

Admiral: Coast Guard IT on 'the brink of catastrophic failure'

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CHARLESTON, S.C. — The Coast Guard's top admiral is calling for a “tech revolution” and an immediate injection of funding from Congress to help bring the service’s information technology sector back from “the brink of catastrophic failure.”

Commandant Adm. Karl Schultz made the remarks Thursday in his annual "State of the Coast Guard" speech, where he said the service faces unreliable connectivity on its vessels and a communication “blackout” in the Arctic.

The Coast Guard is on an “unsustainable path to support our growing operational requirements,” even as the administration has nearly tripled its Defense Department readiness funding over the past five years. That's occurring, Schultz said, “despite our services having the same types of readiness challenges.”

The Coast Guard would receive \$12.3 billion for fiscal 2021 under the administration's budget request rolled out last week, which [fully funds a second new heavy icebreaker](#) to replace the 44-year-old Polar Star.

Schultz told a crowd of more than 300 that the services’ medium icebreaker Healy will deploy above the Arctic Circle “yet again, without reliable communications for a large portion of its multi-month patrol.” He said the service has an annual IT shortfall of \$300 million.

The fiscal 2021 budget request includes \$24 million for IT infrastructure, a “first step towards helping to address some of that shortfall,” a Coast Guard official said.

The new “Tech Revolution Road Map,” Schultz said, will “secure the service’s readiness and digital modernization.” The proposal lays out a five-pronged long-term effort to improve cutter connectivity, boost cyber readiness and reliability of IT infrastructure, and also increase reliance on the cloud.

A small congressional delegation attended the event, including Reps. [Joe Cunningham](#) (D-S.C.) and [Steven Palazzo](#) (R-Miss.), who toured the Coast Guard’s Maritime Law Enforcement Academy campus earlier in the day.

In an hourlong speech titled “Why We Serve,” Schultz praised the Coast Guard’s efforts in hurricane recovery, new ScanEagle drone deployments and “significant progress towards fielding our next generation of cutters.” Yet technology is a primary concern for the service, as cyber attacks are increasing at sea ports and communications capabilities are significantly lagging.

“Years of investment tradeoffs have brought our information technology to the brink of catastrophic failure. Just this past summer over 95 of our vital systems went offline for several days due to a single server malfunction, impacting our ability to save United States citizens, thwart criminals, defend our nation, and yes, even to simply check our email accounts,” he said at the port of Charleston cruise terminal. “Our technology is failing our people.”

While Schultz hailed his tech plan as a good starting point, which the admiral said will double major cutter connectivity and reduce the risk of future critical failures, “we need an injection of funding now. Closing our

existing \$300 million annual IT shortfall is an important step to modernize the Coast Guard's technology landscape."

In the Arctic specifically, "tremendous challenges and opportunities remain," Schultz said. He added the Coast Guard is exploring new satellite communications capabilities with the Defense Department and private industry, but urged that "we must work together to solve our communication blackout in the Arctic now."

On the same note, Schultz emphasized that the Coast Guard will "complement" not "duplicate" Defense Department efforts as a unique service that "has never been more relevant."

Schultz, almost two years into his tenure, repeated his claim that in order to fulfill the service's mission and "ensure American sovereignty," the Coast Guard must have a fleet of at least three polar security cutters and three medium icebreakers.

While Russia has three or four heavy, world-class nuclear-powered breakers, Schultz told POLITICO in an earlier interview, China is a "very top priority ... arguably by 2025 China would have more icebreaking capacity than the U.S."

America's fleet of heavy icebreakers, Schultz said, constitutes a "woefully unacceptable level of presence in an area where we must be a leading force."

Schultz also criticized "years of flat line budgets" that have built up a \$2 billion "untenable" backlog of facility repairs. Forty percent of the Coast Guard's buildings are more than 50 years old, he added.

The commandant told POLITICO this week that "the '20 budget, the president's requested budget for '21 starts to take some small bites into that infrastructure backlog. In the past couple years, any real infrastructure relief from a budget standpoint was really disaster supplementals after storms."

Speaking in Charleston was an intentional decision as the Coast Guard intends to consolidate its campus here along the shore in the next five years. It's also where a new national security cutter, the Stone, will be homeported by November upon its completion, and another NSC, the Calhoun, is expected to be built in the next few years.

Schultz complimented the administration's support in buying more vessels, but concluded his speech by urging more investment to revolutionize "the way we conduct operations in the future."

"Now, we need the matching resources to effectively operate and support the Coast Guard that the nation has built," the admiral said.