

GAO Highlights

Highlights of [GAO-17-629](#), a report to the Committee on Transportation and Infrastructure, House of Representatives

Why GAO Did This Study

Vessel documentation—a national form of vessel registration—provides evidence of nationality for international travel and trade, among other things. Certificates of documentation are required for certain commercial vessels and optional for recreational vessels of 5 or more net tons. NVDC commercial officers are funded using commercial user fee collections and may also be funded by appropriations; recreational officers are funded wholly by recreational user fee collections. Since at least 2007, some applications for recreational certificates of documentation have waited in a queue before they could be reviewed (i.e., a backlog). As a result, vessel owners have sometimes waited as long as 4 months to obtain certificates of documentation.

GAO was asked to review NVDC operations related to the backlog. GAO reviewed (1) the factors that contributed to the backlog in processing applications for recreational certificates of documentation, and (2) the extent to which Coast Guard has taken steps to address these factors.

To address these questions, GAO reviewed data on the NVDC recreational application backlog dating back to fiscal year 2007, and financial and staffing data dating back to fiscal year 2004; reviewed NVDC documents; conducted a site visit to observe NVDC's work processes; and interviewed Coast Guard headquarters and NVDC officials.

View [GAO-17-629](#). For more information, contact Jennifer Grover at (202) 512-7141 or groverj@gao.gov.

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COAST GUARD

Workforce Actions Under Way to Address Backlog in Recreational Vessel Documentation

What GAO Found

The backlog for processing applications for recreational certificates of documentation increased after Coast Guard's National Vessel Documentation Center (NVDC) management modified the application review process in July 2010 by limiting the number of documentation officers available to process recreational applications. Other factors—including a prior reduction to recreational staffing levels in fiscal year 2009 as a result of decreases in recreational fee collections associated with the recession—also contributed to the backlog over time.

- **December 2007 to June 2009**—During the recession, NVDC's recreational fee collections decreased from \$5.5 million in fiscal year 2007 to \$3.6 million in fiscal year 2009.
- **Fiscal year 2009**—In response to decreased recreational fee collections, NDVC officials reduced the number of recreational officers from 27 to 10 to ensure recreational services were fully funded by recreational fee collections, as required by Department of Homeland Security (DHS) appropriations acts.
- **July 2010**—NVDC management implemented a control to ensure there were not more documentation officers reviewing recreational applications at any one time than there were filled recreational officer positions. NVDC did this to ensure full compliance with annual DHS appropriations acts, according to the NVDC director. Given that NVDC had 10 filled recreational officer positions at this time, this decision meant that a relatively small number of officers were available to process recreational applications—increasing the backlog.
- **Fiscal years 2010 through 2014**—NVDC was unable to reduce the backlog because recreational fee collections remained relatively flat and, as a result, NVDC was unable to increase the number of recreational officers to pre-recession levels because, according to Coast Guard officials, doing so might have caused recreational costs to exceed recreational fee collections.
- **November 2014 through June 2017**—NVDC implemented a new fee that resulted in recreational collections doubling between fiscal years 2014 and 2016. Despite this fee increase, NVDC had not restored the number of recreational officers to pre-recession levels as of June 2017 primarily because of concerns about a change to the NVDC fee structure that may result from the Coast Guard Authorization Act of 2015. Specifically, the Act requires Coast Guard to issue a regulation to extend the time recreational certificates are valid from 1 to 5 years. NVDC relies heavily on collections from the annual renewal fee to fund recreational operations, and Coast Guard officials expressed concern about how changes to the renewal period and fee might affect recreational officer staffing levels.

NVDC has filled some vacant recreational documentation officer positions, is using overtime, and plans to restructure its workforce over the long-term to address staffing challenges. Regarding hiring, in June 2017 NVDC filled four vacant recreational documentation officer positions. Additionally, NVDC is using overtime in the short-term to address the backlog and plans to restructure its workforce over the long-term to ensure the appropriate mix of commercial and recreational staff.