To improve the security of the Nation’s ports by providing Federal grants to support Area Maritime Transportation Security Plans and to address vulnerabilities in port areas identified in approved vulnerability assessments or by the Secretary of Homeland 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 “Port Security Grants Act of 2005”.

Ms. HARMAN introduced the following bill; which was referred to the Committee on Homeland Security

A BILL
SEC. 2. PORT SECURITY GRANT PROGRAM.

(a) GRANTS AUTHORIZED.—The Secretary of Homeland Security (referred to in this Act as the “Secretary”), acting through the Office of State and Local Government Coordination and Preparedness, shall establish a grant program to fairly and equitably allocate Federal financial assistance—

(1) to help implement Area Maritime Transportation Security Plans required under section 70103(b) of title 46, United States Code;

(2) to correct port security vulnerabilities identified through vulnerability assessments approved by the Secretary; or

(3) to non-Federal projects contributing to the overall security of an individual port or the system of ports in the United States, as determined by the Secretary.

(b) GRANT AWARDS.—In awarding grants under this Act, the Secretary shall—

(1) take into account national economic and strategic defense considerations of individual ports; and

(2) strongly encourage efforts to promote—

(A) integration of port wide security;

(B) information and intelligence sharing; and
(C) joint efforts, such as joint harbor operations centers between all port stakeholders.

(c) USE OF FUNDS.—Grants awarded under this section may be used—

(1) to help implement Area Maritime Transportation Security Plans required under section 70103(b) of title 46, United States Code;

(2) to correct port security vulnerabilities identified through vulnerability assessments approved by the Secretary;

(3) for the salaries, benefits, overtime compensation, and other costs of additional security personnel for State and local agencies for activities required by the Area Maritime Security Plan for a port area if—

(A) the Secretary increases the threat level under the Homeland Security Advisory System to Code Orange or Code Red;

(B) the Commandant of the Coast Guard raises the Maritime Security level to MARSEC Level 2 or 3; or

(C) the Secretary otherwise authorizes such costs;

(4) for the cost of acquisition, operation, and maintenance of equipment that contributes to the
overall security of the port area, as identified in the Area Maritime Security Plan if the need is based upon vulnerability assessments approved by the Secretary or identified in the Area Maritime Security Plan;

(5) to develop joint harbor operations centers that bring together Federal, State, and local officials and stakeholders into a common operation center that is focused on port area security;

(6) to conduct vulnerability assessments approved by the Secretary; and

(7) to conduct port wide exercises to strengthen emergency preparedness of Federal, State, and local officials responsible for port security, including law enforcement personnel, in support of the Area Maritime Security Plan.

(d) PROHIBITED USES.—Grants awarded under this section may not be used to construct buildings or other physical facilities or to acquire land unless such use is specifically approved by the Secretary in support of subsection (c)(5).

(e) MATCHING REQUIREMENTS.—

(1) FEDERAL FUNDING.—Except as provided in paragraph (2), Federal funds for any eligible project
under this section shall not exceed 75 percent of the
total cost of such project.

(2) Exceptions.—

(A) Small projects.—Paragraph (1) shall not apply to grants under this section for
stand alone projects costing not more than $25,000. The amount under this subparagraph
shall be indexed to the consumer price index and modified each fiscal year after the annual
publication of the consumer price index.

(B) Reduction in matching requirement.—If the Secretary determines that a proposed project merits support and cannot be undertaken without a higher percentage of Federal financial assistance, the Secretary may award a grant for such project with a lesser matching requirement than is described in paragraph (1).

(f) Application.—

(1) In general.—The Secretary shall determine who, as an eligible applicant, may submit an application, at such time, in such form, and containing such information and assurances as the Secretary, working through the Office of State and
Local Government Coordination and Preparedness, may require.

(2) **MINIMUM STANDARDS FOR PAYMENT OR REIMBURSEMENT.**—Each application submitted under paragraph (1) shall include—

(A) a comprehensive description of—

(i) the need for the project;

(ii) the methodology for coordinating the project into the security of the greater port area, as identified in the Area Maritime Security Plan;

(iii) any existing cooperation agreements with other port facilities, vessels, or organizations that benefit security of the entire port; and

(iv) the applicability of the project to the Area Maritime Transportation Security Plan; and

(B) a determination by the Captain of the Port that the security project—

(i) addresses or corrects port security vulnerabilities identified by the Coast Guard, or through port security vulnerability assessments approved by the Secretary; and
(ii) helps to ensure compliance with the Area Maritime Transportation Security Plan.

(3) PROCEDURAL SAFEGUARDS.—The Secretary, in consultation with the Office of the Inspector General, shall issue guidelines to establish appropriate accounting, reporting, and review procedures to ensure that—

(A) grant funds are used for the purposes for which they were made available;

(B) grantees have properly accounted for all expenditures of grant funds; and

(C) grant funds not used for such purposes and amounts not obligated or expended are returned.

(4) PROJECT APPROVAL REQUIRED.—The Secretary may not award a grant under this section unless the Secretary determines that—

(A) the project to be carried out with such grant funding—

(i) is consistent with vulnerability assessments approved by the Secretary;

(ii) supports cooperation or integration of Federal, State, local, and industry stakeholders in the port area; and
(iii) helps to implement the Area Maritime Transportation Security Plan;

(B) sufficient funding is available to meet the matching requirement described under subsection (d);

(C) the project will be completed without unreasonable delay; and

(D) the recipient has authority to carry out the proposed project.

(g) COORDINATION AND COOPERATION.—The Secretary—

(1) shall ensure that all projects that receive grant funding under this section within any area defined in an Area Maritime Transportation Security Plan are coordinated with other projects in such area; and

(2) may require cooperative agreements among users of the port and port facilities with respect to projects funded under this section.

(h) AUDITS AND EXAMINATIONS.—All grantees under this section shall maintain such records as the Secretary may require and make such records available for review and audit by the Secretary, the Comptroller General of the United States, or the Inspector General of the Department of Homeland Security.
(i) Reports on Security Funding and Compliance.—

(1) Initial report.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit an unclassified report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives containing a proposal to implement the port security grant program for fiscal years 2007 through 2012.

(2) Annual reports.—Not later than 1 year after the submission of the report required by paragraph (1), and annually through October 1, 2013, the Secretary shall submit an unclassified report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives, regarding the progress made in meeting the objectives described in subparagraphs (A) and (B) of paragraph (1), that—

(A) identifies any funding modifications necessary to meet the objectives described in such subparagraphs (A) and (B);
(B) includes an assessment of progress in implementing the grant program established under this Act; and

(C) includes any recommendations the Secretary may make to improve these programs.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary $400,000,000 for each of the fiscal years 2007 through 2012 to carry out this Act.

(2) SOURCE OF FUNDS.—The amounts authorized to be appropriated under paragraph (1) shall originate from duties collected by United States Customs and Border Protection.