The original documents are located in Box 55, folder "9/10/76 HR11670 1977 Coast Guard Appropriations" of the White House Records Office: Legislation Case Files at the Gerald R. Ford Presidential Library.

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ACTION

THE WHITE HOUSE

Last Day: September 13

WASHINGTON September 9, 1976

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MEMORANDUM FOR

JIM CANNON THE PRESIDENT

SUBJECT:

FROM:

H.R. 11670 - 1977 Coast Guard Authorizations

Attached for your consideration is H.R. 11670, sponsored by Representative Sullivan and three others.

The enrolled bill authorizes appropriations (\$284,869,000), end-year personnel strength and student training levels for 1977 for the Coast Guard; extends indefinitely the authority of the Secretary of Transportation to rent inadequate housing to Coast Guard personnel; requires more specific and extensive Coast Guard authorizations in the future; suspends enforcement of the Federal Boat Safety Act on certain waters in New Hampshire in 1977; and authorizes exemptions from specified inspection or certification laws for certain cargo-carrying vessels in remote areas of Alaska.

A detailed discussion of the provisions of the enrolled bill is provided in OMB's enrolled bill report at Tab A.

OMB, Max Friedersdorf, Counsel's Office (Lazarus), Bill Seidman and I recommend approval of the enrolled bill.

RECOMMENDATION

That you sign H.R. 11670 at Tab B.

EXECUTIVE OFFICE OF THE PRESIDENT



OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

SEP 7 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 11670 - 1977 Coast Guard Authorizations Sponsors - Rep. Sullivan (D) Missouri and 3 others

Last Day for Action

September 13, 1976 - Monday

Purpose

Authorizes appropriations, end-year personnel strength, and student training levels for 1977 for the Coast Guard; extends indefinitely the authority of the Secretary of Transportation to rent inadequate housing to Coast Guard personnel; requires more specific and extensive Coast Guard authorizations in the future; suspends enforcement of the Federal Boat Safety Act on certain waters in New Hampshire in 1977; and authorizes exemptions from specified inspection or certification laws for certain cargo-carrying vessels in remote areas of Alaska.

Agency Recommendations

Office of Management and Budget

Approval

Department of Transportation

Approval

Discussion

H.R. 11670 would authorize appropriations of \$284,869,000 for the Coast Guard for 1977 for the procurement of certain aircraft and vessels, and the construction of certain onshore and offshore facilities. The Administration had requested \$152,898,000 for these activities, including a supplemental request of \$27 million to support the enforcement responsibility of the Coast Guard under the Fishery Conservation and Management Act of 1976 (P.L. 94-265). The major pieces of the approximately \$132 million difference between the Administration request and the funds authorized in this bill are an additional \$50 million for procurement of Great Lakes icebreakers and an additional \$73 million over the Administration request for Coast Guard enforcement responsibilities under P.L. 94-265.

The Department of Transportation Appropriations Act of 1977 (P.L. 94-387), however, provided \$202 million for the activities authorized by the enrolled bill. That Act provided no funds for the Great Lakes icebreakers and \$70 million for Coast Guard enforcement responsibilities under P.L. 94-265. (See attached table) Since the amounts in the Appropriation Act are controlling insofar as budgetary effect is concerned, the higher amounts authorized in this bill are not of practical concern.

H.R. 11670 would authorize a 1977 end-year strength of 38,918 for active duty personnel of the Coast Guard; the Administration had requested an end-year strength of 38,359. The enrolled bill would also authorize average student training levels of 5,910 students, as opposed to the Administration request of 5,487 students. The differences are intended by the Congress to provide additional personnel to the Coast Guard to carry out responsibilities under the Fishery Conservation and Management Act of 1976, and do not represent a serious problem.

H.R. 11670 would extend indefinitely the authority of the Secretary of Transportation to rent housing to Coast Guard personnel and their dependents which technically does not meet established standards. That authority expired on June 30, 1976. In many areas the only housing available does not meet established standards, and this authority is needed to enable the Coast Guard to utilize such housing for its personnel.

The enrolled bill would require that after fiscal year 1977, funds appropriated to the Coast Guard for operations and maintenance (O&M), all acquisition, construction and improvement (AC&I), alteration of bridges (AB), and research and development (R&D) must be authorized by legislation enacted after December 31, 1976. This provision brings O&M and R&D activities under the annual authorization process and reinstates and expands the annual authorization requirement for AC&I and AB programs. These requirements for additional specificity in future authorization requests are unfortunate and contrary to our general policy of simplicity and broad categories in authorization bills. In the context of the bill as a whole, however, and in light of the fact that some of the activities, as noted above, were previously subject to detailed authorizations, we do not believe this provision represents a major problem.

In addition, H.R. 11670 would prohibit the Coast Guard from expending funds for enforcement of the Federal Boat Safety Act of 1971 on Lake Winnipesaukee and Lake Winnisquam, their connecting waterways, or the Merrimack River in New Hampshire during fiscal year 1977. This provision is a result of a dispute between the Coast Guard and New Hampshire over whether these waterways are "navigable waters" of the United States. New Hampshire wishes to construct a bridge over these waters that would not meet the standards required for "navigable waters" established by the Coast Guard. This provision would prohibit the Coast Guard from enforcing its bridge standards on these waters in 1977. In its attached views letter, DOT states that the dispute should be resolved soon and therefore does not object to the provision.

Finally, the enrolled bill would authorize the Secretary of Transportation to exempt certain cargo-carrying vessels operating in remote areas of Alaska from specified inspection and certification laws. The provision would apply to vessels, mainly converted landing craft, which are the only feasible means of supplying fuel and stores to remote areas of Alaska where there are no available docking facilities. These vessels, because of their construction, cannot comply fully with all applicable vessel inspection laws and regulations. The provision would allow the Secretary to issue permits to such vessels imposing special requirements they must meet to ensure the safety of life and the environment. The Department notes in its views letter that, "The exemption is narrow, the vessels involved are not numerous, there are extensive controls, and the Coast Guard intends to closely monitor the exemption and will be prepared to offer corrective legislation if it is abused."

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Acting Assistant Director for Legislative Reference

Enclosures

ATTACHMENT

	(\$ in	thousands)	
Regular activities	125,898	134,869	132,000
Great Lakes icebreakers	0-	50,000	-0-
Enforcement of Fishery Management and Conservation Act	27,000	100,000	70,000
TOTAL	152,898	284,869	202,000



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

September 3, 1976

Honorable James T. Lynn Director Office of Management and Budget Washington, D.C. 20503

Dear Mr. Lynn:

Reference is made to your request for the views of the Department of Transportation concerning H.R. 11670, an enrolled bill

"To authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes."

For fiscal year 1977, the Administration requested a total of \$125,898,000 for the procurement of aircraft and vessels, and for the construction of facilities (AC&I funds), while the enrolled bill authorizes \$284,869,000 for these same purposes. While this increase is considerable, it can be explained by two factors.

First, \$100,000,000 of the increase is for the expanded role of the Coast Guard in fishery law enforcement arising from the enactment of the Fishery Conservation and Management Act of 1976 (P.L. 94-265). Since this Act became law after the President's FY 1977 authorization request was submitted to the Congress, it became necessary for the Congress to include authorizations for this program. I do note that this authorization provides sufficient flexibility for the Executive Branch to develop the most effective enforcement package for this program.

An additional \$50,000,000 was added in response to the strong Congressional interest in icebreakers for the Great Lakes to support year around commerce. It should be pointed out that the already enacted 1977 DOT Appropriations Act does <u>not</u> include funds for this "over-the-budget" item. The remaining items in the authorization are generally consistent with the Administration's request.

The enrolled bill also increases the Administration's request for personnel limits by 869 with corresponding increases in authorized training programs. These increases are to provide the additional

Section 5 of the enrolled bill will greatly expand the requirements for specificity in future authorization requests, reversing our recent efforts toward simplicity and generalization. Although we do not favor this approach, especially as it pertains to detailed authorizations for Coast Guard Operations and Maintenance expenditures, we do not believe this added requirement justifies a veto.

Section 6 of the enrolled bill is similar to Public Law 92-436 which requires each component of the Armed Forces to have its end strength of active duty personnel authorized each year by Congress. Although P.L. 92-436 applies to the Coast Guard, since it is an Armed Force, Section 6 makes this requirement specific.

Section 7 of the enrolled bill restricts enforcement of the Federal Boat Safety Act of 1971 by the Coast Guard in certain New Hampshire waters. Since this restriction is the result of a jurisdictional dispute which should be resolved soon, we offer no objection.

Section 8 of the enrolled bill authorizes the Secretary of Transportation to exempt certain cargo-carrying vessels in Alaska from specified laws concerning vessel inspection and certification. Although the Coast Guard generally opposes any legislation which detracts from safety, we are acutely aware of the transportation problems unique to Alaska and therefore do not object to this section. The exemption is narrow, the vessels involved are not numerous, there are extensive controls, and the Coast Guard intends to closely monitor the exemption and will be prepared to offer corrective legislation if it is abused.

After assessing the provisions of this bill in relation to other developments such as the enactment of the new Fisheries Legislation and the FY 1977 DOT Appropriations Act, I cannot affirmatively recommend a veto of this legislation and consequently the Department believes this legislation should become law. I regret, however, that in this instance the Department was not able to achieve a greater consistency with the President's authorization requests.

Sincerely. William T. Coleman

manpower for the new 200-mile fishery conservation zone.

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: September 7

Time: 530pm

cc (for information):

FOR ACTION: Judy Hope Max Friedersdorff Bill Seidman Ken Lazarus Jack Marsh Jim Connor Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date: September 8

Time: 500pm

SUBJECT:

H.R. 11670-1977 Coast Guard Authorizations

ACTION REQUESTED:

---- For Necessary Action

____ For Your Recommendations

_____ Prepare Agenda and Brief

Draft Reply

____ For Your Comments

__ Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please ielephone the Staff Secretary immediately.

K. R. COLE, JR. For the President

ACTION MEMORANDUM

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x For Your Comments

For Your Recommendations

____ Draft Reply

_____ Draft Remarks

REMARKS:

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No objective 9/8/76

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_____ For Your Comments

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_____ Draft Reply

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please return to judy johnston, ground floor west wing

APPEONE EBP

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please return to judy johnston, ground floor west wing

OK Had

PLEASE ATTACH THIS SHEET THE HEATEBILL SUCCEPTED.

If you have any guartions or if you anticipate a delay in submitting the required filestable pieces tobabane the Starf Science and manufactor

WASHINGTON

September 9, 1976

MEMORANDUM FOR:

MAX L. FRIEDERSDORF M. 6.

JIM CAVANAUGH

FROM:

SUBJECT:

HR 11670 - 1977 Coast Guard Authorization

The Office of Legislative Affairs concurs with the agencies that the subject bill be approved.

Attachments



EXECUTIVE OFFICE OF THE PRESIDENT

WASHINGTON, D.C. 20503

SEP 7 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 11670 - 1977 Coast Guard Authorizations Sponsors - Rep. Sullivan (D) Missouri and 3 others

Last Day for Action

September 13, 1976 - Monday

Purpose

Authorizes appropriations, end-year personnel strength, and student training levels for 1977 for the Coast Guard; extends indefinitely the authority of the Secretary of Transportation to rent inadequate housing to Coast Guard personnel; requires more specific and extensive Coast Guard authorizations in the future; suspends enforcement of the Federal Boat Safety Act on certain waters in New Hampshire in 1977; and authorizes exemptions from specified inspection or certification laws for certain cargo-carrying vessels in remote areas of Alaska.

Agency Recommendations

Office of Management and Budget

Approval

Department of Transportation

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The enrolled bill would require that after fiscal year 1977, funds appropriated to the Coast Guard for operations and maintenance (O&M), all acquisition, construction and improvement (AC&I), alteration of bridges (AB), and research and development (R&D) must be authorized by legislation enacted after December 31, 1976. This provision brings O&M and R&D activities under the annual authorization process and reinstates and expands the annual authorization requirement for AC&I and AB programs. These requirements for additional specificity in future authorization requests are unfortunate and contrary to our general policy of simplicity and broad categories in authorization bills. In the context of the bill as a whole, however, and in light of the fact that some of the activities, as noted above, were previously subject to detailed authorizations, we do not believe this provision represents a major problem.

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Marine Revenues

Acting Assistant Director for Legislative Reference

Enclosures

ATTACHMENT

	(\$ in thousands)			
Regular activities		125,898	134,869	132,000
Great Lakes icebreakers		-0-	50,000	-0-
Enforcement of Fishery Management and Conserva	tion Act	27,000	100,000	70,000
	TOTAL	152,898	284,869	202,000

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COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1977

MARCH 31, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mrs. SULLIVAN, from the Committee on Merchant Marine and Fisheries, submitted the following

REPORT

[To accompany H.R. 11670]

The Committee on Merchant Marine and Fisheries, to whom was referred the bill (H.R. 11670) to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

That funds are hereby authorized to be appropriated for fiscal year 1977 for the use of the Coast Guard as follows :

(1) For procurement of vessels: \$187,168,000;

For procurement of three port safety boats, one inland construction tender, six aids to navigation boats, three harbor tugboats, thirty search and rescue boats, four high/medium endurance cutter replacements, ten high speed surface delivery systems for pollution control, four small domestic icebreakers, and one motor life boat.

(2) For procurement of aircraft: \$92,500,000;

For procurement of six medium-range surveillance aircraft, six long-range surveillance aircraft, and five short-range recovery helicopters.

(3) For construction of shore and offshore establishments: \$24,401,000;

For construction at :

(a) Portsmouth, Virginia-Phase IV of new Coast Guard Support Center;

(b) Rodanthe, North Carolina—improvement of Oregon Inlet Station;(c) Elizabeth City, North Carolina—phase I of improvement of Coast

Guard Aircraft and Supply Center;

(d) Alameda, California—construction of classroom building at Coast Guard Training Center;

(e) New York, New York—phase II of New York vessel traffic service; (f) Loran-C National Implementation Plan—antenna erection, construction, and outfitting of stations at Malone, Florida, Grangeville, Louisiana, and Raymondville, Texas; antenna erection and outfitting of station at Elmira, New York; and construction and outfitting at Narrow Cape, Alaska; (g) Public family quarters—construction of family housing at Chicago, Illinois, Sitka, Alaska, and Point Judith, Rhode Island, or other locations; and

(h) Provincetown, Massachusetts-construction of new station.

SEC. 2. For fiscal year 1977, the Coast Guard is authorized an end strength for active duty personnel of 38,918; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of section 764 of title 14, United States Code.

of title 14, United States Code. SEC. 3. For fiscal year 1977, average military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 4,209 students;

(2) flight training, 154 students;

(3) professional training in military and civilian institutions, 372 students; and

(4) officer acquisition training, 1,175 students.

SEC. 4. Section 475 of title 14, United States Code is amended—

(1) by striking subsection (e) and redesignating subsections (f) and (g) as subsections (e) and (f), respectively; and

(2) by amending the redesignated subsection (f) to read as follows :

"(f) The authority conferred by subsection (a), (b), (c), or (d) may not be utilized after April 1, 1973, unless all reports required by subsection (e) have been filed with the Congress.".

SEC. 5. After fiscal year 1977, funds may not be appropriated to or for the use of the Coast Guard (1) for the operation and maintenance of the Coast Guard; (2) for acquisition, construction, rebuilding, or improvement of aids to navigation, shore or offshore establishments, vessels, or aircraft, including equipment related thereto; (3) for alteration of obstructive bridges; or (4) for research, development, tests, or evaluation related to any of the above, unless the appropriation of such funds has been authorized by legislation enacted after December 31, 1976.

SEC. 6. (a) For each fiscal year after fiscal year 1977, the Congress shall authorize the end strength as of the end of each fiscal year for active duty personnel of the Coast Guard, and no funds may be appropriated for any such fiscal year to or for the use of the active duty personnel of the Coast Guard unless the end strength for such active duty personnel for such fiscal year has been authorized by law.

(b) For each fiscal year after fiscal year 1977, the Congress shall authorize the average military training student loads for the Coast Guard. Such authorization shall be required for student loads for the following individual training categories: recruit and specialized training; flight training; professional training in military and civilian institutions; and officer acquisition training. No funds may be appropriated for any fiscal year after fiscal year 1977 for the use of training any military personnel of the Coast Guard in the aforementioned categories unless the average student loads for the Coast Guard for such fiscal year have been authorized by law.

PURPOSE OF THE LEGISLATION

The purpose of the bill is to authorize appropriations for the Coast Guard for fiscal year 1977 for the procurement of vessels and aircraft and the construction of shore and offshore establishments; for the establishment of a year-end strength of Coast Guard active duty personnel; for the authorization of Coast Guard average military student loads; and for the expansion of Coast Guard budgetary items subject to the annual authorization process.

BACKGROUND

The purpose of the bill is to authorize appropriations for the Coast States Code, is an Armed Force, maintaining a readiness to operate as a service in the Navy, upon declaration of war, or when the President otherwise directs. At all other times, the Coast Guard operates

as a part of the Department of Transportation, with the primary duties of enforcing, or assisting in the enforcing of, all applicable Federal laws on and under the high seas and waters subject to the jurisdiction of the United States, the promotion of safety of life and property in those areas, the maintenance of aids to maritmie navigation, icebreaking and rescue facilities, and engaging in oceanographic research. Within the boundaries of its assigned duties, the Coast Guard has been charged in various statutes with specific responsibilities relating to the enforcement of offshore fishing limitations, the monitoring of foreign fishing fleet activities, the maintenance of necessary equipment designed to rescue persons and save property placed in jeopardy in marine areas, the maintenance of manned and unmanned aids to navigation along the coast and inland waterways, the review and approval of construction and alteration plans of commercial vessels, the licensing of personnel and supervision of vessel operations, the establishment and oversight of standards for recreational boats, the conduct of Polar and domestic icebreaking and oceanographic research, and the exercise of various marine environmental protection duties designed to minimize and abate pollution threats to the marine environment.

To perform these varied and vital functions, the Coast Guard has an authorized personnel level, consisting of officer, enlisted and civilian personnel which will stand at approximately 43,000 at the end of the current fiscal year. It further maintains and operates various types of vessels, various aircraft, and shore facilities necessary to carry out its assigned missions effectively. While the facility level varies from time to time, the Coast Guard, in its inventory at the end of fiscal year 1976, will have approximately 250 vessels, not including small boats, and 170 aircraft.

GENERAL DISCUSSION

If the Coast Guard is to perform the duties with which it has been charged by the Congress, it is absolutely mandatory that it be furnished with the necessary equipment and personnel for that purpose. As the Committee on Merchant Marine and Fisheries stated in its annual authorization bill last year, it is not satisfied that aging Coast Guard equipment is being replaced at an adequate rate to avoid real problems in the not too distant future. In its fleet of larger vessels, the Coast Guard is still operating vessels built during the World War II era, long past the period when it might be expected that they would have been decommissioned, not only creating a problem of modern capability, but also involving larger and larger expenditures on personnel and maintenance costs to keep them operating at all. A similar condition exists in much of the air fleet, on the reliability of which depends, in many cases, the question of life or death for persons in distress. The Committee intends, therefore, to do its utmost to identify the Coast Guard's critical needs and to support a speed-up of the various items in the Coast Guard Acquisition, Construction, and Improvements budget request which now consists almost entirely of necessary replacement procurements, but replacement procurements which are being dragged out over an inordinate and dangerous period of time, which results not only in deteriorating capability, but also involves higher and higher unit costs as the stretchout continues.

In addition to the need for replacement of aging equipment at a realistically adequate rate, there is the pressing need for new and expanded capability to meet the new and expanded responsibilities which are being added to Coast Guard missions. The provision of adequate search and rescue facilities in all coastal areas requires careful evaluation. The capability of assigning equipment to respond to new problems, such as drug smuggling interdiction is woefully lacking. The enforcement of marine environmental protection laws, such as the Federal Water Pollution Control Act and the so-called Ocean Dumping Act, as well as responsibilities under legislation such as the Deepwater Port Act of 1974, are examples of critical needs. Expanded activities in support of maritime commerce, such as icebreaking assistance for winter navigation in northern areas, particularly the Great Lakes, is another example. Finally, the forthcoming responsibility for the enforcement of the extended fishing limits established in H.R. 200, which is expected to become law shortly, must be provided for.

In its action on H.R. 11670, the Committee has adopted an amendment which will, in some part, respond to additional Coast Guard needs. It is anticipated that further additions will be needed in future years, unless the Administration takes a more realistic view of Coast Guard needs and presents to the Congress a more realistic budget request in this area.

For comparative purposes, the budget request for the items in this authorization bill amounted to \$125.9 million, compared to the request for \$117.4 million for fiscal year 1976. The total AC&I budget submission, which, in addition to procurement items, includes such things as renovation and habitability improvement of vessels, replacement or acquisition of equipment, and general improvements of various facilities not involving actual construction, totaled \$165.3 million in fiscal year 1976 and totals \$171.1 million in fiscal year 1977. Despite the pressing needs, this minimal increase in the Administration budget does not even permit the Coast Guard to stand still, much less move toward critically needed levels of capability. The bill, as reported, attempts at least partially to rectify this situation.

COMMITTEE ACTION

H.R. 11670 was introduced by the Honorable Leonor K. Sullivan, for herself, the Honorable Philip E. Ruppe, the Honorable Mario Biaggi, and the Honorable Pierre S. du Pont, upon receipt of Executive Communication 2438 of February 2, 1976, a legislative proposal of the Secretary of Transportation. The bill, as introduced, is not identical to the Departmental request in that it does not contain any authorization for fiscal year 1978, since it was clear at the time of introduction that neither the Administration nor the Committee was prepared to consider the fiscal year 1978 proposal at this time. In other respects, the bill, as introduced, contained the substance of the Secertary's proposed legislation.

The Subcommittee on Coast Guard and Navigation held hearings on the bill on February 5 and February 10, 1976, and received testimony from the Coast Guard Commandant, representing the Administration, and from public witnesses. During the course of the hearings, it became apparent that there were three critical areas of concern related to the budget request. The first of these involved the Coast Guard capability for the enforcement of H.R. 200, which has now passed both Houses, and the differing versions have been reconciled by the Committee on the Conference. It is anticipated that it will become law within the next few weeks. A second issue related to the need to upgrade current icebreaking capability, as well as to meet the anticipated development which will be forthcoming later this year as a result of Public Law 91-611, which originated in the Committee on Public Works and Transportation and which directed the Secretary of the Army to conduct a survey and to undertake a demonstration program relating to the extension of the navigation season on the Great Lakes system. An interim report on that study is now being processed and a recommendation for extension of the Great Lakes navigation season is all but accomplished fact. The Subcommittee, therefore, gave special attention to Coast Guard capabilities for icebreaking assistance in the Great Lakes area. Finally, attention was directed to what several Members considered to be a glaring deficiency in search and rescue capability on the Great Lakes, as demonstrated forcefully by the sinking of the vessel FITZGERALD during a November storm on Lake Superior, with no survivors.

The Great Lakes consists of almost 100,000 square miles of waterway and contain 59 commercial harbors, annually handling ever-increasing tonnages of bulk and general cargoes, such as grain, iron ore, coal, and manufactured goods. With the anticipated increase in production from western coal lands, a substantial increase in that traffic above normally expected expansion is imminent, destined to serve the industrial needs of the Great Lakes. Recent demonstrations of the feasibility for cargo movements throughout the winter season give promise of substantial investment in additional cargo vessel construction to serve the Great Lakes, as well as substantial savings in stockpiling and storage requirements when the navigation season is interrupted. This potential development, however, will require reliable icebreaking assistance so that maritime traffic will move expeditiously and not face the continual threat of being thwarted by ice conditions in which commercial vessels cannot operate without icebreaking assistance in severe situations. The Coast Guard now maintains two icebreakers on the Great Lakes, one designed for Lake duty, and the other, a Polar icebreaker, assigned during the ice season. Since the draft of the Polar icebreaker limits its operations to relatively deeper waters, and since severe icing conditions may occur simultaneously in several areas, the two icebreakers require some backup capability at various critical points, in order to keep the traffic moving. The present backup capa-bility of the Coast Guard, consisting of 110-foot harbor tugboats has proved to be inadequate for the total task.

Finally, consideration was given by the Subcommittee as to the proper role of the Committee on Merchant Marine and Fisheries in the annual authorization process. As provided in Public Law 88–45, specific annual authorization for Coast Guard appropriations is limited to the procurement of vessels and aircraft and the construction of shore and offshore establishments. Not included are various items of operating expenses related to the operation of existing and newly acquired facilities, the improvement of operational capabilities, the reactivation or decommissioning of existing vessels, nor indeed, the maintenance, improvement, and acquisition of equipment for existing facilities. Further excluded are budget requests related to the maintenance of safe navigable channels by the alteration of obstructive bridges, as well as, the funding for various research, testing, development, and evaluation initiatives related to Coast Guard responsibilities.

After careful consideration of all the testimony and information available, the Subcommittee adopted amendatory language and unanimously, by voice vote, recommended the bill, as amended, to the Full Committee. The Committee on Merchant Marine and Fisheries considered the bill in mark-up session on March 4, 1976 and adopted the proposed amendatory language of the Subcommittee, with minor changes. It thereupon, by unanimous voice vote, ordered the bill reported with a single amendment incorporating the adopted changes.

Section-by-Section Analysis

SECTION 1

This section contains three separate items. The first item provides an authorization of \$187,168,000 for procurement of vessels, representing an increase of \$116,745,000 above the Administration request. Included in the authorization is the procurement of the following items contained in the President's budget request:

Port Safety Boats (3)-

These boats are designed for operations at Captain of the Port Safety Stations, to perform inshore work. They are of fiberglass construction and their draft enables them to operate in extremely shallow areas. They are a part of an ongoing replacement program, commenced in fiscal year 1974 to supply boats necessary to meet the minimum requirements for duties under the Ports and Waterways Safety Act and the Federal Water Pollution Control Act. Appropriations have already been provided for 39 boats, with requests for 20 additional boats in future years anticipated.

Inland Construction Tenders (1)—

These tenders are designed to replace existing inland aids to navigation tenders which are over 30 years old. They will have greater speed, more maneuverability, more storage area, and more modern habitability conditions than exist on the present tenders. The tender authorized in this bill is one of eleven planned in the ongoing replacement program, which commenced in fiscal year 1974. While appropriations have previously been made for six of these vessels, reprogramming of funds to cover increased costs and shortfalls in other projects have eliminated three of the previous vessels appropriated for. Requests for the procurement of seven additional tenders is anticipated for future years.

Aids to Navigation Boats (6)—

These 55-foot aluminum boats are constructed along the lines of typical Gulf Coast offshore platform crew boats and

are designed to provide faster transportation to, between, and from aids to navigation, permitting better use of men and equipment. They will be used in support of an improved concept for servicing aids in a program which commenced in fiscal year 1974. Appropriations for 12 of these boats have previously been made in a program which will ultimately provide a fleet of 35.

Harbor Tugboats (1)-

These boats of increased size and shaft horsepower are designed for replacement of 13 existing harbor tugs which were built between 1939 and 1943, and are near the end of their service life. The replacement will be a multimission vessel whose duties will include domestic icebreaking, search and rescue, port safety, aids to navigation, boating safety, and general support. This program was begun in fiscal year 1976, and has already suffered by virtue of reprogramming of fiscal year 1976 funds to meet costs growth problems in other projects. The program anticipates a total acquisition of eleven of these vessels, which may be substantially revised, as indicated in the discussion which follows concerning icebreaking assistance needs on the Great Lakes.

Search and Rescue Boats (30)-

These 41-foot utility boats, with all weather capability, an aluminum hull, low maintenance materials and fiberglass superstructure are designed to replace the present 40-foot utility boat which is nearing the end of its expected service life and has become increasingly involved in serious failures, including sinkings, steering casualties, and groundings. Appropriations have previously been made for 101 of these boats, commencing in fiscal year 1973. The total replacement program involves 180 boats.

High/Medium Endurance Cutter Replacements (2)-

These 270-foot vessels, designed to modern habitability and environmental standards, are intended as replacements for eight medium endurance and five high endurance cutters of World War II vintage. The existing cutters are technologically obsolete in their operational capability, their engineering plants, 30–40 years old, are increasingly costly to maintain, habitability is marginal, and critical replacement parts are extremely difficult and expensive to procure. These two requested replacements are the first in the program. A further discussion of this item will follow in relation to additional enforcement requirements upon enactment of H.R. 200.

The following items involving the procurement of vessels were added by virtue of the Committee amendment.

High/Medium Endurance Cutter Replacements (2)—

These two cutter replacements were added to the two requested in the budget, since early availability of needed cutters to enforce H.R. 200 is considered mandatory. It is quite apparent that the Coast Guard cannot, for long, rely upon the existing cutters which are planned for replacement. As described above, their capabilities and maintenance problems make their operations completely marginal, and with the added needs of patrol cutters in the offshore fisheries enforcement, the replacement program must be speeded up. Restricting this addition to even two will involve some problems. However, it is the belief of the Committee that any greater addition at this time, at the start-up of the program, might create more problems than it would solve. In the meantime, until these four replacements are operationally available, it is anticipated that two existing cutters and two seagoing tenders can be activated and operated as an interim, though marginal, solution to the problem.

Small Domestic Icebreakers (4)-

These replacement icebreaking vessels, of approximately 5,000 shaft horsepower, are the conservative solution to the problem of current icebreaking capability, as well as in the extension of the winter navigation season on the Great Lakes. The Subcommittee considered several alternative proposals for such increased assistance, stretching from the acquisition of additional large icebreakers to the acquisition of harbor tugboats. The Subcommittee decision, endorsed by the Full Committee, fell in between. While it is almost certain, based upon existing facts and predicted decisions that the winter navigation season will be extended, it is not yet clear as to exactly what role Federal policy will assign to the Coast Guard in the icebreaking assistance field. It is, therefore, considered somewhat premature to authorize the acquisition of a large icebreaker as an addition to the MACKINAW and WESTWIND. However, with any extension of the winter navigation season, the utilization of existing icebreakers without the assistance of more than the planned for harbor tugboat replacements will be marginal at best. The Committee, therefore, elected to authorize these four replacement vessels described as "domestic icebreakers", meaning for domestic service in lieu of Polar service. It is anticipated that they will be assigned to Great Lakes ports in lieu of the replacement tugboats, a program initiated in the budget submission as replacements for the existing overaged harbor tugs. They will further be expected to perform multimission duties such as aids to navigation work, search and rescue, boating safety, and port safety, and general support, when not performing their icebreaking assistance mission. If, as anticipated, they meet their designed role in support of the larger icebreakers, substantial savings can be effected, and any excess replacement harbor tugboats can be reassigned to northeastern coastal areas more expeditiously than is presently plauned for by the Coast Guard.

During the course of the hearings on this subject, the Committee received testimony from several witnesses urging the procurement of icebreakers from Finland. They pointed out the extensive expertise of the Finnish in construction of icebreakers and the fact that many nations of Europe, including the Soviet Union, as well as Argentina, have purchased such Finnish icebreakers to meet their national needs. In urging the purchase of Finnish icebreakers, witnesses pointed out that such a purchase would be entirely in accord with our friendly relations with Finland and would assist the Finnish economy which is now heavily dependent upon the Soviet Union. Furthermore, they pointed out that purchase of Finnish icebreakers would reciprocate for the extensive purchases that Finnish airlines have made in the United States. Finally, the United States Ambassador to Finland forwarded a telegram urging the procurement of Finnish icebreakers, and a copy of a memorandum was furnished representing the position of the Department of State, as expressed to the White House, stating that it would be in the interest of our foreign policy to purchase one or more Finnish icebreakers for Coast Guard use.

The Committee recognized the validity of the reasons advanced for the purchase of Finnish icebreakers and has no reason to disagree with the contention that it would be beneficial to our relations with Finland. However, the Committee felt that a decision along these lines does not lie within the jurisdiction of the Committee on Merchant Marine and Fisheries and that any foreign policy impact is a matter for consideration elsewhere, consistent with established procurement procedures. For the above reason, while no Members voiced specific objection to a foreign procurement, the question was left open with the election of the Committee not to take a position.

Harbor Tugboats (2)-

The addition of these two harbor tugboats in the Committee amendment has a dual purpose. As indicated in the earlier discussion on the items in the President's budget request, these boats are intended for replacement of 13 existing harbor tugs of World War II vintage. With double the horsepower of the existing tugs, the program was designed to meet growing demands for icebreaking service in the Great Lakes, as well as in northeastern coastal states where the present tugs are deployed. It is questionable whether they can accomplish the designed purpose on the Great Lakes, and certainly not if the winter navigation season is extended to the degree presently anticipated. However, the Committee believes that an evaluation period of use is desirable to determine whether this type of replacement vessel would be adequate, used in conjunction with the four multimission icebreaking vessels authorized. If it turns out that they cannot meet Great Lakes needs, additional multimission icebreaking vessels could be acquired and these vessels could then be utilized in the northeastern coastal states where the Coast Guard plans envision their utilization. In order to expedite these replacement needs, the Committee has, therefore, authorized these two additional vessels, restoring this replacement program to the level requested by the

Coast Guard in its original budget submission, which was reduced from three to one replacement tugboat in the President's budget request.

High Speed Surface Delivery Systems for Pollution Control (10)-

This item involves the development of a system whereby pollution control equipment may be deployed rapidly at the scene of an oil spill. It consists basically of 40-foot boat hulls, designed to be towed by helicopter, at a speed of some 60 knots in order to arrive rapidly on scene and carry the pollution barirers and pollution cleanup equipment such as skimmers, which will then be in place to begin cleanup activity before the spill spreads. This is considered to be extremely desirable because of existing problems on all spills, as well as the potentiality for future exposure from Continental Shelf oil exploitation.

Motor Life Boat (1)-

This 44-foot motor life boat addition is provided for deployment on Lake Superior for a search and rescue capability presently unable to cope with severe and sudden storms which occur in that area, particularly in the late fall. In summarized form, the first item provides:

For procurement of vessels\$	187, 168, 000
Replacement patrol cutter (270-ft.)	98, 000, 000
New icebreaking vessels (5,000 ship)	52, 000, 000
Three replacement harbor tugboats (140 ft.)	20, 700, 000
Replacement search and rescue boats (41 ft.)	7, 648, 000
Replacement inland tender (160 ft.)	3, 725, 000
New pollution control devices	1, 500, 000
Additional motor life boat (44 ft.)	445,000
Replacement port safety boats (32 ft.)	390, 000

The second item in section 1 provides for an authorization of \$92,500,000 for procurement of aircraft, representing an increase of \$59,600,000 above the Administration request. Included in the authorization is the following item contained in the President's budget request:

Medium Range Surveillance Aircraft (6)—

These new fixed wing aircraft are a part of a continuing replacement program for the HU-16E amphibious aircraft, which first entered Coast Guard service in 1951. The existing aircraft are rapidly approaching their maximum flight hour limitation, and due to the combination of fatigue, corrosion, and the high cost of spare parts, the entire fleet is reaching operational and engineering obsolescence. The replacement aircraft, which will be utilized in a multimission phase for search and rescue, marine environmental protection, enforcement of laws and treaties, and other activities, will have an all weather capability, high dash speeds, and low altitude search and surveillance capability, with a high degree of navigational accuracy. This replacement program commenced in fiscal year 1975, but because of procurement delays, the appropriation of \$15,000,000 for fiscal year 1975 has been reprogrammed into other projects with cost growth problems. The procurement program has now progressed to the receipt of requests for technical proposals, and it is anticipated that the bidding stage for those proposals found acceptable should result in a contract being let by late summer or early fall. Dependent upon the actual bid accepted, the authorization in this bill, plus the appropriations for fiscal year 1976 and for the transition quarter, should provide for 15 of the replacement aircraft with an additional 26 anticipated for future years.

The following two items involving the procurement of aircraft were added by virtue of the Committee amendment :

Long-Range Surveillance Aircraft (6)-

These long-range surveillance aircraft are authorized for the purpose of future surveillance needs in the enforcement of offshore fisheries legislation. These are additions to the present C-130's and will be utilized, along with other similar aircraft in the present fleet, in the multimission mode.

Short-Range Recovery Helicopters (5)—

These are the first of an anticipated replacement program for existing helicopters in the Coast Guard. While the Coast Guard requested 10 of these units in its original budget submission, the item did not survive in the President's budget. In view of the additional patrol needs, particularly in the fisheries enforcement area, the Committee restored one-half of the original Coast Guard request. In summarized form, the second item provides:

For procurement of aircraft	\$92, 500, 000
Long-range surveillance aircraft	51, 600, 000
Medium-range surveillance aircraft	32, 900, 000
Short-range recovery helicopters	8, 000, 000

The third item in the section provides for an authorization of \$24,401,000 for construction of shore and offshore establishments, representing an increase of \$1,826,000 above the Administration request. Included in the authorization is the construction of the following facilities, as contained in the President's budget request:

Portsmouth, Virginia.—New Coast Guard Support Center (Phase IV).

This phase of a multiyear construction program will provide for an administration/dispensary building, associated site development, utilities, paving equipment, electronics, and furnishings necessary to complete the operational development of Support Center Portsmouth. An enlisted recreational center will be provided.

Rodanthe, North Carolina.-Oregon Inlet Station.

This item will provide authorization for a new multipurpose station building with waterfront facilities, including sheet steel bulkhead, a boat ramp, and a nine foot dredged boat basin. Elizabeth City, North Carolina.—Aircraft Repair and Supply Center Improvements.

This item will provide for modifications to the paint hangar, consisting of a 1,600 square foot components painting shop addition, as well as a 4,000 square foot components stripping shop addition to the stripping hangar.

Alameda, California.-Coast Guard Training Center.

This item will provide for a new classroom building of eleven classrooms and a total of 34,400 square feet of space for the training of recruits, able to accommodate projected recruit training loads through the 1980's.

New York, New York.-Vessel Traffic Service (Phase II).

This phase of a continuing program for vessel traffic service in New York Harbor will provide for the procurement of low-light level closed-circuit television cameras and installation at six sites to provide vessel position verification in the New York Harbor areas. It also involves the procurement and installation of communications equipment and a microwave relay system.

Loran-C National Implementation Plan.—This item authorizes funding in a continuing program to implement LORAN-C installations, begun in fiscal year 1974. The funding in this item covers the completion of East Coast construction by the erection of a transmitting antenna and the final outfitting of a station near Elmira, New York. In addition, it provides for the completion of Gulf Coast coverage by the erection of transmitting antennas and final outfitting of stations at Malone, Florida, Grangeville, Louisiana, and Raymondville, Texas. Finally, it provides for improvement of coverage in the Gulf of Alaska by the completion of construction and outfitting at Narrow Cape, Alaska, as a relocation from Sitkinak, Alaska.

Public Family Quarters.—This item will provide approximately 96 additional units of housing, intended for Chicago, Illinois, Sitka, Alaska, and Point Judith, Rhode Island. This is a continuation of a long-range program which commenced in fiscal year 1972. While construction at the three listed locations is intended, final selection will depend upon progress in land acquisition, market conditions, and other factors. Therefore, if there should be difficulties in the designated areas, it is intended that the funding be utilized for other locations should that eventuality be more feasible.

The following item involving construction was added by virtue of the Committee amendment:

Provincetown, Massachusetts.—Construct new station. This item has been carried in the Coast Guard budget request for the past two years. However, in each case, it has been deleted prior to submission of the President's budget. It is a recognized item of first priority, one of the only two new station requests considered urgently needed by the Coast Guard. It involves the relocation of the present search and rescue station at Provincetown, Massachusetts, the present location of which, away from the harbor area, is a considerable handicap to ready response to distress in an area of high boating activity, particularly in the summer months. The land for the new location has already been acquired.

In summary form, the third item provides:

For construction of shore and offshore establishments	\$24, 401, 000
LORAN-C National Implementation Plan	8, 833, 000
New York, N.Y. Vessel Traffic Service	3, 700, 000
Portsmouth, VaCoast Guard Support Center	2,661,000
Alameda, Calif.—Training Center	2, 117, 000
Provincetown, MassSAR Station	1, 826, 000
Rodanthe, N.C.—Oregon Inlet Station	1,220,000
Elizabeth City, N.CAircraft Repair and Supply Center	290, 000

SECTION 2

This section authorizes, pursuant to the requirements of section 302 of Public Law 92–436, a fiscal year 1977 end-strength for active duty personnel of 38.918. The figure is derived from the President's request for total Coast Guard operations, plus the additional personnel needed for the activation and operation of vessels and aircraft to be utilized as an interim measure in the enforcement of the 200-mile fishing limit. The President's budget request was for a ceiling of 38,049. The Committee amendment authorizes, in addition to that figure, 863 personnel, consisting of 112 officers and 751 enlisted personnel, for the 200-mile limit enforcement, in addition to six enlisted personnel necessary for the manning of a search and rescue station during summer months at Grand Marais, Minnesota. The total addition amounts to 869 personnel.

SECTION 3

This section authorizes, pursuant to the requirements of section 604 of Public Law 92-436, average military training student loads in four training categories. The President requested an average load of 3,880 students for recruit and special training. The Committee amendment authorizes 4,209 students in this category, an increase of 329. The President requested an average load of 92 students in flight training. The Committee amendment provides for an average load of 154 students in that category, an increase of 62 students. The President requested an average training load of 372 students in professional training in military and civilian institutions. The Committee amendment auhorzed an average load of 372 students in that category, the same as the request. The President requested an average student load of 1,143 in officer acquisition training. The Committee amendment authorized an average load of 1,175 students in that category, an increase of 32 students.

In each case, the additions made by the Committee amendment reflect the best estimate of Coast Guard needs for training attendant to the additional requirements for enforcement of the 200-mile fishing limit.

SECTION 4

This section amends section 475 of title 14, United States Code, in order to extend indefinitely the Secretary's authority to rent housing for Coast Guard personnel. The authority will otherwise expire on June 30, 1976, and an extension is necessary because of the slow progress in the housing program. In some locations, housing which does not, in all respects, meet minimal standards, is the only housing available and the authority here extended is necessary to utilize that available housing. At such time as the ongoing housing program is completed, the authority under 14 U.S.C. 475 will no longer be necessary.

SECTION 5

This section expands the area of the Coast Guard budget requests which would be subject to the authorization process. Except for the specific authorization included in section 1 of this bill, and the indirect authorization reflected in personnel ceilings and average student loads in sections 2 and 3, the remainder of the Coast Guard annual budget requests are based upon general authority contained in various statutes, including the basic authorities contained in various statutes, including the basic authority contained in title 14, as codified in 1949. With the passage of the Congressional Budget Act of 1974, and the experience of the Committee with that Act in the present Congress, it has become abundantly clear that, if it is effectively to carry out its oversight duties, the Committee must expand its annual authorization review of the Coast Guard budget requests. It cannot make adequate decisions on procurement of new vessels and aircraft and the construction of establishments without also making some hard decisions on the cost effectiveness of maintenance and improvement of existing facilities. Nor can it exercise the legislative control which is inherent in its responsibilities without annually providing for the authorization which includes the expenditures of significant funds on operating expenses, on the improvement of navigational safety on navigable waterways, and on requests for research, development, testing, and evaluation relating to Coast Guard operational needs.

SECTION 6

This section places in specific language referring to the Coast Guard, requirements of law now contained in Public Law 92–436, which relates to the Armed Forces generally. Although the Committee on Merchant Marine and Fisheries has handled these authorizations in relation to the Coast Guard since the inception of the requirement, it is considered desirable to make the requirement specifically relative to the Coast Guard rather than to continue under the statute generally applicable to the Armed Forces, the balance of which is handled for the military departments in the annual Defense Department authorization.

COST OF THE LEGISLATION

Pursuant to Clause 7 of Rule XIII of the Rules of the House of Representatives, the Committee estimates that the maximum direct cost of the legislation at \$304,069,000 for fiscal year 1977. This does not reflect the indirect personnel cost of approximately \$400,000,000, flowing from the authorized personnel level, the costs of which are contained in other Coast Guard budget items, such as operating expenses, reserve training, and research, development, tests, and evaluation, which are not a part of this authorization process. This cost figure is based upon the assumption that the authorizations contained in the bill will be implemented by appropriations. The Committee received no different estimates of costs from any government agency.

Compliance With Clause 2(1)(3) of Rule XI

With respect to the requirements of Clause 2(1)(3) of Rule XI of the Rules of the House of Representatives—

(A) In addition to hearings on various legislative proposals, the Subcommittee on Coast Guard and Navigation held six days of oversight hearings on various aspects of Coast Guard operations since the enactment of the last authorization legislation. No specific findings and recommendations were made in connection with those oversight hearings;

(B) The requirements of section 308(a) of the Congressional Budget Act of 1974 are not applicable to this legislation;

(C) The Director of the Congressional Budget Office has furnished the Committee with an estimate and comparison of cost for H.R. 11670, pursuant to section 403 of the Congressional Budget Act of 1974. That submission is as follows:

CONGRESSIONAL BUDGET OFFICE

COST ESTIMATE

1. Bill No.: H.R. 11670.

2. Bill title: A Coast Guard Authorization bill.

3. Purpose of bill: The bill authorizes appropriations for FY 1977 to the Coast Guard for the procurement of vessels and aircraft, and for the construction of shore and offshore establishments. The bill also increases the Coast Guard year-end active duty personnel strength and sets average student training levels. This is an authorization bill and therefore requires subsequent appropriation action.

4. Cost estimate:

[In thousands of dollars]

	Fiscal year				
	1977	1978	1979	1980	1981
Sec. 1 (1). Sec. 1 (2). Sec. 1 (3). Sec. 2.	14, 608 0 9, 305 14, 247	60, 755 10, 000 14, 649 12, 978	50, 200 70, 500 447 13, 648	46, 009 12, 000 0 14, 362	15, 605 0 0 15, 082
Total	38, 160	98, 382	134, 795	72, 362	30, 687

5. Basis for estimate: For Section 1, parts (1), (2), and (3) of the bill, the outlay estimates are based upon the authorization levels stated in the bill. These estimates use Coast Guard contract and con-

struction timetables for the various vessels, aircraft, and offshore facilities to develop the five-year spendout rates.

Section 1 (1).—This section authorizes \$187,168,000 for the procurement of three port safety boats, one inland construction tender, six aids to navigation boats, three harbor tugboats, thirty search and rescue boats, four high/medium endurance cutter replacements, ten high speed surface delivery systems for pollution control, four small domestic icebreakers, and one motor lifeboat.

Section 1 (2).—This section authorizes \$92,500,000 for the procurement of six medium-range surveillance aircraft, six long-range surveillance aircraft, and five short-range recovery helicopters.

Section 1 (3).—This section authorizes \$24,401,000 for construction of facilities at Portsmouth, Virginia; Rodanthe, North Carolina; Elizabeth City, North Carolina; Alameda, California; New York, New York; Chicago, Illinois; Sitka, Alaska; and Provincetown, Mas-

The following table summarizes the annual cost for the added ville, Louisiana; Raymondville, Texas; Elmira, New York; and Narrow Cape, Alaska, as part of the Loran-C program.

sachusetts. This section also provides for antenna erection and/or construction and outfitting of stations at Malone, Florida; Grange-enlisted personnel, 104 officers, 27 warrant officers, and 26 cadets.

Section 2.—This section increases the FY 77 end strength for active duty Coast Guard personnel from 38,049 to 38,918. This will cause an increase in pay and training costs for the additional 869 people. It is assumed that the 869 people will be in the same proportion of officers to enlisted personnel as it is presently. This would give 712 personnel:

	Number	Recurring cost	Average pay	Total
Officers Enlisted Warrant officers Cadets	104 712 27 26	3, 297 2, 338 3, 022 3, 297	20, 700 10, 000 18, 400 10, 000	2, 495, 688 8, 784, 656 578, 394 347, 722
Total	869	****	*****	12, 206, 460

Note: Added to these annual costs would be nonrecurring training costs which would only occur in fiscal year 1977 These would be \$2,435 per officer and cadet; \$2,193 per warrant officer; and \$1,338 per enlisted man.

(Committee Comments: The above submission, in respect to section 1 of the bill, is an estimate of outlays, rather than an estimate of budget authority. As to section 2, the assumption of the distribution of the added personnel does not coincide with the specific intended allocation needs designated by the Coast Guard estimates. Furthermore, the estimate for personnel and training cost is based upon the assumption that the cost would extend over a full fiscal year, while in fact, the actual personnel cost will be related to the effective date of H.R. 200, which, by the Committee on the Conference, has been established as March 1, 1977. Personnel cost estimates should be reduced correspondingly.); and

(D) The Committee has received no report from the Committee on Government Operations of oversight findings and recommendations arrived at, pursuant to Clause 2(b)(2) of Rule X.

INFLATIONARY IMPACT STATEMENT

Pursuant to Clause 2(1)(4) of Rule XI of the Rules of the House of Representatives, the Committee has assessed the potential for inflationary impact and has concluded that the inflationary impact, if any, is insignificant.

The bill is an acquisition, construction, and improvement authorization bill. Based upon the actual outlay distribution, the Committee finds no evidence of significant competitive pressures on manpower or materials that would have inflationary impact. Instead, the expenditures would affect those business segments which are now experiencing excess capacity, specifically the shipbuilding, aircraft manufacturing, and construction industries. In comparison with the President's budget request, the Committee amendment for acquisition and construction will involve an increase in outlay for fiscal year 1977 of \$3.2 million.

DEPARTMENTAL REPORTS

H.R. 11670 was the subject of an Executive Communication No. 2438 from the Department of Transportation and follows herewith:

[Exec. Comm. No. 2438]

THE SECRETARY OF TRANSPORTATION, Washington, D.C., January 30, 1976.

Hon. CARL ALBERT, Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: There is transmitted herewith a draft of a bill, "To authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes."

This legislative proposal is the Coast Guard's authorization of appropriations request for fiscal year 1977 and fiscal year 1978.

The 1977 requests were originally submitted to Congress prior to May 15, 1975 as part of a proposal which also requested authorization of appropriations for 1976 and for the transition period of July 1, 1976 to September 30, 1976. When the proposal was enacted as Public Law 94-54 all references to the 1977 requests were deleted. Therefore we are submitting updated requests for fiscal year 1977. The proposal also includes our requests for authorization of appropriations for fiscal year 1978.

Section 1 of this legislative proposal is responsive to the requirements of section 1 of Public Law 88-45 which provides that funds may not be appropriated to or for the use of the Coast Guard for the construction of shore or offshore establishments or for the procurement of vessels or aircraft, unless the appropriation of those funds is authorized by legislation. Section 2 of the bill responds to section 302 of Public Law 92-436 which provides that Congress shall authorize for each fiscal year the end strength for active duty personnel for each component of the Armed Forces. Section 3 of the bill responds to section 604 of Public Law 92-436 which provides that Congress shall authorize for each component of the Armed Forces the average military training student loads for each fiscal year.

Continuing the practice initiated with the authorization request for fiscal year 1976, the individual items included in the categories of acquisition and construction have not been listed. However, in further support of this legislation, the cognizant legislative and budget committees will be furnished detailed information with respect to each program for which fund authorization is being requested in a form identical to that which will be submitted in explanation and justification of the particular budget request. Additionally, the Department will be prepared to submit any other data that the committees or their staffs may require.

Section 4 of this proposed legislation amends section 475 of title 14. Paragraphs (b) and (c) of section 475 authorize the Secretary of the Department in which the Coast Guard is operating to lease housing units which fail to meet established standards and designate them as rental housing even though they are technically inadequate. The Secretary may rent this housing to Coast Guard personnel but the rent shall not exceed 75 percent of the Coast Guard member's basic allowance for quarters. This authority, which would otherwise expire on June 30, 1976, would be extended indefinitely by our proposal. The extension is necessary for in many areas there continues to be a severe shortage of housing which meets the technical standards to qualify as adequate. Also, it is appropriate to extend the authority indefinitely for there is no indication that the shortage of adequate housing will be eliminated.

It would be appreciated if you would lay this proposal before the House of Representatives. A similar proposal has been submitted to the President of the Senate.

The Office of Management and Budget has advised that enactment of this proposed legislation is in accord with the President's program. Sincerely,

WILLIAM T. COLEMAN, Jr.

A BILL To authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal years 1977 and 1978 and for use of the Coast Guard as follows:

	es		

For procurement ve	sseis :	
For fiscal year	1977	\$70, 423, 000
For fiscal year	1978	84, 200, 000

Aircraft

For procurement of	aircrait:	
For fiscal year	1977	\$32, 900, 000
	1978	
		200, 200, 000

Construction

For construction of shore and offshore establishments :

 For fiscal year 1977_______\$22, 575, 000

 For fiscal year 1978______

 22, 600, 000

SEC. 2. (a) For fiscal year 1977, the Coast Guard is authorized an end strength for active duty personnel of 38,049. The ceiling provided for in this section shall not include members of the Ready Reserve called to duty under the authority of Public Law 92-479.

(b) For fiscal year 1978, the Coast Guard is authorized an end strength for active duty personnel of 38,050. The ceilings provided for in this section shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92-479.

SEC. 3. (a) For fiscal year 1977, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3880 person-years;

(2) flight training, 92 person-years;

(3) professional training in military and civilian institutions, 372 person-years; and

 $(\hat{4})$ officer acquisition training, 1143 person-years.

(b) For fiscal year 1978, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3,900 person-years;

(2) flight training, 94 person-years;

(3) professional training in military and civilian institutions, 375 person-years; and

 $(\hat{4})$ officers acquisition training, 1150 person-years.

SEC. 4. Section 475 of title 14, United States Code, is amended as follows:

(a) by striking subsection (e)

(b) by relettering subsections (f) and (g) as (e) and (f) respectively; and

(c) by striking in subsection (f), as relettered above the reference to subsection (f) and inserting in lieu thereof a reference to subsection (e).

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, as amended, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

COAST GUARD

(14 U.S.C. 475)

§475. Leasing and hiring of quarters; rental of inadequate housing

(a) The Secretary of the Department in which the Coast Guard is operating is authorized to lease housing facilities at or near Coast Guard installations, wherever located, for assignment as public quarters to military personnel and their dependents, if any, without rental
charge upon a determination by the Secretary, or his designee, that there is a lack of adequate housing facilities at or near such Coast Guard installations. Such public housing facilities may be leased on an individual or multiple-unit basis. Expenditures for the rental of such housing facilities may not exceed the average authorized for the Department of Defense in any year except where the Secretary of the Department in which the Coast Guard is operating finds that the average is so low as to prevent rental of necessary housing facilities in some areas, in which event he is authorized to reallocate existing funds to high-cost areas so that rental expenditures in such areas exceed the average authorized for the Department of Defense.

(b) Notwithstanding the provisions of any other law, members of the Coast Guard, with dependents, may occupy on a rental basis, without loss of basic allowance for quarters, inadequate quarters under the jurisdiction of the Coast Guard notwithstanding that such quarters may have been constructed or converted for assignment as public quarters. The net difference between the basic allowance for quarters and the fair rental value of such quarters shall be paid from otherwise available appropriations; however, no rental charge for such quarters shall be made against the basic allowance for quarters for a member of the Coast Guard in excess of 75 per centum of such allowance except that in no event shall the net rental value charged to the member's basic allowance for quarters be less than the cost of maintaining and operating the housing.

(c) The Secretary is authorized, subject to regulations approved by the President--

(1) to designate as rental housing such housing as he may determine to be inadequate as public quarters; and

(2) to lease inadequate housing to members of the Coast Guard for occupancy by them and their dependents.

(d) Where sufficient quarters are not possessed by the United States, the Commandant may hire quarters for personnel, including personnel on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable. Such accommodations shall not be available for occupancy by the dependents of such personnel.

(e) The authority provided in subsections (b) and (c) of this section shall expire on June 30, 1976.

[(f)] (e) The Secretary of the Department in which the Coast Guard is operating shall annually, not later than April 1, commencing April 1, 1973, file with the Speaker of the House of Representatives and the President of the Senate a complete report of the utilization of the authority granted in subsections (a), (b), (c), and (d) during the preceding calendar year.

[(g) The authority conferred by subsection (a), (b), (c) or (d) may not be utilized fater April 1, 1973, unless all reports required by subsection (f) have been filed with the Congress.]

(f) The authority conferred by subsection (a), (b), (c), or (d) may not be utilized after A pril 1, 1973, unless all reports required by subsection (e) have been filed with the Congress.

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94TH CONGRESS 2d Session SENATE

REPORT No. 94-865-

Calendar No. 822

COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1977

MAY 13, 1976.—Ordered to be printed

Mr. ROBERT C. BYRD (for Mr. MAGNUSON), from the Committee on Commerce, submitted the following

REPORT

[To accompany H.R. 11670]

The Committee on Commerce, to which was referred the bill (H.R. 11670) a bill to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a yearend strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments are as follows:

Page 1, line 5, delete "\$187,168,000" and insert in lieu thereof "\$86,-168,000".

Page 2, line 1, delete the word "four" and insert in lieu thereof the word "two".

Page 2, line 3, delete the words "four domestic icebreakers,".

Page 2, line 4, delete "\$92,500,000" and insert in lieu thereof "\$24,-300,000".

Page 2, lines 6 and 7, delete the comma after the word "aircraft" and the words "six long-range surveillance aircraft, and five short-range recovery helicopters." and insert in lieu thereof a period and the following new sentence:

No funds authorized pursuant to this paragraph or any other law shall be used to procure any such aircraft from any company, corporation, or other entity—

(a) which is not incorporated or organized under the laws of any State of the United States;

(b) more than 50 per centum of the voting stock of which is owned by citizens of any foreign nation;

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(c) more than a minority of the officers and directors of which are citizens of any foreign nation; or

(d) which does not have design, engineering, and manufacturing facilities within the United States.

Page 3, after line 8, add the following two new paragraphs:

(4) For procurement of vessels and/or aircraft for carrying out Coast Guard missions, including fishery law enforcement: \$100,000,000.

(5) For procurement of vessels with icebreaking capability to be used on the Great Lakes: \$50,000,000.

Page 4, strike lines 7 through 16.

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Page 4, line 17, delete "6" and insert in lieu thereof "5".

Page 5, after line 9, insert the following new section:

SEC. 6. No funds authorized or appropriated for operation and maintenance of the Coast Guard shall be used for enforcement of the Federal Boat Safety Act of 1971 (46 U.S.C. 1451, et seq.) on Lake Winnipesaukee and Lake Winnisquam, their interconnecting waterways, or the Merrimack River in the State of New Hampshire during fiscal year 1977. In addition, no such funds shall be used for enforcement of such Act if the question of Coast Guard jurisdiction over such lakes or waterways is before a Federal or State court. Nothing in this section shall (1) prevent or limit the distribution of funds to the State of New Hampshire under the Federal Boat Safety Act, or (2) limit the authority or responsibility of the Coast Guard to assist in search and rescue operations in the State of New Hampshire.

PURPOSE AND BRIEF DESCRIPTION

The purpose of the bill is to authorize appropriations for the Coast Guard for fiscal year 1977 for the procurement of vessels, aircraft, and the construction of shore and offshore establishments; for the establishment of a year-end strength of Coast Guard active duty personnel; for the authorization of Coast Guard average military student loads; and for other purposes.

Appropriations authorized total \$284,869,000 for procurement of vessels and aircraft and the construction of shore and offshore establishments. A fiscal year 1977 end-strength for active duty personnel is set at 38,918. Included in both totals is additional expenditure authorization and personnel for enforcement of extended U.S. fishery management jurisdiction under the Fishery Conservation and Management Act of 1976 (Public Law 94-265; April 13, 1976). In addition, the bill contains increased funding levels for the enhancement of Coast Guard ice-breaking capability on the Great Lakes in anticipation of a yearround navigation season.

BACKGROUND AND NEED

The United States Coast Guard, pursuant to title 14, United States Code, is an Armed Force, maintaining a readiness to operate as a service in the Navy, upon declaration of war, or when the President otherwise directs. At all other times, the Coast Guard operates as a part of the Department of Transportation with the primary duties of enforcing, or assisting in the enforcing of, all applicable Federal laws on and under the high seas and waters subject to the jurisdiction of the United States, the promotion of safety of life and property in those areas, the maintenance of aids to maritime navigation, icebreaking and rescue facilities, and engaging in oceanographic research. Within the boundaries of its assigned duties, the Coast Guard has been charged in various statutes with specific responsibilities relating to the enforcement of offshore fishing limitations, the monitoring of foreign fishing fleet activities, the maintenance of necessary equipment designed to rescue persons and save property placed in jeopardy in marine areas, the maintenance of manned and unmanned aids to navigation along the coast and inland waterways, the review and approval of construction and alteration plans of commercial vessels, the licensing of personnel and supervision of vessel operations, the establishment and oversight of standards for recreational boats, the conduct of Polar and domestic icebreaking and oceanographic research, and the exercise of various marine environmental protection duties designed to minimize and abate pollution threats to the marine environment.

To perform these varied and vital functions, the Coast Guard has an authorized personnel level, consisting of officer, enlisted and civilian personnel, which will stand at approximately 43,000 at the end of the current fiscal year. It further maintains and operates various types of vessels, various aircraft, and shore facilities necessary to carry out its assigned missions effectively. While the facility level varies from time to time, the Coast Guard will have approximately 250 vessels, not including small boats, and 170 aircraft in its inventory at the end of fiscal year 1976.

If the Coast Guard is to perform the duties with which it has been charged by the Congress, it is absolutely mandatory that it be furnished with the necessary equipment and personnel for that purpose. As the Committee on Commerce stated in its annual authorization bill last year, it is not satisfied that aging Coast Guard equipment is being replaced at an adequate rate to avoid real problems in the not too distant future. In its fleet of larger vessels, the Coast Guard is still operating vessels, many built during the World War II era, long past the period when it might be expected that they would have decommissioned. This situation not only creates a problem of modern capability, but also will require larger expenditures on personnel and maintenance to keep them operating at all. A similar condition exists in much of the air fleet on the reliability of which depends, in many cases, the question of life or death for persons in distress. The Committee intends, therefore, to do its utmost to identify the Coast Guard's critical needs and to support a speed-up of the various items in the Coast Guard Acquisition, Construction, and Improvements budget request which now consists almost entirely of necessary replacement procurements. Currently, replacement procurements are being dragged out over an inordinate length of time, possibly resulting not only in deteriorating capability, but also higher unit costs as the stretchout continues.

In addition to the need for replacement of aging equipment at a realistically adequate rate, there is the pressing need for new and expanded capability to meet the new and expanded responsibilities which are being added to Coast Guard missions. The provision of adequate search and rescue facilities in all coastal areas requires careful problems, such as drug smuggling interdiction, is woefully lacking. The enforcement of marine environmental protection laws, such as the Federal Water Pollution Control Act and the so-called Ocean Dumping Act, as well as responsibilities under legislation such as the Deepwater Port Act of 1974, are examples of critical needs. Expanded activities in support of maritime commerce, such as icebreaking assistance for winter navigation in northern areas, particularly the Great Lakes, is another example.

Finally, a substantial expansion of the Coast Guard's fishery law enforcement duties has occurred due to the recent enactment of the Fishery Conservation and Management Act of 1976 (Public Law 94-265). This new law extends the fishery management jurisdiction of the United States to 200 nautical miles. As a consequence, the need to replace old, less efficient equipment and to acquire new resources becomes critical. It should be pointed out that Coast Guard vessels and aircraft are, by tradition, multi-mission. None of the Coast Guard's equipment is dedicated to just fishery law enforcement. Therefore, increased resources to meet the immediate need of enforcing the 200 mile limit will have the ancillary effect of expanding the Coast Guard capability to carry out other missions as well.

The Department of Transportation had requested \$125.9 million in its proposed bill for fiscal year 1977 Coast Guard authorizations, compared to the request for \$117.4 million for fiscal year 1976. This bill represents an increase of approximately \$159,000,000 over the Department's request.

SECTION-BY SECTION ANALYSIS

Section 1

Paragraph 1 authorizes appropriations of \$86,168,000 for the procurement of vessels. Specially provided for are: three port safety boats, one inland construction tender, six aids-to-navigation boats, three harbor tug boats, 30 search and rescue boats, two 279 foot high/ medium endurance cutters, ten high speed surface delivery systems for pollution control, and one motor life boat.

Paragraph 2 authorizes appropriations of \$24,300,000 for the procurement of aircraft. Specifically provided for are six medium-range surveillance aircraft. Funds were authorized for the procurement of this type of aircraft in fiscal years 1975 and 1976. However, problems in bidding procedures have delayed their purchase. The Committee is quite concerned that these new aircraft, replacements for the aging HU-16E amphibious planes, be acquired as soon as possible. In addition, the Committee recommends an amendment to this paragraph to assure that these aircraft are purchased only from a U.S. aircraft manufacturer. The Committee believes that, because of the military mission which these aircraft may serve, their purchase from a non-U.S. manufacturer would be inappropriate.

Paragraph 3 would authorize appropriations of \$24,401,000 for the construction of shore and offshore establishments. Specifically, construction is authorized at: Portsmouth, Virginia (phase IV of a new Coast Guard support center); Rodanthe, North Carolina (improvement of the Oregon Inlet Station); Elizabeth City, North Carolina

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(phase I of an improvement at the Coast Guard aircraft and supply center); Alameda, California (construction of a classroom building at Coast Guard training center); New York, N.Y. (phase II of New York vessel traffic service); Loran-C National Implementation Plan (antenna erection, construction and outfitting of stations at Malone, Florida; Grangeville, Louisiana; and Raymondville, Texas; antenna erection and outfitting of a station at Elmira, New York; and construction and outfitting at Narrow Cape, Alaska); Public family quarters (construction of family housing at Chicago, Illinois; Sitka, Alaska; and Point Judith, Rhode Island, or other locations); and Provincetown, Massachusetts (construction of a new station).

Paragraph 4 would authorize appropriations of \$100,000,000 for the procurement of vessels and/or aircraft for carrying out Coast Guard missions, including fishery law enforcement. This represents the Committee add-on for enforcement of the 200-mile fishery management zone created by the Fishery Conservation and Management Act of 1976. The Committee decided against being specific about precisely what equipment should be authorized. Coast Guard plans for enforcement of the 200-mile limit are still under review within the Administration. While the exact mix of vessels and aircraft (and the type of each) is not known, the Committee believes, based on earlier Coast Guard testimony, that \$100,000,000 is a fairly accurate figure reflecting fiscal year 1977 new equipment requirements. The Committee expects that the Coast Guard, in determining its exact requirements, will examine all feasible types of new equipment, including hydrofoils, to determine the most efficient and least costly method of carrying out its missions, including fishery law enforcement.

Paragraph 5 authorizes appropriations of \$50,000,000 for the procurement of vessels with ice-breaking capability to be used on the Great Lakes. The Great Lakes consist of almost 100,000 square miles of waterway and contain 59 commercial harbors, annually handling ever-increasing tonnages of bulk and general cargoes, such as grain, iron ore, coal, and manufactured goods. With the anticipated increase in production from western coal lands, a substatial increase in that traffic above normally expected expansion is imminent, destined to serve the industrial needs of the Great Lakes. Recent demonstrations of the feasibility for cargo movements throughout the winter season give promise of substantial investment in additional cargo vessel construction to serve the Great Lakes, as well as substantial savings in stockpiling and storage requirements when the navigation season is interrupted. This potential development, however, will require reliable ice-breaking assistance so that maritime traffic will move expeditiously and not face the continual threat of being thwarted by ice conditions in which commercial vessels cannot operate without icebreaking assistance in severe situations. The Coast Guard now maintains two icebreakers on the Great Lakes, one designed for Lake duty, and the other, a Polar icebreaker, assigned during the ice season. Since the draft of the Polar icebreaker limits its operations to relatively deeper waters, and since severe icing conditions may occur simultaneously in several areas, the two icebreakers require some backup capability at various critical points in order to keep the traffic moving. The present backup capability of the Coast Guard, consisting of 110-foot harbor tugbcats, has proved to be inadequate for the total task. Paragraph 5 authorizes funds for increased ice-breaking capability on the Great Lakes, but does not specify the vessels to be purchased. Further study on this issue is needed.

-Section 2

This section authorizes, pursuant to the requirements of section 302 of Public Law 92–436, a fiscal year 1977 end-strength for active duty personnel of 38,918. The figure is derived from the President's request for total Coast Guard operations, plus the additional personnel needed for the activation and operation of vessels and aircraft to be utilized as an interim measure in the enforcement of the 200-mile fishing limit. The President's budget request was for a ceiling of 38,049. The bill authorizes, in addition to that figure, 863 personnel, consisting of 112 officers and 751 enlisted personnel, for enforcement of the 200-mile limit, in addition to six enlisted personnel necessary for the manning of a search and rescue station during summer months at Grand Marais, Minnesota. The total amounts to 869 personnel.

Section 3

This section authorizes, pursuant to the requirements of section 604 of Public Law 92-436, average military training student loads in four training categories. The President requested an average load of 3,880 students for recruit and special training. The bill authorizes 4,209 students in this category, an increase of 329. The President requested an average load of 92 students in flight training. The bill provides for an average load of 154 students in this category, an increase of 62 students. The President requested an average training load of .372 students in professional training in military and civilian institutions. The bill authorized an average load of 372 students in that category, the same as the request. The President requested an average student load of 1,143 in officer acquisition training. The bill authorized an average load of 1,175 students in that category, an increase of 32 students. In each case, the additions made by the bill reflect the best estimate of Coast Guard needs for training attendant to the additional requirements for enforcement of the 200-mile fishing limit.

Section 4

This section amends section 475 of title 14, United States Code, in order to extend indefinitely the Secretary's authority to rent housing for Coast Guard personnel. The authority will otherwise expire on June 30, 1976, and an extension is necessary because of the slow progress in the housing program. In some locations, housing which does not in all respects meet minimal standards, is the only housing available and the authority here extended is necessary to utilize that available housing. At such time as the ongoing housing program is completed, the authority under 14 U.S.C. 475 will no longer be necessary.

Section 5

This section places in specific language referring to the Coast Guard, requirements of law now contained in Public Law 92–436, which related to the Armed Forces generally. Although the Committee on Commerce has handled these authorizations in relation to the Coast Guard since the inception of the requirement, it is considered desirable to make the requirement specifically relative to the Coast Guard rather than to continue under the statute generally applicable to the Armed Forces, the balance of which is handled for the military departments in the annual Defense Department authorization.

Section 6

This section prohibits the use of funds, authorized or appropriated for operation and maintenance of the Coast Guard, to enforce or implement the Federal Boat Safety Act of 1971 on Lake Winnipesaukee, Lake Winnisquam, their interconnected waterways, and the Merrimack River in the State of New Hampshire pending the resolution of a dispute between the Coast Guard and the State of New Hampshire over the validity of a Coast Guard claim of jurisdiction over these waterways. The restriction on the use of these funds is for fiscal year 1977, or, if the Coast Guard's claim of jurisdiction is challenged in court, until final resolution of any such court proceeding. The Coast Guard's jurisdiction over, and the applicability of the Federal Boat Safety Act to New Hampshire's coastal waters is not changed. New Hampshire received partial funding under the Federal Boat Safety Act as a non-eligible applying State prior to the Coast Guard's claim of jurisdiction over these interior waterways. Under this section, the State will continue to receive those funds. The Coast Guard will also continue to provide search and rescue operations in the State of New Hampshire to the same extent that it did prior to its claim of jurisdiction. The purpose of this Section is to maintain the status quo pending final determination of extremely complex factual and legal issues associated with the Coast Guard's claim of jurisdiction.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of Rule XXIX of the standing rules of the Senate, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

COAST GUARD

(14 U.S.C. 475)

§475. Leasing and hiring of quarters; rental of inadequate housing

(a) The Secretary of the Department in which the Coast Guard is operating is authorized to lease housing facilities at or near Coast Guard installations, wherever located, for assignment as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary, or his designee, that there is a lack of adequate housing facilities at or near such Coast Guard installations. Such public housing facilities may be leased on an individual or multiple-unit basis. Expenditures for the rental of such housing facilities may not exceed the average authorized for the Department of Defense in any year except where the Secretary of the Department in which the Coast Guard is operating finds that the average is so low as to prevent rental of necessary housing facilities in some areas, in which event he is authorized to reallocate existing funds to high-cost areas so that rental expenditures in such areas exceed the average authorized for the Department of Defense.

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(b) Notwithstanding the provisions of any other law, members of the Coast Guard, with dependents, may occupy on a rental basis, without loss of basic allowance for quarters, inadequate quarters under the jurisdiction of the Coast Guard notwithstanding that such quarters may have been constructed or converted for assignment as public quarters. The net difference between the basic allowance for quarters and the fair rental value of such quarters shall be paid from otherwise available appropriations; however, no rental charge for such quarters shall be made against the basic allowance for quarters for a member of the Coast Guard in excess of 75 per centum of such allowance except that in no event shall the net rental value charged to the member's basic allowance for quarters be less than the cost of maintaining and operating the housing.

(c) The Secretary is authorized, subject to regulations approved by the President—

(1) to designate as rental housing such housing as he may determine to be inadequate as public quarters; and

(2) to lease inadequate housing to members of the Coast Guard for occupancy by them and their dependents.

(d) Where sufficient quarters are not possessed by the United States, the Commandant may hire quarters for personnel, including personnel on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable. Such accommodations shall not be available for occupancy by the dependents of such personnel.

[(e) The authority provided in subsections (b) and (c) of this section shall expire on June 30, 1976.]

[(f)] (e) The Secretary of the Department in which the Coast Guard is operating shall annually, not later than April 1, commencing April 1, 1973, file with the Speaker of the House of Representatives and the President of the Senate a complete report of the utilization of the authority granted in subsections (a), (b), (c), and (d) during the preceding calendar year.

[g] The authority conferred by subsections (a), (b), (c) or (d) may not be utilized after April 1, 1973, unless all reports required by subsection (f) have been filed with the Congress.]

(f) The authority conferred by subsections (a), (b), (c), or (d) may not be utilized after April 1, 1973, unless all reports required by subsection (e) have been filed with the Congress.

ESTIMATED COST

Pursuant to section 252 of the Legislative Reorganization Act of 1970, the Committee estimates the maximum direct cost of the legislation at \$284,869,000 for fiscal year 1977. This does not reflect the indirect personnel cost of approximately \$400,000,000, flowing from the authorized personnel level, the costs of which are contained in other Coast Guard budget items, such as operating expenses, reserve training, and research, development, tests, and evaluation, which are not a part of this authorization process. This cost figures is based upon the assumption that the authorizations contained in the bill will be implemented by appropriations. The Committee received no different estimates of costs from any government agency.

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AGENCY COMMENTS

THE SECRETARY OF TRANSPORTATION, Washington, D.C., April 30, 1976.

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Hon. WARREN G. MAGNUSON, Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of April 12, 1976, requesting the views of the Department of Transportation on H.R. 11670, a bill to authorize appropriations to the U.S. Coast Guard for fiscal year 1977.

The bill passed by the House would authorize appropriations of \$304.1 million, more than double the \$125.9 million recommended in the President's fiscal year 1977 budget. Furthermore, the funding authorizations in H.R. 11670 exceed the levels assumed for this program in the fiscal year 1977 concurrent budget resolutions recently enacted by the Senate and the House of Representatives.

This major increase over the budget is a matter of serious concern in view of the efforts of both the President and the Congress to restrain Federal expenditures to responsible levels. Without revisions to reduce the total funding level and to make other adjustments such as those discussed below, I would be compelled to consider seriously recommending that the President veto this legislation.

The House bill includes two major categories of facilities and equipment not included in the President's budget, These are:

1. \$109 million for two HEC/MEC cutters, six long range search aircraft, and five helicopters to expand the Coast Guard's capability to enforce the recently enacted Fishery Conservation and Management Act of 1976.

2. \$65.8 million for two harbor tugs and four small domestic icebreakers to support an expanded icebreaking program in the Great Lakes.

The resource requirements of the various executive agencies responsible for administering and enforcing the provisions of the Fishery Conservation and Management Act of 1976 are presently under review by the Administration. It is premature to authorize specific facilities to meet these needs to this authorization bill pending the outcome of this careful assessment of alternative enforcement strategies and their related resource requirements.

Accordingly, the Department recommends that these specific amounts and facilities be deleted from the bill and replaced with more flexible "such sums as are necessary" authorization language. This action would permit development of the most effective and efficient manner in which to enforce the statute and yet would not cause any delay in obtaining the necessary funds to implement this important effort.

The Department also believes that the amounts and facilities added for expanding icebreaking in the Great Lakes are not justified. As you know, the Lakes have been kept open to year-round shipping for the past two years as a result of the Interagency Season Extension Demonstration Project which Congress authorized several years ago.

This result has been achieved using existing facilities, including five icebreaking tugs. A program to replace these tugs with more powerful and efficient vessels was begun in fiscal year 1976. The first of these replacements has not yet been operationally evaluated. Moreover, the report and recommendations of the Interagency Season Extension Demonstration Project have yet to be completed.

It is our view that any significant expansion of icebreaking capability, such as that contemplated by H.R. 11670, should not be undertaken until these evaluations and studies have been completed. Accordingly, we strongly urge that the amounts included in the bill for new icebreaking facilities be deleted.

H.R. 11670 also would require for the first time annual authorizations for (1) Coast Guard's operations and maintenance, and (2) Coast Guard's research, development, test and evaluation activities. We believe a reasonable case can be made for the present practice of Congress annually authorizing one-time equipment and capital improvement projects and acquisitions. These are significant expenditures which properly are reviewed on an annual basis by Congress. A reasonable case can also be made that the same procedure should apply to Coast Guard's research and development programs and we have no objection to this requirement in the pending bill.

On the other hand, we see no reason for, and serious disadvantages in, adding a requirement that the Coast Guard's annual operating expense appropriations be separately authorized each year. These activities are authorized as ongoing programs by existing law, and the annual funding requirements are carefully scrutinized in the normal budget process, including careful and thorough reviews by the Appropriations Committees.

The requirement for annual authorizations for these purposes could result in unnecessary and cumbersome duplication by creating essentially budget hearings by the authorization Committees. Moreover, the authorization process itself could lead to rigidities in the funding process that would limit Coast Guard's flexibility to adjust its operations, which serve multiple missions, to respond quickly to changing needs. We, therefore, strongly recommend the requirement for annual authorizations for the operating expense appropriation be deleted from H.R. 11670.

I appreciate the opportunity to comment on H.R. 11670 and would be happy to provide any additional information you may require.

Sincerely,

WILLIAM T. COLEMAN, Jr.

THE SECRETARY OF TRANSPORTATION,

Washington, D.C., January 30, 1976.

Hon. NELSON A. ROCKEFELLER, President of the Senate, Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a bill, to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

This legislative proposal is the Coast Guard's authorization of appropriations request for fiscal year 1977 and fiscal year 1978.

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The 1977 requests were originally submitted to Congress prior to May 15, 1975 as part of a proposal which also requested authorization of appropriations for 1976 and for the transition period of July 1, 1976 to September 30, 1976. When the proposal was enacted as Public Law 94-54 all references to the 1977 requests were deleted. Therefore we are submitting updated requests for fiscal year 1977. The proposal also includes our requests for authorization of appropriations for fiscal year 1978.

Section 1 of this legislative proposal is responsive to the requirements of section 1 of Public Law 88-45 which provides that funds may not be appropriated to or for the use of the Coast Guard for the construction of shore or offshore establishments or for the procurement of vessels or aircraft, unless the appropriation of those funds is authorized by legislation. Section 2 of the bill responds to section 302 of Public Law 92-436 which provides that Congress shall authorize for each fiscal year the end strength for active duty personnel for each component of the Armed Forces. Section 3 of the bill responds to section 604 of Public Law 92-436 which provides that Congress shall authorize for each component of the Armed Forces the average military training student loads for each fiscal year.

Continuing the practice initiated with the authorization request for fiscal year 1976, the individual items included in the categories of acquisition and construction have not been listed. However, in further support of this legislation, the cognizant legislative and budget committees will be furnished detailed information with respect to each program for which fund authorization is being requested in a form identical to that which will be submitted in explanation and justification of the particular budget request. Additionally, the Department will be prepared to submit any other data that the committees or their staffs may require.

Section 4 of this proposed legislation amends section 475 of title 14. Paragraphs (b) and (c) of section 475 authorize the Secretary of the Department in which the Coast Guard is operating to lease housing units which fail to meet established standards and designate them as rental housing even though they are technically inadequate. The Secretary may rent this housing to Coast Guard personnel but the rent shall not exceed 75 percent of the Coast Guard member's basic allowance for quarters. This authority, which would otherwise expire on June 30, 1976, would be extended indefinitely by our proposal. The extension is necessary for in many areas there continues to be a severe shortage of housing which meets the technical standards to qualify as adequate. Also, it is appropriate to extend the authority indefinitely for there is no indication that the shortage of adequate housing will be eliminated.

It would be appreciated if you would lay this proposal before the Senate. A similar proposal has been submitted to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that enactment of this proposed legislation is in accord with the President's program. Sincerely,

WILLIAM T. COLEMAN, Jr.

A BILL To authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal years 1977 and 1978 for the use of the Coast Guard as follows:

VESSELS

For producement of vessels:	
For fiscal year 1977	\$70, 423, 000
For fiscal year 1978	84, 200, 000

AIRCRAFT

For procurement of aircraft :	
For fiscal year 1977	32, 900, 000
For fiscal year 1978	93, 200, 000

CONSTRUCTION

 For construction of shore and offshore establishments:
 22, 575, 000

 For fiscal year 1977______
 22, 600, 000

SEC. 2. (a) For fiscal year 1977, the Coast Guard is authorized an end strength for active duty personnel of 38,049. The ceiling provided for in this section shall not include members of the Ready Reserve called to duty under the authority of Public Law 92-479.

(b) For fiscal year 1978, the Coast Guard is authorized an end strength for active duty personnel of 38,050. The ceilings provided for in this section shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92-479.

SEC. 3. (a) For fiscal year 1977, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3,380 student-years;

(2) flight training, 92 student-years;

(3) professional training in military and civilian institutions, 372 student-years; and

(4) officer acquisition training, 1,143 student-years.

(b) For fiscal year 1978, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3,900 student-years;

(2) flight training, 94 student-years;

(3) professional training in military and civilian institutions, 375 student-years; and

(4) officer acquisition training, 1,150 student-years.

SEC. 4. Section 475 of title 14, United States Code, is amended as follows:

(a) by striking subsection (e);

(b) by relettering subsections (f) and (g) as (e) and (f) respectively; and

(c) by striking in subsection (f), as relettered above the reference to subsection (f) and inserting in lieu thereof a reference to subsection (e).

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SENATE

COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1977

JULY 28, 1976.-Ordered to be printed

Mr. MAGNUSON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 11670]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11670), to authorize appropriations for the use of the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8 and 9. That the House recede from its disagreement to the amendment of the Senate numbered 1, 2, 3, 4, 5, 6, and 7, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 10 and agree to the same with an amendment as follows: Strike out all after the first sentence of the amendment, and the Senate agree to the same.

That the House recede from its disagreement of the Senate amendment numbered 11 and agree to the same with an amendment as follows: Insert the following clarifying language: (1) in lines 4 and 5 of the amendment, after the word "specific", and before the word "vessels", insert the word "cargo-carrying"; (2) in line 15 of the amendment, after the word "permit", insert the words "issued pursuant to subsection (a)"; and (3) in line 17 of the amendment, after the word "Alaska", insert the words "and only", and the Senate agree to the same.

WARREN G. MAGNUSON, RUSSELL B. LONG, JOHN A. DURKIN, TED STEVENS, J. GLENN BEALL, Jr., Managers on the Part of the Senate.

LEONOR K. SULLIVAN, THOMAS L. ASHLEY, MARIO BIAGGI, THOMAS N. DOWNING, PAUL G. ROGERS, PHILIP E. RUPPE, PIERRE S. DU PONT, Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11670), to authorize appropriations for the use of the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

PROCUREMENT OF VESSELS

Amendment No. 1: Authorizes \$86,168,000 for the procurement of vessels, as proposed by the Senate, instead of \$187,186,000, as proposed by the House. This reduction in authorization was, in large part, replaced by the new authorizations contained in the amendments of the Senate numbered 6 and 7.

Amendment No. 2: Authorizes the procurement of two high/medium endurance cutters, as proposed by the Senate, instead of four high/ medium endurance cutters, as proposed by the House.

Amendment No. 3: Deletes the authorization for the procurement of four small domestic icebreakers, as proposed by the House.

PROCUREMENT OF AIRCRAFT

Amendment No. 4: Authorizes \$24,300,000 for the procurement of aircraft, as proposed by the Senate, instead of \$92,500,000, as proposed by the House. Of the total reduction of \$68,200,000, \$59,600,000 involved aircraft for the enhancement of Coast Guard law enforcement capability relating to Public Law 94–265. That part of the reduction was replaced by the new authorization provided in the amendment of the Senate numbered 6. The remaining reduction of \$8,600,000 involved the procurement of medium-range surveillance aircraft.

Amendment No. 5: Deletes the specific procurement of six longrange surveillance aircraft and five short-range recovery helicopters, as proposed by the House.

PROCUREMENT OF VESSELS AND/OR AIRCRAFT

Amendment No. 6: Authorizes \$100,000,000 for the procurement of vessels and/or aircraft to carry out Coast Guard missions, including fishery law enforcement, as proposed by the Senate. This authorization replaces \$49,000,000 of the reduction in Amendment No. 1, and \$59,-600,000 involved in the reduction in Amendment No. 4, reflecting the

procurement costs of the two high/medium endurance cutters deleted by Amendment No. 2, and the six long-range surveillance aircraft and five short-range recovery helicopters, deleted by Amendment No. 5. The conferees note that no final recommendation has been received by the Congress delineating the exact mix of aircraft and vessels needed for the additional duties imposed upon the Coast Guard through its enforcement responsibilities under Public Law 94–265, which extended United States jurisdiction over coastal fisheries to 200 miles from the coastline.

PROCUREMENT OF VESSELS WITH ICEBREAKING CAPABILITY

Amendment No. 7: Authorizes \$50,000,000 for the procurement of vessels with icebreaking capability, to be used on the Great Lakes, as proposed by the Senate. The conferees note that this is an authorization in general terms for the specific authorization, proposed by the House, of \$52,000,000 deleted by Amendment No. 1, for the procurement of four small domestic icebreakers, deleted by Amendment No. 3.

ANNUAL AUTHORIZATION

Amendment No. 8: Would have deleted the House provision that, after fiscal year 1977, no funds may be appropriated to or for the use of the Coast Guard for (1) operation and maintenance; (2) acquisition, construction, rebuilding, or improvement of aids to navigation, shore or offshore establishments, vessels or aircraft, or equipment related thereto; (3) alteration of obstructive bridges; or (4) research, development, tests, or evaluation related to any of the above, unless the appropriation of such funds has been authorized by legislation enacted after December 31, 1976.

Amendment No. 9: This technical amendment, renumbering sections in the bill, is related to Amendment No. 8.

ENFORCEMENT OF THE FEDERAL BOAT SAFETY ACT OF 1971

Amendment No. 10: Adds a new section to the bill, which would prohibit funds, authorized for the operation or maintenance of the Coast Guard, from being used for enforcement of the Federal Boat Safety Act of 1971 (46 U.S.C. 1451 et seq.), on Lake Winnipesaukee and Lake Winnisquam, their interconnecting waterways, or the Merrimack River in the State of New Hampshire during fiscal year 1977, or while the question of Coast Guard jurisdiction over such lakes or waterways is before a Federal or State court, and further provides that nothing therein shall (1) prevent or limit the distribution of funds to the State of New Hampshire under the Federal Boat Safety Act, or (2) limit the authority or responsibility of the Coast Guard to assist in search and rescue operations in the State of New Hampshire. As agreed upon by the conference, the amendment strikes the second and third sentences from the amendment of the Senate numbered 10, leaving the first sentence intact. However, the conferees wish to make it clear that the amendment, as agreed upon, is not to be interpreted to prevent or limit the allocation of any funds under the Federal Boat Safety Act, nor does it, in any way, affect the responsibility of the Coast Guard in undertaking search and rescue operations, pursuant to any law. The conferees note that if a determination is made which asserts the jurisdiction of the Federal Government over the cited lakes or waterways, for the purposes of the Federal Boat Safety Act, and that determination is contested in an appropriate court proceeding, such court has the necessary authority, under appropriate circumstances, to enjoin enforcement of the Act in question, pending resolution of the litigated issue.

CARGO-CARRYING VESSELS IN ALASKA

Amendment No. 11: Adds a new section to the bill, which authorizes the Secretary of Transportation (1) to exempt certain vessels operating in remote areas of Alaska from specified laws concerning the inspection or certification of vessels, and (2) to issue individual special permits to those vessels which consist of the only feasible means of supplying fuel and stores to isolated communities in Alaska, but which, because of their construction, cannot comply fully with all applicable vessel inspection laws and regulations. The vessels involved, converted landing craft, are utilized as the only feasible transportation method in areas where there are no available docking facilities for ordinary cargo-carrying vessels. The authorized permits would exempt those vessels from the general inspection statutes, but would enable the Coast Guard to achieve the basic goals of those statutes through special requirements in the permits. In order to make the application of the section completely clear, the conferences agreed on the House amendment, which would add clarifying language as technical changes to Senate amendment numbered 11.

As an overall comment, the managers are agreed that, in the future, Coast Guard authorization bills should be as specific as is reasonably practicable, particularly regarding the authorization for procurement of vessels and aircraft. Too little specificity, leaving too much discretion in the administering agency, is an abdication of Congressional responsibility in the exercise of its legitimate role in establishing priorities for the implementation of mandates and policies established in the legislative process. Sound practice requires specific Congressional decisions in delineating necessary priorities in the authorization of appropriated funds.

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WARREN G. MAGNUSON, RUSSELL B. LONG, JOHN A. DURKIN, TED STEVENS, J. GLENN BEALL, Jr., Managers on the Part of the Senate. LEONOR K. SULLIVAN,

THOMAS L. ASHLEY, MARIO BIAGGI, THOMAS N. DOWNING, PAUL G. ROGERS, PHILIP E. RUPPE, PIERRE S. DU PONT, Managers on the Part of the House.



Rinety-fourth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the nineteenth day of January, one thousand nine hundred and seventy-six

An Act

To authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal year 1977 for the use of the Coast Guard as follows:

(1) For procurement of vessels: \$86,168,000;
(1) For procurement of three port safety boats, one inland construction tender, six aids to navigation boats, three harbor tugboats, thirty search and rescue boats, two high/medium endurance cutter replacements, ten high speed surface delivery systems for pollution control, and one motor life boat.

(2) For procurement of aircraft: \$24,300,000; For procurement of six medium-range surveillance aircraft.

(3) For construction of shore and offshore establishments: \$24,401,000;

For construction at:

(a) Portsmouth, Virginia-Phase IV of new Coast Guard

(a) Portsmouth, Virginia—Phase IV of new Coast Guard Support Center;
(b) Rodanthe, North Carolina—improvement of Oregon Inlet Station;
(c) Elizabeth City, North Carolina—phase I of improvement at Coast Guard Aircraft and Supply Center;
(d) Alameda, California—construction of classroom building of Castor Counter Trading Construction of classroom build-

(d) Alancua, Cantonia Center; (e) New York, New York—phase II of New York vessel

traffic service; (f) Loran-C National Implementation Plan—antenna erection, construction, and outfitting of stations at Malone, Florida, Grangeville, Louisiana, and Raymondville, Texas; antenna erection and outfitting of station at Elmira, New York; and construction and outfitting at Narrow Cape, Alaska ;

(g) Public family quarters—construction of family hous-ing at Chicago, Illinois, Sitka, Alaska, and Point Judith, Rhode Island, or other locations; and

-construction of new (h) Provincetown, Massachusettsstation.

(4) For procurement of vessels and/or aircraft for carrying out Coast Guard missions, including fishery law enforcement: \$100,000,000. (5) For procurement of vessels with ice-breaking capability to be used on the Great Lakes: \$50,000,000.

SEC. 2. For fiscal year 1977, the Coast Guard is authorized an end strength for active duty personnel of 38,918; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of section 764 of title 14, United States Code.

H. R. 11670-2

SEC. 3. For fiscal year 1977, average military training student loads for the Coast Guard are authorized as follows:

 (1) recruit and special training, 4,209 students;
 (2) flight training, 154 students;
 (3) professional training in military and civilian institutions, 372 students; and

(4) officer acquisition, 1,175 students.
SEC. 4. Section 475 of title 14, United States Code, is amended—

(1) by striking subsection (e) and redesignating subsections
(f) and (g) as subsections (e) and (f), respectively; and
(2) by amending the redesignated subsection (f) to read as follows:

follows:

"(f) The authority conferred by subsection (a), (b), (c), or (d) may not be utilized after April 1, 1973, unless all reports required by subsection (e) have been filed with the Congress.".

SEC. 5. After fiscal year 1977, funds may not be appropriated to or for the use of the Coast Guard (1) for the operation and maintenance of the Coast Guard; (2) for acquisition, construction, rebuilding, or improvement of aids to navigation, shore or offshore establishments, vessels, or aircraft, including equipment related thereto; (3) for altera-tion of obstructive bridges; or (4) for research, development, tests, or evaluation related to any of the above, unless the appropriation of such funds has been authorized by legislation enacted after December 31, 1976.

SEC. 6. (a) For each fiscal year after fiscal year 1977, the Congress shall authorize the end strength as of the end of each fiscal year for active duty personnel of the Coast Guard, and no funds may be appropriated for any such fiscal year to or for the use of the active duty personnel of the Coast Guard unless the end strength for such active

(b) For each fiscal year after fiscal year 1977, the Congress shall authorize the average military training student loads for the Coast Guard. Such authorization shall be required for student loads for the Guard. Such authorization shall be required for student loads for the coast following individual training categories: recruit and specialized train-ing; flight training; professional training in military and civilian institutions; and officer acquisition training. No funds may be appro-priated for any fiscal year after fiscal year 1977 for the use of training any military personnel of the Coast Guard in the aforementioned categories unless the average student loads for the Coast Guard for such fiscal year have been authorized by law. SEC. 7. No funds authorized or appropriated for operation and maintenance of the Coast Guard shall be used for enforcement of the Federal Boat Safety Act of 1971 (46 U.S.C. 1451, et seq.) on Lake Winnipesaukee and Lake Winnisquam, their interconnecting water-ways, or the Merrimack River in the State of New Hampshire during fiscal year 1977. SEC. 8. (a) In order to minimize hardships and to aid inhabitants

SEC. 8. (a) In order to minimize hardships and to aid inhabitants of certain remote areas in the State of Alaska, the Secretary of the Department in which the Coast Guard is operating is authorized to issue permits exempting specific cargo-carrying vessels from all or part of the requirements of the following laws and the regulations issued thereunder—

 (1) section 4417 of the Revised Statutes (46 U.S.C. 391);
 (2) section 4417 of the Revised Statutes (46 U.S.C. 391a);
 (3) section 4426 of the Revised Statutes (46 U.S.C. 404); and
 (4) section 1 of the Act of August 27, 1935, as amended (46 U.Ś.Ć. 88).

H. R. 11670-3

(b) A permit issued pursuant to subsection (a) may be granted only to a vessel engaged in transporting cargo, including bulk fuel, from point to point within the State of Alaska and only if

the vessel does not exceed three hundred gross tons;
 the vessel is in a condition which does not present an immediate threat to the safety of life or the environment; and

(3) the vessel was operating in the waters off Alaska as of June 1, 1976, or the vessel is a replacement for a vessel which was operating in the waters off Alaska as of June 1, 1976, if the vessel which is being replaced is no longer in service.

(c) Except in a situation declared to be an emergency by the Secretary of the department in which the Coast Guard is operating, a vessel operating under permit may not transport cargo to or from a point if the cargo could be transported by another commercial vessel which is reasonably available and which does not require exemptions to legally operate or if the cargo could be readily transported by overland routes.

(d) A permit may be issued for a specific voyage or for a period of time not exceeding one year. The permit may impose specific require-ments as to the amount or type of cargo to be carried, manning, the areas or specific routes over which the vessel may operate, or other similar matters. The duration of the permit and any restrictions contained therein shall be at the sole discretion of the Secretary or his delegate.

(e) If a designated Coast Guard official has reason to believe that a vessel to which a permit has been issued is in a condition or is used in a manner which creates an immediate threat to the safety of life or the environment or is operated in a manner which is inconsistent with the terms of the permit, the official may direct the operator to take immediate and reasonable steps to safeguard life and the environ-

ment, including directing the vessel to a port or other refuge. (f) If a vessel to which a permit has been issued creates an imme-diate threat to the safety of life or the environment, or is operated in a manner inconsistent with the terms of the permit or the requirements of subsection (c) of this section, the permit may be revoked. The owner, master, or person in charge of a vessel to which a permit is issued, who willfully permits the vessel to be used or uses the vessel in a manner inconsistent with the terms of the permit or subsection (c) of this section, shall be liable to a civil penalty of not more than \$1,000.

Speaker of the House of Representatives.

Vice President of the United States and President of the Senate.