

## Coast Guard Should Gain Key Knowledge Before Buying More Ships

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### What GAO Found

The Coast Guard urgently needs Offshore Patrol Cutters (OPC) to replace aging cutters that conduct law enforcement and search and rescue operations. The Coast Guard plans to acquire 25 OPCs in stages: stage 1 initially included OPCs 1-4, stage 2 includes OPCs 5-15, and stage 3 will include OPCs 16-25. Construction for stages 1 and 2 is underway by two different shipbuilders. But each shipbuilder's design remains incomplete, and both have yet to deliver any ships.

The stage 1 shipbuilder made limited progress since GAO last reported on OPC. In 2023, GAO found that construction of OPCs 1-4 began without a stable design, contrary to shipbuilding leading practices. This led to rework, which delayed ship deliveries. The Coast Guard took steps in 2024 to prioritize delivery of OPC 1, such as adding payments at certain milestones, but these steps were largely unsuccessful. As of July 2025, the Coast Guard terminated construction of OPCs 3 and 4 as part of an ongoing review of the current stage 1 contract, and delivery of OPC 1 was expected more than 5 years late.

#### Offshore Patrol Cutters 1 (left) and 2 (right) Construction Status in December 2024



Source: U.S. Coast Guard. | GAO-26-107583

The stage 2 shipbuilder and Coast Guard incorporated some leading practices while developing the stage 2 design, such as conducting collaborative design reviews that supported timely decisions. But construction of OPC 5 began in August 2024 without a stable design. Starting construction of more stage 2 OPCs before stabilizing the design, as the Coast Guard plans to do, increases the risk that stage 2 will also encounter costly rework and schedule delays.

The OPC program is at risk of not meeting its cost goals, in part, because the program used outdated cost information to establish them. The program is updating this information to account for recent stage 1 cost increases. GAO also found that the program reported an aggregated cost goal for all 25 OPCs instead of by stage. Reporting cost goals by stage would enable decision-makers to hold the program and OPC shipbuilders accountable for their performance.

The program plans to acquire stage 3 ships after testing whether the existing designs meet OPC's performance goals, which is consistent with Department of Homeland Security (DHS) policy. However, the program is unlikely to have the test results before starting stage 3 procurement activities, such as developing the request for proposals. Incorporating the knowledge gained from testing—as well as other shipbuilding leading practices—into the procurement process for stage 3 could help the Coast Guard make better investment decisions. It could also improve the timeliness of future OPC deliveries.

### Why GAO Did This Study

The Coast Guard—a component of DHS—plans to spend over \$17 billion to acquire a fleet of 25 OPCs. Since 2020, GAO has found that the Coast Guard is using a high-risk approach to acquire OPCs that involves significant overlap in design and construction.

GAO was asked to review the status of the OPC acquisition program. This report examines the extent to which (1) progress has been made on OPC design and construction; and (2) the OPC program is meeting its cost and performance goals.

GAO analyzed OPC documents and data; compared the status of OPC stage 1 design and construction to what GAO reported in June 2023 ([GAO-23-105805](#)); and compared stage 2 design and construction to leading practices for commercial shipbuilding. GAO also conducted site visits to both OPC shipbuilders to observe stage 1 and stage 2 construction progress; and interviewed Coast Guard officials and shipbuilder representatives.

### What GAO Recommends

GAO is making four recommendations to the Coast Guard and DHS, including that the program stabilizes design before starting construction of additional stage 2 OPCs; reports cost goals for each OPC stage; and documents a plan for acquiring stage 3 ships that identifies how it will use test results to inform procurement activities and further incorporate shipbuilding leading practices. DHS concurred with two of the four recommendations, and did not concur with the other two. GAO maintains that all four recommendations are warranted.