#### **Deepwater Sees Increase in Funding in FY06 Budget**

President Bush's fiscal year 2006 budget request of \$8.1 billion for the Coast Guard—an 11 percent increase in Coast Guard discretionary funding over fiscal vear 2005—includes funding of \$966 million for the Integrated Deepwater System, a 33 percent increase over last year's Deepwater appropriation

The President's budget request for the Coast Guard for FY 2006 was forwarded to Congress on Feb. 7 as part of an overall Department of Homeland Security (DHS) budget request of \$41.1 billion.

During a press conference to unveil the Department's budget, Acting Secretary of Homeland Security Adm. James M. Loy said, "By allocating \$41.1 billion in new resources, a 7 percent increase over the current year, we will expand and improve existing programs as well as put in place new initiatives to further strengthen and protect our homeland."

The president's FY 2006 budget requests resources to continue the multivear effort to modernize the Coast Guard, reduce risks to maritime security and safety, and provide Coast Guard men and women with the capabilities and competencies



Acting Secretary of Homeland Security Adm. James M. Loy, shown here during a retirement ceremony Jan. 31 for former Secretary Tom Ridge (right), said that President Bush's fiscal year 2006 budget request of \$41.1 billion for the Department of Homeland Security--a 7 percent increase over the current year--will allow existing programs to be USCG photo by PA1 Barry Lane expanded and improved.

necessary to continue to enhance performance in all of their missions.

The budget's funding continue the Coast Guard's urgently needed recapitalization while reversing declining readiness trends and enhancing operational capabilities

"The fiscal year 2006 Deepwater budget is a critical investment in the Department of Homeland Security's mission to secure the American homeland," said Rear Adm. Patrick M. Stillman, Deepwater's program executive officer, "as we build a more ready and capable 21st-century Coast Guard."

Increased FY 2006 funding for Deepwater assets will yield essential system-wide capability for maritime homeland security missions and sustain operational effectiveness in all of the Coast Guard's military, multimission, and maritime responsibilities—directly supporting the Coast Guard's overarching FY 2006 budget goals to recapitalize, implement the Maritime Strategy for Homeland Security, and enhance mission performance.

Deepwater's more capable cutters, manned and unmanned aircraft, and system for C4ISR will make significant contributions to the Department Homeland continued, page 2



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Security's strategic goals of threat awareness, prevention and protection against terrorist attacks, and response and recovery should they occur.

"Improved Deepwater platforms will reduce maritime security risks and help to close today's capability gaps," Stillman said.

"By strengthening 'smart borders' and protecting our nation's ports, waterways, and coastal areas. Deepwater enables a layered, defense-in-depth maritime security strategy using 21st-century technologies."

The Coast Guard's modernization and recapitalization will contribute directly to President Bush's recent maritime security policy directive calling for a fully coordinated effort to protect U.S. interests in the maritime domain.

More ready, interoperable Deepwater platforms and systems will allow the Coast Guard to shape the global maritime environment to

- (1) Promote U.S. national interests;
- (2) Know maritime conditions, vulnerabilities, and threats to prevent, protect, and respond through improved maritime domain awareness
- (3) Press out maritime borders; and
- (4) Position the Coast Guard to act with certainty in a complex, uncertain environment.

The FY 2006 Coast Guard budget is seen as enabling aggressive implementation of the Deepwater Program to acquire new assets while sustaining and modernizing legacy assets to increase their useful service life.

The current re-engining of HH-65 helicopters, for example, will be accelerated using a second production line.

Deepwater's innovative, interoperable network-centric system for command, control, surveillance, reconnaissance, and intelligence sharing is seen as a key contributor to improving maritime domain awareness and providing a common operational picture—key to the Coast Guard's ongoing leadership of inter-agency effort to know maritime conditions, anomalies, vulnerabilities, and threats.

"Deepwater is our transformational centerpiece," said Coast Guard Commandant Adm. Thomas H. Collins in a speech at the National Defense University in December.

"It is important to emphasize that the Deepwater Program will guide the Coast Guard's transformation with a steady focus on the Commandant's priorities of people, readiness, and stewardship," Stillman said.

"Deepwater contributes directly to a higher quality workplace for our people, improved readiness with more capable platforms and systems, and good stewardship through our program's twin goals of maximizing operational effectiveness at lowest total-ownership cost."

by Gordon I. Peterson

# What will Deepwater's FY06 budget request of \$966 million enable?

- Acquisition of a third Eagle Eye Tiltrotor Vertical-Takeoff-and-Landing Unmanned Aerial Vehicle (VUAV), including mission sensor packages and ground control technology to use them
- Accelerated re-engining of HH-65 helicopters using second production line
- Service-life extension, avionics, and radar upgrades for HH-60 helicopters and HC-130H aircraft
- Procurement of long-lead material for and production of the third National Security Cutter (NSC)
- Completion of design and procurement of the longlead material for the first Offshore Patrol Cutter (OPC) five years ahead of the original schedule
- Testing and evaluation of the first Fast Response Cutter 10 years ahead of original schedule
- Service-life extension and electronics upgrades for 10 legacy Medium Endurance Cutters (WMECs)



#### **Upgraded MATAGORDA Sees First Operational Patrol**

The Coast Guard Cutter *Matagorda*, on its first operational patrol after going through a major conversion program as part

of the Coast Guard's Deepwater Program, stopped a smuggling boat in the Florida Straits attempting to bring 25 Cuban migrants into the country illegally Thursday.

The go-fast was initially spotted by the crew of a C-130 Hercules airplane from Air Station Clearwater, Fla., 40 miles southwest of the Dry Tortugas heading north at highspeed with no lights.

Matagorda was diverted and assumed the role of on-scene commander to coordinate the interdiction effort.

After a long chase the smuggling boat, operated by two

suspected smugglers, was safely stopped two miles south of the Dry Tortugas.

During the chase a sec-



ond suspect vessel was also spotted by the cutter Pea Island. This information was relayed to Customs and Border Protection whose air and marine units located the boat being operated by two possible smugglers.

Both cases are under investigation by the Coast Guard, CBP and the U.S. Attor-

ney's Office for the Southern District of Florida. The migrants were all repatriated to Bahia de Cabanas, Cuba, today.

The Matagorda was the first in the Deepwater conversion of existing 110-foot patrol boats into the renovated and improved 123-foot maritime patrol boat. Matagorda was decom-

missioned in Jan. 2003, after 17 years of service, to become the first ship renovated, upgrading its operational capabilities and extending its service life.

by Lt. Anthony Russell, D7

## **Deepwater Awards Contract for Second NSC to ICGS**

The U.S. Coast Guard awarded Integrated Coast Guard Systems (ICGS) a contract to begin production and delivery of the second National Security Cutter.

Progress on this latest program award is well underway as long lead material has already been ordered to facilitate the

start of fabrication.

"Since program inception, the ICGS team has continuously raised the bar in design excellence, supply chain management, and quality and process improvements.

"ICGS is poised to build this new fleet at a rapid pace with a commitment to first time quality standards unprecedented in a new class of warships," said Philip A. Dur, president, Northrop Grumman Ship Systems.

"The employees at Northrop Grumman Ship Systems, who are providing the ship under contract to ICGS, understand the criticality of the Coast G u a r d 's n e e d s ."

"These cutters provide a platform that is highly flexible to accommodate the technology and capabilities needed to address potential threats as the Coast Guard carries out its important work of guarding our coastlines and protecting our maritime interests," said Jamie

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#### **Photos of the Deepwater National Security Cutter**





The newest Deepwater asset to go into production is the National Security Cutter (NSC). These photos, from the Northrop Grumman Ship Systems Ingalls Operations in Pascagoula, Miss., show the fabrication of the first NSC. The keel laying for this cutter will be held this Spring.



### **NSC**, from page 3

Anton, executive vice president of ICGS.

"The first ship in this class is well ahead of schedule and ICGS will strive to deliver it and this second cutter to the Coast Guard early."

The production contract for the first National Security Cutter, WMSL 750, was awarded in June 2004, with ship construction getting underway in September 2004, with multiple milestones met in the initial 90 days of the

cutter's fabrication.

All eight of the proposed National Security Cutters will be manufactured at the Northrop Grumman Ship Systems Ingalls Operations, Pascagoula, Miss.

by Margaret Mitchell-Jones