AN ACT

To improve air cargo security.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Air Cargo Security Improvement Act”.
SEC. 2. INSPECTION OF CARGO CARRIED ABOARD PASSENGER AIRCRAFT.

Section 44901(f) of title 49, United States Code, is amended to read as follows:

“(f) CARGO.—

“(1) IN GENERAL.—The Under Secretary of Transportation for Security shall establish systems to screen, inspect, or otherwise ensure the security of all cargo that is to be transported in—

“(A) passenger aircraft operated by an air carrier or foreign air carrier in air transportation or intrastate air transportation; or

“(B) all-cargo aircraft in air transportation and intrastate air transportation.

“(2) STRATEGIC PLAN.—The Under Secretary shall develop a strategic plan to carry out paragraph (1) within 6 months after the date of enactment of the Air Cargo Security Improvement Act.

“(3) PILOT PROGRAM.—The Under Secretary shall conduct a pilot program of screening of cargo to assess the effectiveness of different screening measures, including the use of random screening. The Under Secretary shall attempt to achieve a distribution of airport participation in terms of geographic location and size.”.
SEC. 3. AIR CARGO SHIPPING.

(a) IN GENERAL.—Subchapter I of chapter 449 of title 49, United States Code, is amended by adding at the end the following:

§ 44922. Regular inspections of air cargo shipping facilities

“The Under Secretary of Transportation for Security shall establish a system for the regular inspection of shipping facilities for shipments of cargo transported in air transportation or intrastate air transportation to ensure that appropriate security controls, systems, and protocols are observed, and shall enter into arrangements with the civil aviation authorities, or other appropriate officials, of foreign countries to ensure that inspections are conducted on a regular basis at shipping facilities for cargo transported in air transportation to the United States.”.

(b) ADDITIONAL INSPECTORS.—The Under Secretary may increase the number of inspectors as necessary to implement the requirements of title 49, United States Code, as amended by this subtitle.

(c) CONFORMING AMENDMENT.—The chapter analysis for chapter 449 of title 49, United States Code, is amended by adding at the end the following:

“44922. Regular inspections of air cargo shipping facilities”.

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SEC. 4. CARGO CARRIED ABOARD PASSENGER AIRCRAFT.

(a) IN GENERAL.—Subchapter I of chapter 449 of title 49, United States Code, is further amended by adding at the end the following:

§ 44923. Air cargo security

“(a) DATABASE.—The Under Secretary of Transportation for Security shall establish an industry-wide pilot program database of known shippers of cargo that is to be transported in passenger aircraft operated by an air carrier or foreign air carrier in air transportation or intrastate air transportation. The Under Secretary shall use the results of the pilot program to improve the known shipper program.

“(b) INDIRECT AIR CARRIERS.—

“(1) RANDOM INSPECTIONS.—The Under Secretary shall conduct random audits, investigations, and inspections of indirect air carrier facilities to determine if the indirect air carriers are meeting the security requirements of this title.

“(2) ENSURING COMPLIANCE.—The Under Secretary may take such actions as may be appropriate to promote and ensure compliance with the security standards established under this title.

“(3) NOTICE OF FAILURES.—The Under Secretary shall notify the Secretary of Transportation
of any indirect air carrier that fails to meet security standards established under this title.

“(4) Withdrawal of security program approval.—The Under Secretary may issue an order amending, modifying, suspending, or revoking approval of a security program of an indirect air carrier that fails to meet security requirements imposed by the Under Secretary if such failure threatens the security of air transportation or commerce. The affected indirect air carrier shall be given notice and the opportunity to correct its noncompliance unless the Under Secretary determines that an emergency exists. Any indirect air carrier that has the approval of its security program amended, modified, suspended, or revoked under this section may appeal the action in accordance with procedures established by the Under Secretary under this title.

“(5) Indirect air carrier.—In this subsection, the term ‘indirect air carrier’ has the meaning given that term in part 1548 of title 49, Code of Federal Regulations.

“(c) Consideration of community needs.—In implementing air cargo security requirements under this title, the Under Secretary may take into consideration the extraordinary air transportation needs of small or isolated
communities and unique operational characteristics of carriers that serve those communities.”.

(b) ASSESSMENT OF INDIRECT AIR CARRIER PROGRAM.—The Under Secretary of Transportation for Security shall assess the security aspects of the indirect air carrier program under part 1548 of title 49, Code of Federal Regulations, and report the result of the assessment, together with any recommendations for necessary modifications of the program to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 60 days after the date of enactment of this Act. The Under Secretary may submit the report and recommendations in classified form.

(c) REPORT TO CONGRESS ON RANDOM AUDITS.—The Under Secretary of Transportation for Security shall report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on random screening, audits, and investigations of air cargo security programs based on threat assessments and other relevant information. The report may be submitted in classified form.

(d) CONFORMING AMENDMENT.—The chapter analysis for chapter 449 of title 49, United States Code, as
amended by section 3, is amended by adding at the end
the following:

“4923. Air cargo security”.

SEC. 5. TRAINING PROGRAM FOR CARGO HANDLERS.

The Under Secretary of Transportation for Security
shall establish a training program for any persons that
handle air cargo to ensure that the cargo is properly han-
dled and safe-guarded from security breaches.

SEC. 6. CARGO CARRIED ABOARD ALL-CARGO AIRCRAFT.

(a) IN GENERAL.—The Under Secretary of Trans-
portation for Security shall establish a program requiring
that air carriers operating all-cargo aircraft have an ap-
proved plan for the security of their air operations area,
the cargo placed aboard such aircraft, and persons having
access to their aircraft on the ground or in flight.

(b) PLAN REQUIREMENTS.—The plan shall include
provisions for—

(1) security of each carrier’s air operations
areas and cargo acceptance areas at the airports
served;

(2) background security checks for all employ-
ees with access to the air operations area;

(3) appropriate training for all employees and
contractors with security responsibilities;

(4) appropriate screening of all flight crews and
persons transported aboard all-cargo aircraft;
(5) security procedures for cargo placed on all-cargo aircraft as provided in section 44901(f)(1)(B) of title 49, United States Code; and

(6) additional measures deemed necessary and appropriate by the Under Secretary.

(c) Confidential Industry Review and Comment.—

(1) Circulation of Proposed Program.—

The Under Secretary shall—

(A) propose a program under subsection (a) within 90 days after the date of enactment of this Act; and

(B) distribute the proposed program, on a confidential basis, to those air carriers and other employers to which the program will apply.

(2) Comment Period.—Any person to which the proposed program is distributed under paragraph (1) may provide comments on the proposed program to the Under Secretary not more than 60 days after it was received.

(3) Final Program.—The Under Secretary of Transportation shall issue a final program under subsection (a) not later than 90 days after the last date on which comments may be provided under
paragraph (2). The final program shall contain time frames for the plans to be implemented by each air carrier or employer to which it applies.

(4) Suspension of procedural norms.—Neither chapter 5 of title 5, United States Code, nor the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the program required by this section.

SEC. 7. REPORT ON PASSENGER PRESCREENING PROGRAM.

(a) In general.—Within 90 days after the date of enactment of this Act, the Secretary of Homeland Security, after consultation with the Attorney General, shall submit a report in writing to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the potential impact of the Transportation Security Administration’s proposed Computer Assisted Passenger Prescreening system, commonly known as CAPPS II, on the privacy and civil liberties of United States citizens.

(b) Specific issues to be addressed.—The report shall address the following:

(1) Whether and for what period of time data gathered on individual travelers will be retained, who
will have access to such data, and who will make de-
cisions concerning access to such data.

(2) How the Transportation Security Adminis-
tration will treat the scores assigned to individual
travelers to measure the likelihood they may pose a
security threat, including how long such scores will
be retained and whether and under what cir-
cumstances they may be shared with other govern-
mental, non-governmental, or commercial entities.

(3) The role airlines and outside vendors or
contractors will have in implementing and operating
the system, and to what extent will they have access,
or the means to obtain access, to data, scores, or
other information generated by the system.

(4) The safeguards that will be implemented to
ensure that data, scores, or other information gen-
erated by the system will be used only as officially
intended.

(5) The procedures that will be implemented to
mitigate the effect of any errors, and what proce-
dural recourse will be available to passengers who
believe the system has wrongly barred them from
taking flights.

(6) The oversight procedures that will be imple-
mented to ensure that, on an ongoing basis, privacy
and civil liberties issues will continue to be consid-
ered and addressed with high priority as the system
is installed, operated and updated.

SEC. 8. MODIFICATION OF REQUIREMENTS REGARDING
TRAINING TO OPERATE AIRCRAFT.

(a) IN GENERAL.—Section 44939 of title 49, United
States Code, is amended to read as follows:

§ 44939. Training to operate certain aircraft

(a) IN GENERAL.—

(1) WAITING PERIOD.—A person subject to
regulation under this part may provide training in
the United States in the operation of an aircraft to
an individual who is an alien (as defined in section
101(a)(3) of the Immigration and Nationality Act (8
U.S.C. 1101(a)(3))) or to any other individual speci-
fied by the Under Secretary of Homeland Security
for Border and Transportation Security only if—

(A) that person has notified the Under
Secretary that the individual has requested
such training and furnished the Under Sec-
retary with that individual’s identification in
such form as the Under Secretary may require;
and

(B) the Under Secretary has not directed,
within 30 days after being notified under sub-
paragraph (A), that person not to provide the
requested training because the Under Secretary
has determined that the individual presents a
risk to aviation security or national security.

“(2) NOTIFICATION-ONLY INDIVIDUALS.—

“(A) IN GENERAL.—The requirements of
paragraph (1) shall not apply to an alien in-
dividual who holds a visa issued under title I of
the Immigration and Nationality Act (8 U.S.C.
1101 et seq.) and who—

“(i) has earned a Federal Aviation
Administration type rating in an aircraft
or has undergone type-specific training, or

“(ii) holds a current pilot’s license or
foreign equivalent commercial pilot’s li-
cense that permits the person to fly an air-
craft with a maximum certificated takeoff
weight of more than 12,500 pounds as de-
defined by the International Civil Aviation
Organization in Annex 1 to the Convention
on International Civil Aviation,

if the person providing the training has notified
the Under Secretary that the individual has re-
quested such training and furnished the Under
Secretary with that individual’s visa information.

“(B) Exception.—Subparagraph (A) does not apply to an alien individual whose airman’s certificate has been suspended or revoked under procedures established by the Under Secretary.

“(3) Expedited Processing.—The waiting period under paragraph (1) shall be expedited for an individual who—

“(A) has previously undergone a background records check by the Foreign Terrorist Tracking Task Force;

“(B) is employed by a foreign air carrier certified under part 129 of title 49, Code of Federal Regulations, that has a TSA 1546 approved security program and who is undergoing recurrent flight training;

“(C) is a foreign military pilot endorsed by the United States Department of Defense for flight training; or

“(D) who has unescorted access to a secured area of an airport designated under section 44936(a)(1)(A)(ii).
“(4) INVESTIGATION AUTHORITY.—In order to determine whether an individual requesting training described in paragraph (1) presents a risk to aviation security or national security the Under Secretary is authorized to use the employment investigation authority provided by section 44936(a)(1)(A) for individuals applying for a position in which the individual has unescorted access to a secured area of an airport designated under section 44936(a)(1)(A)(ii).

“(5) FEE.—

“(A) IN GENERAL.—The Under Secretary may assess a fee for an investigation under this section, which may not exceed $100 per individual (exclusive of the cost of transmitting fingerprints collected at overseas facilities) during fiscal years 2003 and 2004. For fiscal year 2005 and thereafter, the Under Secretary may adjust the maximum amount of the fee to reflect the costs of such an investigation.

“(B) OFFSET.—Notwithstanding section 3302 of title 31, United States Code, any fee collected under this section—

“(i) shall be credited to the account in the Treasury from which the expenses were
incurred and shall be available to the
Under Secretary for those expenses; and
“(ii) shall remain available until ex-
pended.
“(b) INTERRUPTION OF TRAINING.—If the Under
Secretary, more than 30 days after receiving notification
under subsection (a)(1)(A) from a person providing train-
ing described in subsection (a)(1) or at anytime after re-
ceiving notice from such a person under subsection
(a)(2)(a), determines that an individual receiving such
training presents a risk to aviation or national security,
the Under Secretary shall immediately notify the person
providing the training of the determination and that per-
son shall immediately terminate the training.
“(c) COVERED TRAINING.—For purposes of sub-
section (a), the term —‘training’—
“(1) includes in-flight training, training in a
simulator, and any other form or aspect of training;
but
“(2) does not include classroom instruction
(also known as ground school training), which may
be provided during the 30-day period described in
subsection (a)(1)(B).
“(d) INTERAGENCY COOPERATION.—The Attorney
General, the Director of Central Intelligence, and the Ad-
ministrator of the Federal Aviation Administration shall cooperate with the Under Secretary in implementing this section.

“(e) Security Awareness Training for Employees.—The Under Secretary shall require flight schools to conduct a security awareness program for flight school employees, and for certified instructors who provide instruction for the flight school but who are not employees thereof, to increase their awareness of suspicious circumstances and activities of individuals enrolling in or attending flight school.”

(b) Procedures.—

(1) In general.—Not later than 60 days after the date of enactment of this Act, the Under Secretary of Homeland Security for Border and Transportation Security shall promulgate an interim final rule to implement section 44939 of title 49, United States Code, as amended by subsection (a).

(2) Use of Overseas Facilities.—In order to implement section 44939 of title 49, United States Code, as amended by subsection (a), United States Embassies and Consulates that possess appropriate fingerprint collection equipment and personnel certified to capture fingerprints shall provide fingerprint services to aliens covered by that section if the
Under Secretary requires fingerprints in the administration of that section, and shall transmit the fingerprints to the Under Secretary or other agency designated by the Under Secretary. The Attorney General and the Secretary of State shall cooperate with the Under Secretary in carrying out this paragraph.

(3) USE OF UNITED STATES FACILITIES.—If the Under Secretary requires fingerprinting in the administration of section 44939 of title 49, United States Code, the Under Secretary may designate locations within the United States that will provide fingerprinting services to individuals covered by that section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the effective date of the interim final rule required by subsection (b)(1).

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the effectiveness of the activities carried out under section 44939 of title 49, United States Code, in reducing risks to aviation security and national security.
SEC. 9. PASSENGER IDENTIFICATION.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Under Secretary of Transportation for Security, in consultation with the Administrator of the Federal Aviation Administration, appropriate law enforcement, security, and terrorism experts, representatives of air carriers and labor organizations representing individuals employed in commercial aviation, shall develop guidelines to provide air carriers guidance for detecting false or fraudulent passenger identification. The guidelines may take into account new technology, current identification measures, training of personnel, and issues related to the types of identification available to the public. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to any meeting held pursuant to this subsection.

(b) AIR CARRIER PROGRAMS.—Within 60 days after the Under Secretary issues the guidelines under subsection (a) in final form, the Under Secretary shall provide the guidelines to each air carrier and establish a joint government and industry council to develop recommendations on how to implement the guidelines.

(e) REPORT.—The Under Secretary of Transportation for Security shall report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and In-
SEC. 10. PASSENGER IDENTIFICATION VERIFICATION.

(a) PROGRAM REQUIRED.—The Under Secretary of Transportation for Security may establish and carry out a program to require the installation and use at airports in the United States of the identification verification technologies the Under Secretary considers appropriate to assist in the screening of passengers boarding aircraft at such airports.

(b) TECHNOLOGIES EmployED.—The identification verification technologies required as part of the program under subsection (a) may include identification scanners, biometrics, retinal, iris, or facial scanners, or any other technologies that the Under Secretary considers appropriate for purposes of the program.

(c) COMMENCEMENT.—If the Under Secretary determines that the implementation of such a program is appropriate, the installation and use of identification verification technologies under the program shall commence as soon as practicable after the date of that determination.
SEC. 11. BLAST-RESISTANT CARGO CONTAINER TECHNOLOGY.

Not later than 6 months after the date of enactment of this Act, the Under Secretary of Transportation for Security, and the Administrator of the Federal Aviation Administration, shall jointly submit a report to Congress that contains—

(1) an evaluation of blast-resistant cargo container technology to protect against explosives in passenger luggage and cargo;

(2) an examination of the advantages associated with the technology in preventing damage and loss of aircraft from terrorist action and any operational impacts which may result from use of the technology (particularly added weight and costs);

(3) an analysis of whether alternatives exist to mitigate the impacts described in paragraph (2) and options available to pay for the technology; and

(4) recommendations on what further action, if any, should be taken with respect to the use of blast-resistant cargo containers on passenger aircraft.

SEC. 12. ARMING PILOTS AGAINST TERRORISM.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—Congress makes the following findings:
(A) During the 107th Congress, both the Senate and the House of Representatives overwhelmingly passed measures that would have armed pilots of cargo aircraft.

(B) Cargo aircraft do not have Federal air marshals, trained cabin crew, or determined passengers to subdue terrorists.

(C) Cockpit doors on cargo aircraft, if present at all, largely do not meet the security standards required for commercial passenger aircraft.

(D) Cargo aircraft vary in size and many are larger and carry larger amounts of fuel than the aircraft hijacked on September 11, 2001.

(E) Aircraft cargo frequently contains hazardous material and can contain deadly biological and chemical agents and quantities of agents that caused communicable diseases.

(F) Approximately 12,000 of the Nation’s 90,000 commercial pilots serve as pilots and flight engineers on cargo aircraft.

(G) There are approximately 2,000 cargo flights per day in the United States, many of which are loaded with fuel for outbound inter-
national travel or are inbound from foreign air-
ports not secured by the Transportation Secu-

rity Administration.

(H) Aircraft transporting cargo pose a seri-
ous risk as potential terrorist targets that could
be used as weapons of mass destruction.

(I) Pilots of cargo aircraft deserve the
same ability to protect themselves and the air-
craft they pilot as other commercial airline pi-
lots.

(J) Permitting pilots of cargo aircraft to
carry firearms creates an important last line of
defense against a terrorist effort to com-
mandeer a cargo aircraft.

(2) Sense of Congress.—It is the sense of
Congress that a member of a flight deck crew of a
cargo aircraft should be armed with a firearm to de-
 fend the cargo aircraft against an attack by terror-
ists that could result in the use of the aircraft as a
weapon of mass destruction or for other terrorists
purposes.

(b) Arming Cargo Pilots Against Terrorism.—
Section 44921 of title 49, United States Code, is amend-
ed—
(1) by striking “passenger” in subsection (a) each place that it appears;

(2) by striking “or,” and all that follows in subsection (k)(2) and inserting “or any other flight deck crew member.”; and

(3) by adding at the end of subsection (k) the following:

“(3) ALL-CARGO AIR TRANSPORTATION.—For the purposes of this section, the term air transportation includes all-cargo air transportation.”.

(c) IMPLEMENTATION.—

(1) TIME FOR IMPLEMENTATION.—The training of pilots as Federal flight deck officers required in the amendments made by subsection (b) shall begin as soon as practicable and no later than 90 days after the date of enactment of this Act.

(2) EFFECT ON OTHER LAWS.—The requirements of subparagraph (1) shall have no effect on the deadlines for implementation contained in section 44921 of title 49, United States Code, as in effect on the day before the date of enactment of this Act.
SEC. 13. REPORT ON DEFENDING AIRCRAFT FROM MAN-PORTABLE AIR DEFENSE SYSTEMS (SHOULDER-FIRED MISSILES).

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Homeland Security shall issue a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on how best to defend turbo and jet passenger aircraft from Man-Portable Air Defense Systems (shoulder-fired missiles).

(b) ISSUES TO BE ADDRESSED.—The report shall include an analysis of—

(1) actions taken to date, countermeasures, risk mitigation, and other activities;

(2) existing military countermeasure systems and how those systems might be adapted to commercial aircraft applications;

(3) means of reducing the costs of military countermeasure systems by modifying them for use on commercial aircraft; and

(4) the extent of the threat and the need for countermeasures.

(c) REPORT FORMAT.—The report may be submitted in classified form.
SEC. 14. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Homeland Security such sums as may be necessary to carry out this Act and sections 44901(f), 44922, and 44923 of title 49, United States Code, for fiscal years 2004 through 2008.


Attest: EMILY J. REYNOLDS,
Secretary.