Coast Guard in some cases does not have the same authorities as DOD. The bill includes some provisions to provide more parity for the Coast Guard, including:
 - Provides the Coast Guard with expedited hiring authority where there is a critical need or a shortage of candidates. This expansion brings the Coast Guard into parity with the other services.
 - Clarifies a commissioned officer's status should the officer return to the Coast Guard following a break in service -- preserving the officer's rank as of the departure. This is similar to the status afforded returning officers in the other services.
 - Authorizes the Coast Guard to expend not more than \$1.5 million from operating expenses for minor construction and improvement projects at any one location. The other services have similar authority.
 - Requires the Coast Guard Academy to institute the same sexual harassment policy that exists at the other military service academies, and conforms survey and reporting requirements to those of the other service academies.
- **Clarifies and Enhances the Coast Guard's Authorities and Reporting Requirements, Including Regarding Acquisitions and Procurement.** The bill includes provisions that clarify and enhance the Coast Guard's authorities and reporting requirements, including regarding acquisitions and procurement, such as:
 - Clarifies that budget authority for Coast Guard assets are vested in the Coast Guard and the department in which the Coast Guard operates.
 - Grants the Coast Guard advance procurement authority for the construction of a vessel to enter into contracts or place orders for materials, parts or components, their protection and storage, and for production planning, design and support services.
 - Consolidates several reports on Coast Guard acquisitions and expands reporting requirements beyond the former Deepwater Program to encompass all major acquisitions projects.
 - Requires the Coast Guard to submit a five-year Capital Investment Plan and a list of unfunded priorities to Congress at the time the Administration submits its annual budget request.
- **Provides for Certain Other Changes and Reforms in Coast Guard Operations.** The bill provides for changes in the administration of the Coast Guard, including:
 - Prohibits the decommissioning of the Coast Guard POLAR STAR and POLAR SEA icebreakers until studies can be conducted on the costs and merits of extending their useful service lives.
 - Stipulates that the Coast Guard cannot certify a sixth national security cutter as ready for operations until it submits to Congress program execution plans detailing performance of the previous national security cutters and plans for advanced aerial surveillance support.
 - Creates a felony for any person that knowingly or willfully operates a device that interferes with transmissions by the Coast Guard. The Coast Guard has testified that its ability to conduct its vital missions, including protecting the safety of life at sea, is entirely dependent on being able to send and receive radio and microwave signals over its network.
 - Repeals certain provisions deemed to be outdated or duplicative, including Coast Guard responsibility to coordinate with FAA on aids to air navigation and an authorization for an advisory committee to the Coast Guard Academy.
- **Reauthorizes the Maritime Administration.** The bill authorizes \$295.8 million in FY 2013 for the national security aspects of the Maritime Administration in the Department of Transportation. The bill also:

- Clarifies that the mission of the Maritime Administration shall be to foster, promote and develop the domestic merchant maritime industry of the United States.
 - Includes provisions to reauthorize and enhance the Maritime Administration’s capability to support the U.S. merchant marine and to receive, maintain and recycle vessels within the National Defense Reserve Fleet that were requested by the Administration.
 - Supports maritime commerce through provisions that reauthorize the Short Sea Transportation Program, provide environmental and technical assistance for new marine technologies, and require new studies concerning “container on barge” transportation and barge design and training needs for U.S. seafarers.
- **Incorporates the “Piracy Suppression Act” into the Bill.** Like the House-passed bill, the legislation incorporates key provisions of the “Piracy Suppression Act,” including:
 - Requires the Department of Transportation to establish a training program for U.S. mariners on the use of force against pirates.
 - Requires non-defense agencies to provide private armed security on U.S. vessels carrying government-sponsored cargoes through high-risk waters.
 - Requires a report from DOD within 180 days on actions taken to protect foreign-flagged vessels from acts of piracy on the high seas.
- **Miscellaneous Provisions.** The bill also includes various miscellaneous provisions, including:
 - Prior to the granting of any waiver of the Jones Act, requires the Maritime Administrator to identify actions that could be taken to enable the use of qualified U.S. flag capacity, notify the Secretary of Transportation and the Congress of such determinations, and publish such determinations on the Internet no later than 48 hours after receiving a request for, or issuing, a waiver. (The Jones Act requires the transport of cargo from one point to another within the United States to be carried on U.S.-built, U.S.-owned, and U.S.-crewed vessels.)
 - Formally authorizes the existing interagency Committee on the Marine Transportation System and requires the Committee to develop within one year a strategy to improve the Marine Transportation System and report every five years thereafter on its progress.
 - Changes the frequency of dockside examinations for commercial fishing vessels from two to five years and changes the date that the requirement for such examinations enters into force from October 15, 2012, to October 15, 2015.
 - Requires the Coast Guard to submit within 180 days to the Congress an assessment of factors under the jurisdiction of the Coast Guard that impact the competitive ability of U.S. flag vessels in international transportation markets.
 - Incorporates the “Marine Debris Act Reauthorization Amendments Act” to clarify and strengthen Federal authority to address this serious marine environmental threat, especially to assist Pacific Coast states coping with debris associated with the 2011 Japanese tsunami.