

A Disciplined, Strategy-Driven Approach Is Needed to Achieve Ambitious Goals

GAO-26-109068

April 22, 2026

A testimony before the Subcommittee on Seapower and Projection Forces, Committee on Armed Services and the Subcommittee on Coast Guard and Maritime Transportation, Committee on Transportation and Infrastructure, House of Representatives

Contact: Shelby Oakley at oakleys@gao.gov

What GAO Found

Navy and Coast Guard shipbuilding programs have consistently fallen short of expectations over the last 2 decades. Collectively, they are billions of dollars over cost and years behind schedule. For example, the Navy's *Constellation* class frigate program was overcome by issues. As a result, the Navy announced a strategic shift away from the program in 2025—having previously exercised contract options valued at over \$3 billion dollars. Similarly, the Coast Guard paused work on two ships and terminated two other ships in its Offshore Patrol Cutter program after a more than 5-year delay in delivering the lead ship.

Constellation Class Frigate and Offshore Patrol Cutter



FFG 62 Constellation Class Frigate (FFG 62)



Offshore Patrol Cutter

Source: Fincantieri Marinette Marine (left) and the United States Coast Guard (right). | GAO-26-109068

Proposed solutions by federal officials have included reorganizing how shipbuilding programs are managed, increasing shipbuilder workforce wages, and finalizing ship designs before beginning construction, among others. While there is no singular solution, implementing leading practices and GAO's prior recommendations could help ensure smoother sailing.

For example, ensuring that new ship design efforts, such as the Navy's planned new attack submarine program, fully leverage ship design practices used by leading companies will be critical to long-term success. This would include practices like iterative design based on user feedback, completing ship design before beginning construction, and using digital tools. (See [GAO-24-105503](#).)

Additionally, the shipbuilding industrial base—the private companies that build or supply the parts for ships—has not met the government's submarine construction goals in recent years. GAO's analysis of the Department of Defense's (DOD) efforts to invest in the submarine industrial base to improve its capacity found shortcomings. For example, DOD does not know how much funding it expects to need—beyond the more than \$10 billion DOD already invested—to solve submarine industrial base challenges such as ensuring needed parts get delivered on time. Without this understanding, decision-makers may not have the information needed to balance funding for the submarine industrial base with other shipbuilding priorities. Further, DOD has not taken key steps to ensure oversight for some of its costliest submarine industrial base investments. Without improvements, such as documented project monitoring, DOD cannot ensure those taxpayer dollars are helping achieve its goals as cost effectively as possible. These findings can provide lessons learned for the Navy, Coast Guard, and other federal agencies in their efforts to build up the maritime industrial base.

Why GAO Did This Study

The U.S. is in a period of heightened emphasis on improving shipbuilding to tackle pressing national security demands. The Navy and Coast Guard spend billions to procure ships each year and have ambitious plans to build new ships. GAO has reported for decades on the persistent issues that plague these shipbuilding programs and has made more than 100 recommendations to address them.

This statement addresses (1) the state of Navy and Coast Guard shipbuilding; (2) key challenges the Navy and Coast Guard need to address to achieve their ambitious shipbuilding goals; and (3) DOD's efforts to support the submarine industrial base and the lessons that can be derived for future maritime industrial base investments.

This statement is based on prior and ongoing GAO work. In addition, GAO is issuing the results of its analysis of DOD's management of submarine industrial base investments in this testimony statement. To perform this work, GAO analyzed relevant Navy and Coast Guard documentation and interviewed knowledgeable officials

What GAO Recommends

GAO is making two new recommendations to DOD to assess the full scope of investments needed to expand the submarine industrial base in support of the Navy's construction goals and to improve oversight of these investments. DOD agreed with our recommendations.

Additionally, since 2016, GAO has made 92 recommendations to the Navy and 45 to the Coast Guard to help improve their shipbuilding programs. Of these, many have yet to be addressed. GAO will continue to monitor each agency's progress in addressing the recommendations.