

109TH CONGRESS  
2D SESSION

# S. 2459

To improve cargo security, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 27, 2006

Ms. COLLINS (for herself, Mrs. MURRAY, Mr. COLEMAN, and Mr. LIEBERMAN) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To improve cargo security, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “GreenLane Maritime Cargo Security Act”.

6       (b) TABLE OF CONTENTS.—The table of contents for  
7       this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.
- Sec. 4. Strategy.
- Sec. 5. Under Secretary for Policy.
- Sec. 6. Container security standards and procedures.
- Sec. 7. Radiation detection and radiation safety.
- Sec. 8. Container Security Initiative.
- Sec. 9. Customs-Trade Partnership Against Terrorism.

- Sec. 10. GreenLane designation.
- Sec. 11. Joint operations center.
- Sec. 12. Research, development, test, and evaluation.
- Sec. 13. Port Security Grant Program.
- Sec. 14. Authorization of appropriations.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) Maritime vessels are the primary mode of  
4 transportation for international trade and they carry  
5 over 80 percent of international trade by volume.  
6 Improving the security of this complex supply chain  
7 is critical for the prosperity and liberty of all na-  
8 tions.

9 (2) In 2004, approximately 9,700,000 shipping  
10 containers came into the United States through the  
11 Nation's seaports, averaging nearly 27,000 per day.

12 (3) In May 2002, the Brookings Institution es-  
13 timated that costs associated with United States  
14 port closures from a detonated terrorist weapon  
15 could add up to \$1,000,000,000,000 from the result-  
16 ing economic slump and changes in our Nation's  
17 ability to trade. Although the October 2002 west  
18 coast port closures were anticipated, such closures  
19 cost the American economy approximately  
20 \$1,000,000,000 per day for the first 5 days.

21 (4) In its final report, the National Commission  
22 on Terrorist Attacks Upon the United States noted,  
23 "While commercial aviation remains a possible tar-

1 get, terrorists may turn their attention to other  
2 modes of transportation. Opportunities to do harm  
3 are as great, or greater, in maritime or surface  
4 transportation. Initiatives to secure shipping con-  
5 tainers have just begun.”.

6 (5) The April 2005 Government Accountability  
7 Office report entitled “CONTAINER SECURITY:  
8 A Flexible Staffing Model and Minimum Equipment  
9 Requirements Would Improve Overseas Targeting  
10 and Inspection Efforts” reported that the effective-  
11 ness of the Container Security Initiative is com-  
12 promised when containers screened by the Bureau of  
13 Customs and Border Protection and identified as  
14 high-risk are not properly inspected and examined  
15 by foreign governments.

16 (6) The March 2005 Government Account-  
17 ability Office report entitled, “CARGO SECURITY:  
18 Partnership Program Grants Importers Reduced  
19 Scrutiny with Limited Assurance of Improved Secu-  
20 rity”, reports that the terrorist events of September  
21 11, 2001, raised concerns about the potential use of  
22 company supply chains, particularly oceangoing  
23 cargo containers, to move weapons of mass destruc-  
24 tion to the United States. While the likelihood of  
25 such use of containers is considered low, the move-

1       ment of oceangoing containerized cargo is vulnerable  
2       to some form of terrorist action. Such action, includ-  
3       ing attempts to smuggle either fully assembled weap-  
4       ons of mass destruction or their individual compo-  
5       nents, could lead to widespread death and damage.

6           (7) In August 2005, the President issued the  
7       National Strategy for Maritime Security, which  
8       notes that the probability of a hostile state using a  
9       weapon of mass destruction (referred to in this sec-  
10      tion as “WMD”) will increase during the next dec-  
11      ade. WMD are of great concern since the maritime  
12      sector is the most likely to be used to bring a WMD  
13      into the United States. In addition, the adoption of  
14      a “just-in-time delivery approach to shipping by  
15      most industries, rather than stockpiling or maintain-  
16      ing operating reserves of energy, raw materials, and  
17      key components, means that a disruption or slowing  
18      of the flow of almost any item can have widespread  
19      implications for the overall market and national  
20      economy”.

21           (8) Significant enhancements can be achieved  
22      by applying a layered approach to supply chain secu-  
23      rity, though such layers must be developed in a co-  
24      ordinated fashion. Current supply chain security  
25      programs within the Federal government have been

1 independently operated, often falling short of gains  
2 which could be made had coordination taken place.

3 (9) In a May 26, 2005, hearing of the Perma-  
4 nent Subcommittee on Investigations of the Com-  
5 mittee on Homeland Security and Governmental Af-  
6 fairs of the Senate, key concerns with the Depart-  
7 ment's supply chain security programs were noted,  
8 including—

9 (A) only 17.5 percent of the cargo that the  
10 Bureau of Customs and Border Protection had  
11 identified as high-risk is inspected overseas;

12 (B) equipment, such as radiation detection  
13 devices and nonintrusive imaging machines,  
14 used overseas for inspections are untested and  
15 of unknown quality;

16 (C) the Bureau of Customs and Border  
17 Protection has failed to develop performance  
18 measures for the Container Security Initiative  
19 that would validate CSI port designations and  
20 justify the deployment of personnel overseas;

21 (D) the lack of such performance measures  
22 and an assessment for staffing allocations has  
23 lead to some CSI ports being overstaffed while  
24 others are inadequately staffed;

1           (E) substantial benefits including fewer in-  
2           spections are provided to importers enrolled in  
3           the C-TPAT program without a thorough re-  
4           view or validation of their supply chain security  
5           profiles; and

6           (F) the validation procedures and require-  
7           ments are not sufficiently rigorous to ensure  
8           the C-TPAT member's security procedures are  
9           adequate.

10          (10) The statement of managers accompanying  
11          the conference report on the Department of Home-  
12          land Security Appropriations Act, 2005 (Public Law  
13          108-334) directed the Under Secretary for Border  
14          and Transportation Security to "submit a report to  
15          the Congress no later than February 8, 2005, which  
16          identified: (1) the steps the Department has taken  
17          to date to enhance shipping container security, (2)  
18          the resources that have been devoted to shipping  
19          container security in prior fiscal years and the pro-  
20          posed resources to continue this security, (3) the re-  
21          sults of on-going projects, such as Operation Safe  
22          Commerce, CSI, C-TPAT and others, (4) which de-  
23          partmental entity has primary responsibility for im-  
24          plementing the needed changes, and (5) the steps  
25          the entity with primary responsibility will take to

1 implement these changes, including a specific sched-  
2 ule for the development and issuance of standards,  
3 policies, procedures, or regulations.”. The statement  
4 of managers accompanying the conference report on  
5 the Department of Homeland Security Appropria-  
6 tions Act, 2006 (Public Law 109–90) directed the  
7 Department of Homeland Security to conduct a new  
8 review regarding cargo container security, stating  
9 “on June 9, 2005, the Department submitted a re-  
10 port on cargo container security which was 4 months  
11 overdue and did not meet the needs outlined in the  
12 statement of managers accompanying the conference  
13 report on the Department of Homeland Security Ap-  
14 propriations Act, 2005 (Public Law 108–334).”.

15 (11) While it is impossible to completely remove  
16 the risk of terrorist attacks, security measures in the  
17 transport sector designed to counter terrorism can  
18 add certainty and stability to the global economy,  
19 raise investor confidence, and facilitate trade. Some  
20 counterterrorism costs are integral to the price that  
21 must be paid to protect society. However, counter-  
22 terrorism measures can also present an opportunity  
23 to find and agree on measures that combine the im-  
24 perative to fight terrorism with the possibility of in-

1        creased efficiency in the system. These efficiency  
2        gains are maximized when all nations adopt them.

3            (12) The World Customs Organization has  
4        taken a positive step in furtherance of international  
5        supply chain security in publishing the Framework  
6        of Standards to Secure and Facilitate Global Trade,  
7        which outlines a set of minimum standards designed  
8        to—

9            (A) establish standards for security and  
10        trade facilitation;

11           (B) enable integrated supply chain man-  
12        agement;

13           (C) enhance the capabilities of customs ad-  
14        ministrations; and

15           (D) promote cooperation between the cus-  
16        toms and business communities.

17           (13) The shipping industry has a responsibility  
18        to monitor, self-assess, and report on the risks asso-  
19        ciated with goods under their control or use. The  
20        public sector must offer incentives for companies to  
21        invest in security in order to promote information  
22        sharing and other public-benefit outcomes.

23           (14) Increasing the transparency of the supply  
24        chain will assist in mitigating the impact of an inci-  
25        dent by allowing for targeted shutdown of the inter-



1 national supply chain and expedited restoration of  
2 commercial traffic.

3 **SEC. 3. DEFINITIONS.**

4 In this Act:

5 (1) **AUTOMATED TARGETING SYSTEM.**—The  
6 term “Automated Targeting System” means the sys-  
7 tem established by the Bureau of Customs and Bor-  
8 der Protection to assess imports and target those  
9 imports which pose a high risk of containing contra-  
10 band.

11 (2) **CONTAINER.**—The term “container” has  
12 the meaning given the term in the International  
13 Convention for Safe Containers, with annexes, done  
14 at Geneva December 2, 1972 (29 UST 3707).

15 (3) **CONTAINER SECURITY DEVICE.**—The term  
16 “container security device” means a device or system  
17 to track and monitor containers for, and secure  
18 them against, tampering or compromise throughout  
19 the international supply chain.

20 (4) **CONTAINER SECURITY INITIATIVE; CSI.**—  
21 The terms “Container Security Initiative” and  
22 “CSI” mean the program authorized under section  
23 8 to identify and examine maritime containers that  
24 pose a risk for terrorism at foreign ports before they  
25 are shipped to the United States.

1           (5) CUSTOMS-TRADE PARTNERSHIP AGAINST  
2           TERRORISM; C-TPAT.—The terms “Customs-Trade  
3           Partnership Against Terrorism” and “C-TPAT”  
4           mean the voluntary program authorized under sec-  
5           tion 9 to strengthen and improve the overall security  
6           of the international supply chain and United States  
7           border security.

8           (6) DEPARTMENT.—The term “Department”  
9           means the Department of Homeland Security.

10          (7) EXAMINATION.—The term “examination”  
11          means an inspection of cargo to detect the presence  
12          of misdeclared, restricted, or prohibited items, in-  
13          cluding an inspection using nonintrusive imaging  
14          and detection technology.

15          (8) GREENLANE.—The term “GreenLane” re-  
16          fers to the third tier of C-TPAT, that offers addi-  
17          tional benefits to validated C-TPAT participants  
18          that demonstrate a sustained commitment beyond  
19          the minimum requirements for participation in C-  
20          TPAT.

21          (9) INSPECTION.—The term “inspection”  
22          means the comprehensive process used by the Bu-  
23          reau of Customs and Border Protection for assess-  
24          ing goods entering the United States to appraise  
25          them for duty purposes, to detect the presence of re-

1       stricted or prohibited items, and to ensure compli-  
2       ance with all applicable laws. This process may in-  
3       clude screening, conducting an examination, or con-  
4       ducting a search.

5           (10) INTERNATIONAL SUPPLY CHAIN.—The  
6       term “international supply chain” means the end-to-  
7       end process for shipping goods from a point of ori-  
8       gin overseas to the United States.

9           (11) OPERATION SAFE COMMERCE.—The term  
10      “Operation Safe Commerce” means the research, de-  
11      velopment, test, and evaluation grant program that  
12      brings together private sector shareholders, port offi-  
13      cials, and Federal, State, and local representatives  
14      to analyze existing security procedures for cargo and  
15      develop new security protocols that have the poten-  
16      tial to increase the security of cargo shipments by  
17      monitoring the movement and integrity of cargo  
18      through the international supply chain.

19           (12) POINT OF ORIGIN.—The term “point of  
20      origin”, in the case of goods, means the point at  
21      which such goods are assembled into the smallest ex-  
22      terior packaging unit for movement through the  
23      international supply chain.

24           (13) SCREENING.—The term “screening”  
25      means a visual or automated review of information

1 about goods, including manifest or entry documenta-  
2 tion accompanying a shipment being imported into  
3 the United States, to determine or assess the threat  
4 of such cargo.

5 (14) SEARCH.—The term “search” means an  
6 intrusive examination in which a container is opened  
7 and its contents are de-vanned and visually in-  
8 spected by inspectional personnel for the presence of  
9 misdeclared, restricted, or prohibited items.

10 (15) SECRETARY.—The term “Secretary”  
11 means the Secretary of Homeland Security.

12 (16) SMALLEST EXTERIOR PACKAGING UNIT.—  
13 The term “smallest exterior packaging unit” has the  
14 meaning given such term in section 4.7a of title 19,  
15 Code of Federal Regulations (as in effect on the  
16 date of enactment of this Act).

17 (17) SUPPLY CHAIN VISIBILITY PROCEDURE.—  
18 The term “supply chain visibility procedure” means  
19 a system or process capable of tracking goods at the  
20 smallest exterior packaging unit level from their  
21 point of origin to the point of loading into a con-  
22 tainer entering the international supply chain.

23 (18) TRANSPORTATION SECURITY INCIDENT.—  
24 The term “transportation security incident” has the

1 meaning given such term in section 70101(6) of title  
2 46, United States Code.

3 **SEC. 4. STRATEGY.**

4 (a) STRATEGIC PLAN.—

5 (1) IN GENERAL.—Not later than 180 days  
6 after the date of enactment of this Act, the Sec-  
7 retary, in consultation with appropriate Federal,  
8 State, local, and tribal government agencies and pri-  
9 vate sector stakeholders responsible for security mat-  
10 ters that affect or relate to the movement of con-  
11 tainers through the international supply chain, shall  
12 submit a comprehensive strategic plan to enhance  
13 international supply chain security for all modes of  
14 transportation by which containers arrive in, depart  
15 from, or move through seaports of the United States  
16 to—

17 (A) the Committee on Homeland Security  
18 and Governmental Affairs of the Senate;

19 (B) the Committee on Appropriations of  
20 the Senate;

21 (C) the Committee on Homeland Security  
22 of the House of Representatives; and

23 (D) the Committee on Appropriations of  
24 the House of Representatives.

1           (2) CONTENT.—The strategic plan submitted  
2 under paragraph (1) shall—

3           (A) clarify and delineate the roles, respon-  
4 sibilities, and authorities of Federal, State,  
5 local, and tribal government agencies and pri-  
6 vate sector stakeholders that relate to the secu-  
7 rity of the movement of containers through the  
8 international supply chain;

9           (B) provide measurable goals, including  
10 objectives, mechanisms, and a schedule, for fur-  
11 thering the security of commercial operations  
12 from point of origin to point of destination;

13           (C) build on available resources and con-  
14 sider costs and benefits;

15           (D) identify mandatory, baseline security  
16 goals, and the minimum container security  
17 standards and procedures described in section  
18 6;

19           (E) provide incentives for additional vol-  
20 untary measures to enhance cargo security, as  
21 determined by the Secretary and under the  
22 GreenLane Program under section 10;

23           (F) include a process for sharing intel-  
24 ligence and information with private sector  
25 stakeholders to assist in their security efforts;

1           (G) identify a framework for prudent and  
2 measured response in the event of a transpor-  
3 tation security incident involving the inter-  
4 national supply chain;

5           (H) provide a plan for the expeditious re-  
6 sumption of the flow of legitimate trade in ac-  
7 cordance with paragraph (3);

8           (I) focus on the secure movement of con-  
9 tainerized cargo through the international sup-  
10 ply chain; and

11           (J) expand upon and relate to existing  
12 strategies and plans, including the National  
13 Strategy for Maritime Security.

14 (3) RESUMPTION OF TRADE.—

15           (A) IN GENERAL.—The Secretary shall de-  
16 velop protocols for the resumption of trade in  
17 the event of a transportation security incident  
18 that necessitates the suspension of trade  
19 through contingency and continuity planning  
20 that ensure trade lanes are restored as quickly  
21 as possible.

22           (B) PREFERENCES.—In reestablishing the  
23 flow of cargo through ports of entry in the  
24 United States after a transportation security in-

1           cident, the Secretary shall give preference to  
2           vessels—

3                   (i) having a vessel security plan ap-  
4                   proved or accepted under section 70103(c)  
5                   of title 46, United States Code;

6                   (ii) entering a port of entry directly  
7                   from a foreign port designated under CSI  
8                   or from another foreign port, as deter-  
9                   mined by the Secretary;

10                   (iii) operated by validated C-TPAT  
11                   participants; and

12                   (iv) carrying GreenLane designated  
13                   cargo.

14           (4) UPDATE.—Not less than 3 years after the  
15           strategic plan is submitted under paragraph (1), the  
16           Secretary shall submit an update of the strategic  
17           plan to the Committee on Homeland Security and  
18           Governmental Affairs of the Senate, the Committee  
19           on Homeland Security of the House of Representa-  
20           tives, the Committee on Appropriations of the Sen-  
21           ate, and the Committee on Appropriations of the  
22           House of Representatives.

23           (5) CONSULTATIONS.—Consultations described  
24           in paragraph (1) shall focus on—



1 (A) designing measurable goals, including  
2 objectives, mechanisms, and a schedule, for fur-  
3 thering the security of the international supply  
4 chain;

5 (B) identifying and addressing gaps in ca-  
6 pabilities, responsibilities, or authorities;

7 (C) identifying and streamlining unneces-  
8 sary overlaps in capabilities, responsibilities, or  
9 authorities; and

10 (D) identifying and making recommenda-  
11 tions regarding legislative, regulatory, and orga-  
12 nizational changes necessary to improve coordi-  
13 nation among the entities or to enhance the se-  
14 curity of the international supply chain.

15 (6) UTILIZATION OF ADVISORY COMMITTEES.—

16 As part of the consultative process, the Secretary is  
17 encouraged to utilize the Homeland Security Advi-  
18 sory Committee, the National Maritime Security Ad-  
19 visory Committee, and the Commercial Operations  
20 Advisory Committee to review, as necessary, the  
21 draft strategic plan and any subsequent update to  
22 that plan.

23 (7) INTERNATIONAL STANDARDS AND PRAC-  
24 TICES.—In furtherance of the strategic plan, the  
25 Secretary is encouraged to consider proposed or es-

1        tablished standards and practices of foreign govern-  
2        ments and international organizations, including the  
3        International Maritime Organization, the World  
4        Customs Organization, the International Labor Or-  
5        ganization, and the International Organization for  
6        Standardization, as appropriate, to establish stand-  
7        ards and best practices for the security of containers  
8        moving through the international supply chain.

9        (b) IMPROVEMENTS TO AUTOMATED TARGETING  
10       SYSTEM.—

11            (1) PLAN.—Not later than 90 days after the  
12        date of enactment of this Act, the Secretary shall  
13        develop and implement a plan for improving the  
14        Automated Targeting System for identifying high-  
15        risk containers moving through the international  
16        supply chain.

17            (2) CONTENTS.—

18            (A) TREATMENT OF RECOMMENDA-  
19        TIONS.—The Secretary shall include in the plan  
20        required under paragraph (1) a schedule for  
21        completing all outstanding corrective actions  
22        recommended by the Comptroller General of the  
23        United States, the Inspector General of the De-  
24        partment of the Treasury, and the Inspector

1           General of the Department with respect to the  
2           operation of the Automated Targeting System.

3           (B) INFORMATION SUBMISSIONS.—In de-  
4           veloping the plan under paragraph (1), the Sec-  
5           retary shall consider the cost, benefit, and feasi-  
6           bility of—

7                   (i) requiring additional nonmanifest  
8                   documentation for each container, includ-  
9                   ing purchase orders, shipper's letters of in-  
10                  struction, commercial invoices, letters of  
11                  credit, certificates of origin, advance ship-  
12                  ping notices, vessel stow plans, and certain  
13                  container status messages, when created;

14                  (ii) reducing the time period allowed  
15                  by law for revisions to a container cargo  
16                  manifest;

17                  (iii) reducing the time period allowed  
18                  by law for submission of entry data for  
19                  vessel or cargo; and

20                  (iv) such other actions the Secretary  
21                  considers beneficial for improving the in-  
22                  formation relied upon for the Automated  
23                  Targeting System and any other targeting  
24                  systems in furthering the security and in-  
25                  tegrity of the international supply chain.

1           (C) OUTSIDE REVIEW.—The Secretary  
2 shall conduct, through an independent panel, a  
3 review of the Automated Targeting System.  
4 The results of this review shall be included in  
5 the plan submitted under paragraph (1).

6           (D) SMART SYSTEM.—The Secretary shall  
7 consider future iterations of the Automated  
8 Targeting System, which would incorporate  
9 smart features, such as more complex algo-  
10 rithms and real-time intelligence, instead of re-  
11 lying solely on rule sets that are periodically up-  
12 dated.

13           (3) NEW OR EXPANDED INFORMATION SUBMIS-  
14 SIONS.—In considering any new or expanded infor-  
15 mation submission requirements, the Secretary shall  
16 consult with stakeholders and identify the need for  
17 such information, and the appropriate timing of its  
18 submission, in the plan submitted under paragraph  
19 (1).

20           (4) SECURE TRANSMISSION OF CERTAIN INFOR-  
21 MATION.—All information required by the Depart-  
22 ment from supply chain partners shall be trans-  
23 mitted in a secure fashion, as determined by the  
24 Secretary, so as to protect the information from un-  
25 authorized access.

1 (c) UNIFORM DATA FOR GOVERNMENT-WIDE  
2 USAGE.—

3 (1) ESTABLISHMENT.—The Secretary, in con-  
4 junction with representatives from the Department,  
5 the Department of Transportation, the Department  
6 of Health and Human Services, the Department of  
7 Agriculture, the Department of Commerce, the De-  
8 partment of State, the Department of Defense, the  
9 Department of Justice, the Department of the Inte-  
10 rior, and other appropriate Federal agencies, as de-  
11 termined by the Secretary, shall establish and imple-  
12 ment a single, uniform data system for the electronic  
13 collection, dissemination, and sharing of import and  
14 export information to increase the efficiency of data  
15 submission and the security of such data related to  
16 border security, trade, and public health and safety  
17 of international cargoes (referred to in this sub-  
18 section as the “International Trade Data System”).

19 (2) INTERAGENCY STEERING GROUP.—The  
20 Deputy Director for Management of the Office of  
21 Management and Budget (referred to in this sub-  
22 section as the “Deputy Director”), pursuant to re-  
23 sponsibilities under chapter 36 of title 44, United  
24 States Code, shall establish an executive level, inter-  
25 departmental steering group (referred to in this sub-

1 section as the “Interdepartmental Steering Group”),  
2 comprised of representatives of the departments list-  
3 ed in paragraph (1), to coordinate, the establish-  
4 ment, investment in, and implementation of the  
5 International Trade Data System.

6 (3) IMPLEMENTATION.—Not later than 1 year  
7 after the date of enactment of this Act, the Deputy  
8 Director, through the Interdepartmental Steering  
9 Group, shall complete the development of the har-  
10 monized data set of import and export information  
11 submitted to agencies with a presence at the inter-  
12 national border of the United States.

13 (4) PRIVATE SECTOR CONSULTATION.—The  
14 Secretary and the Interdepartmental Steering Group  
15 shall consult with private sector stakeholders in de-  
16 veloping the uniform data submission requirements,  
17 procedures, and schedules.

18 (5) JOINT INSPECTIONS PROCEDURES.—The  
19 Deputy Director, through the Interdepartmental  
20 Steering Group, shall develop plans for longer term  
21 uses of the International Trade Data System, in-  
22 cluding facilitating joint cargo inspections by mul-  
23 tiple Federal agencies to meet their respective re-  
24 quirements.

1 **SEC. 5. UNDER SECRETARY FOR POLICY.**

2 (a) UNDER SECRETARY FOR POLICY.—The Home-  
3 land Security Act of 2002 (6 U.S.C. 101 et seq.) is amend-  
4 ed—

5 (1) by redesignating title VI and section 601 as  
6 title XVIII and section 1801, respectively, and  
7 transferring that title to the end of the Act; and

8 (2) by inserting after title V the following:

9 **“TITLE VI—UNDER SECRETARY**  
10 **FOR POLICY**

11 **“SEC. 601. UNDER SECRETARY FOR POLICY.**

12 “(a) IN GENERAL.—There shall be in the Depart-  
13 ment an Under Secretary for Policy, who shall be ap-  
14 pointed by the President, by and with the advice and con-  
15 sent of the Senate.

16 “(b) RESPONSIBILITIES.—Subject to the direction,  
17 authority, and control of the Secretary, the responsibilities  
18 of the Under Secretary for Policy shall be as follows:

19 “(1) POLICY.—

20 “(A) To serve as the principal policy advi-  
21 sor to the Secretary.

22 “(B) To provide overall direction and su-  
23 pervision for policy development to programs,  
24 offices, and activities of the Department.

25 “(C) To establish and direct a formal pol-  
26 icymaking process for the Department.

1           “(D) To analyze, evaluate, and review  
2 completed, ongoing, and proposed programs, to  
3 ensure they are compatible with the Secretary’s  
4 priorities, strategic plans, and policies.

5           “(2) STRATEGIC PLANNING.—

6           “(A) To conduct long-range, strategic  
7 planning for the Department.

8           “(B) To prepare national and Department  
9 strategies, as appropriate.

10          “(C) To conduct net assessments of issues  
11 facing the Department.

12          “(D) To conduct reviews of the Depart-  
13 ment to ensure the implementation of this para-  
14 graph.

15          “(3) INTERNATIONAL RESPONSIBILITIES.—

16          “(A) To promote informational and edu-  
17 cational exchange with nations friendly to the  
18 United States in order to promote sharing of  
19 best practices and technologies relating to  
20 homeland security, including—

21                 “(i) the exchange of information on  
22 research and development on homeland se-  
23 curity technologies;

24                 “(ii) joint training exercises of first  
25 responders; and



1                   “(iii) exchanging expertise and infor-  
2                   mation on terrorism prevention, response,  
3                   and crisis management.

4                   “(B) To identify areas for homeland secu-  
5                   rity informational and training exchange where  
6                   the United States has a demonstrated weakness  
7                   and another friendly nation or nations have a  
8                   demonstrated expertise.

9                   “(C) To plan and undertake international  
10                  conferences, exchange programs (including the  
11                  exchange of scientists, engineers, and other ex-  
12                  perts), and other training activities.

13                  “(D) To manage international activities  
14                  within the Department in coordination with  
15                  other Federal officials with responsibility for  
16                  counterterrorism matters.

17                  “(4) PRIVATE SECTOR.—

18                  “(A) To create and foster strategic com-  
19                  munications with the private sector to enhance  
20                  the primary mission of the Department to pro-  
21                  tect the American homeland.

22                  “(B) To advise the Secretary on the im-  
23                  pact of the policies, regulations, processes, and  
24                  actions of the Department on the private sector.

1           “(C) To interface with other relevant Fed-  
2           eral agencies with homeland security missions  
3           to assess the impact of the actions of such  
4           agencies on the private sector.

5           “(D) To create and manage private sector  
6           advisory councils composed of representatives of  
7           industries and associations designated by the  
8           Secretary—

9                   “(i) to advise the Secretary on private  
10                  sector products, applications, and solutions  
11                  as they relate to homeland security chal-  
12                  lenges; and

13                   “(ii) to advise the Secretary on home-  
14                  land security policies, regulations, proc-  
15                  esses, and actions that affect the partici-  
16                  pating industries and associations.

17           “(E) To work with Federal laboratories,  
18           federally funded research and development cen-  
19           ters, other federally funded organizations, aca-  
20           demia, and the private sector to develop innova-  
21           tive approaches to address homeland security  
22           challenges to produce and deploy the best avail-  
23           able technologies for homeland security mis-  
24           sions.

1           “(F) To promote existing public-private  
2 partnerships and develop new public-private  
3 partnerships to provide for collaboration and  
4 mutual support to address homeland security  
5 challenges.

6           “(G) To assist in the development and pro-  
7 motion of private sector best practices to secure  
8 critical infrastructure.

9           “(H) To coordinate industry efforts, with  
10 respect to functions of the Department, to iden-  
11 tify private sector resources and capabilities  
12 that could be effective in supplementing Fed-  
13 eral, State, and local government agency efforts  
14 to prevent or respond to a terrorist attack.

15           “(I) To coordinate among Department op-  
16 erating entities and with the Assistant Sec-  
17 retary for Trade Development of the Depart-  
18 ment of Commerce on issues related to the trav-  
19 el and tourism industries.”.

20           (b) TECHNICAL AND CONFORMING AMENDMENTS.—  
21 The Homeland Security Act of 2002 (6 U.S.C. 101 et  
22 seq.) is amended—

23           (1) in section 103—

1 (A) by redesignating paragraphs (6)  
2 through (10) as paragraphs (7) through (11),  
3 respectively; and

4 (B) by inserting after paragraph (5) the  
5 following:

6 “(6) An Under Secretary for Policy.”;

7 (2) by striking section 879; and

8 (3) in the table of contents—

9 (A) by redesignating the items relating to  
10 title VI and section 601 as items relating to  
11 title XVIII and section 1801, respectively, and  
12 transferring the items relating to that title and  
13 section to the end of the table of contents;

14 (B) by striking the item relating to section  
15 879; and

16 (C) by inserting before the item relating to  
17 title VII the following:

“TITLE VI—UNDER SECRETARY FOR POLICY

“Sec. 601. Under Secretary for Policy.”.

18 (c) OFFICE OF CARGO SECURITY POLICY.—Subtitle  
19 C of title IV of the Homeland Security Act of 2002 (6  
20 U.S.C. 231 et seq.) is amended by adding at the end the  
21 following:

1 **“SEC. 431. OFFICE OF CARGO SECURITY POLICY.**

2       “(a) ESTABLISHMENT.—There is established within  
3 the Department an Office of Cargo Security Policy (re-  
4 ferred to in this section as the ‘Office’).

5       “(b) PURPOSE.—The Office shall—

6           “(1) coordinate all Department policies and  
7 programs relating to cargo security; and

8           “(2) consult with stakeholders and work with  
9 other Federal agencies to establish standards and  
10 regulations and to promote best practices.

11       “(c) DIRECTOR.—

12           “(1) APPOINTMENT.—The Office shall be head-  
13 ed by a Director, who shall—

14               “(A) be appointed by the Secretary; and

15               “(B) report to the Under Secretary for  
16 Policy.

17       “(2) RESPONSIBILITIES.—The Director shall—

18           “(A) advise the Secretary and the Under  
19 Secretary for Policy regarding all aspects of  
20 Department programs relating to cargo secu-  
21 rity;

22           “(B) develop Department-wide policies re-  
23 garding cargo security;

24           “(C) coordinate the cargo security policies  
25 and programs of the Department with other ex-  
26 ecutive agencies; and

1                   “(D) coordinate all programs of the De-  
2                   partment relating to cargo security.”.

3           (d) DESIGNATION OF LIAISON OFFICE OF DEPART-  
4   MENT OF STATE.—The Secretary of State shall designate  
5   a liaison office within the Department of State to assist  
6   the Secretary, as appropriate in negotiating cargo security  
7   related international agreements; in conducting activities  
8   under this Act; and other responsibilities as assigned by  
9   the Secretary of State.

10 **SEC. 6. CONTAINER SECURITY STANDARDS AND PROCE-**  
11 **DURES.**

12           (a) ESTABLISHMENT.—

13               (1) IN GENERAL.—Not later than 180 days  
14           after the date of enactment of this Act, the Sec-  
15           retary shall establish, by regulation, minimum stand-  
16           ards and procedures for securing containers in tran-  
17           sit to an importer in the United States.

18               (2) INFORMATION SOURCES.—The Secretary  
19           shall use information from C-TPAT, Operation Safe  
20           Commerce, any container security program of the  
21           Directorate of Science and Technology, and other se-  
22           curity initiatives to establish the standards and pro-  
23           cedures described in paragraph (1). Such standards  
24           may address operation, technology use, and perform-  
25           ance.

1           (3) DEADLINE FOR ENFORCEMENT.—Not later  
2 than 2 years after the establishment of standards  
3 and procedures under subsection (a), all containers  
4 bound for ports of entry in the United States shall  
5 meet such standards and procedures.

6           (b) REVIEW AND ENHANCEMENT.—The Secretary  
7 shall regularly—

8           (1) review the standards and procedures estab-  
9 lished pursuant to subsection (a); and

10           (2) enhance the security standards and proce-  
11 dures, as appropriate, based on tests of technologies  
12 as they become commercially available to detect con-  
13 tainer intrusion and the highest consequence threats,  
14 particularly weapons of mass destruction, in accord-  
15 ance with section 11.

16           (c) INTERNATIONAL CARGO SECURITY STAND-  
17 ARDS.—The Secretary, in consultation with the Secretary  
18 of State, is encouraged to promote and establish inter-  
19 national standards for the security of containers moving  
20 through the international supply chain with foreign gov-  
21 ernments and international organizations, including the  
22 International Maritime Organization and the World Cus-  
23 toms Organization.

1 **SEC. 7. RADIATION DETECTION AND RADIATION SAFETY.**

2 (a) EXAMINING CONTAINERS.—Not later than 1 year  
3 after the date of enactment of this Act, all containers en-  
4 tering the United States shall be examined for radiation.

5 (b) STRATEGY.—

6 (1) IN GENERAL.—Not later than 90 days after  
7 the date of enactment of this Act, the Secretary  
8 shall submit a strategy for the deployment of radi-  
9 ation detection equipment at all ports of entry to—

10 (A) the Committee on Homeland Security  
11 and Governmental Affairs of the Senate;

12 (B) the Committee on Appropriations of  
13 the Senate;

14 (C) the Committee on Homeland Security  
15 of the House of Representatives; and

16 (D) the Committee on Appropriations of  
17 the House of Representatives.

18 (2) CONTENTS.—The strategy submitted under  
19 paragraph (1) shall include—

20 (A) the type of equipment to be used;

21 (B) standard operating procedures for ex-  
22 amining containers with such equipment;

23 (C) a plan detailing the environmental  
24 health and safety impacts of nonintrusive in-  
25 spection technology;



1 (D) the Department policy for the using  
2 nonintrusive inspection equipment; and

3 (E) a classified annex that details plans  
4 for covert testing.

5 (c) **RADIATION SAFETY.**—Not later than 90 days  
6 after the date of enactment of this Act, the Secretary shall  
7 submit a plan, to the Committee on Homeland Security  
8 and Governmental Affairs of the Senate, the Committee  
9 on Appropriations of the Senate, the Committee on Home-  
10 land Security of the House of Representatives, and the  
11 Committee on Appropriations of the House of Representa-  
12 tives, that—

13 (1) details the health and safety impacts of  
14 nonintrusive inspection technology; and

15 (2) describes the policy of the Bureau of Cus-  
16 toms and Border Protection for using nonintrusive  
17 inspection equipment.

18 **SEC. 8. CONTAINER SECURITY INITIATIVE.**

19 (a) **AUTHORIZATION.**—The Secretary is authorized to  
20 establish and implement a program (to be known as the  
21 “Container Security Initiative” or “CSI”) to identify and  
22 examine maritime containers that pose a risk for terrorism  
23 at foreign ports before the containers are shipped to the  
24 United States.

1 (b) ASSESSMENT.—Before the Secretary designates  
2 any foreign port under CSI, the Secretary, in coordination  
3 with the Secretary of State and other Federal officials,  
4 as appropriate, shall conduct an assessment of the port  
5 to evaluate costs, benefits, and other factors associated  
6 with designation, including—

7 (1) the level of risk for the potential com-  
8 promise of containers by terrorists or terrorist weap-  
9 ons;

10 (2) the economic impact of cargo traveling from  
11 the foreign port in terms of trade value and volume;

12 (3) the results of the Coast Guard assessments  
13 conducted pursuant to section 70108 of title 46,  
14 United States Code;

15 (4) the capabilities and level of cooperation ex-  
16 pected of the intended host country;

17 (5) the potential for validation of security prac-  
18 tices by the Department, directly or through cer-  
19 tified third parties within the country in which the  
20 foreign port is located;

21 (6) the potential for amending trade agree-  
22 ments to reflect participation in CSI; and

23 (7) the potential for C-TPAT and GreenLane  
24 cargo traveling from the foreign port.

1           (c) ANNUAL REPORT.—Not later than March 1 of  
2 each year in which the Secretary proposes to designate  
3 a foreign port under CSI, the Secretary shall submit a  
4 report, in classified or unclassified form, detailing the as-  
5 sessment of each foreign port the Secretary is considering  
6 designating under CSI, to—

7           (1) the Committee on Homeland Security and  
8           Governmental Affairs of the Senate;

9           (2) the Committee on Appropriations of the  
10          Senate;

11          (3) the Committee on Homeland Security of the  
12          House of Representatives; and

13          (4) the Committee on Appropriations of the  
14          House of Representatives.

15          (d) CURRENT CSI PORTS.—The report under sub-  
16 section (c) shall include an annual assessment justifying  
17 the continuance of each port designated under CSI as of  
18 the date of enactment of this Act.

19          (e) DESIGNATION OF NEW PORTS.—The Secretary  
20 shall not designate a foreign port under CSI unless the  
21 Secretary has completed the assessment required in sub-  
22 section (b) for that port and submitted a report under sub-  
23 section (c) that includes that port.

24          (f) NEGOTIATIONS.—The Secretary of State, in con-  
25 junction with the United States Trade Representative,

1 shall enter into trade negotiations with the government of  
2 each foreign country with a port designated under CSI,  
3 as appropriate, to ensure full compliance with the require-  
4 ments under CSI.

5 (g) INSPECTIONS.—

6 (1) REQUIREMENTS AND PROCEDURES.—The  
7 Secretary shall—

8 (A) establish technical capability require-  
9 ments and standard operating procedures for  
10 the use of nonintrusive inspection and radiation  
11 detection equipment in conjunction with CSI;

12 (B) require each port designated under  
13 CSI to operate the equipment in accordance  
14 with the requirements and procedures estab-  
15 lished under subparagraph (A); and

16 (C) continually monitor the technologies,  
17 processes, and techniques used to inspect cargo  
18 at ports designated under CSI.

19 (2) FOREIGN ASSISTANCE.—

20 (A) IN GENERAL.—The Secretary, in co-  
21 ordination with the Secretary of State, the Sec-  
22 retary of Energy, and other Federal agencies,  
23 shall identify foreign assistance programs that  
24 could facilitate the implementation of cargo se-  
25 curity antiterrorism measures at ports des-

1           ignated under CSI and foreign ports not des-  
2           ignated under CSI that lack effective  
3           antiterrorism measures.

4           (B) ACQUISITION.—The Secretary may  
5           lease or loan nonintrusive inspection and radi-  
6           ation detection equipment for containers to the  
7           government of a foreign country for use in  
8           ports participating in CSI.

9           (C) TRAINING.—The Secretary may pro-  
10          vide training on the use of equipment to foreign  
11          personnel at each port designated under CSI.

12         (h) PERSONNEL.—The Secretary shall—

13                 (1) annually assess the personnel needs at each  
14                 port designated under CSI;

15                 (2) deploy personnel in accordance with the as-  
16                 sessment under paragraph (1); and

17                 (3) consider the potential for remote targeting  
18                 in decreasing the number of personnel.

19 **SEC. 9. CUSTOMS-TRADE PARTNERSHIP AGAINST TER-**  
20 **RORISM.**

21         (a) IN GENERAL.—

22                 (1) AUTHORIZATION.—The Secretary is author-  
23                 ized to establish a voluntary program (to be known  
24                 as the “Customs-Trade Partnership Against Ter-  
25                 rorism” or “C-TPAT”) to strengthen and improve

1 the overall security of the international supply chain  
2 and United States border security.

3 (2) CORRECTION OF DEFICIENCIES.—The Sec-  
4 retary shall correct the deficiencies of the C-TPAT  
5 program that were identified in the Government Ac-  
6 countability Office report entitled “CARGO SECUR-  
7 RITY: Partnership Program Grants Importers Re-  
8 duced Scrutiny with Limited Assurance of Improved  
9 Security” (GAO-05-404).

10 (3) MINIMUM REQUIREMENTS.—The Secretary  
11 shall promulgate regulations that describe the min-  
12 imum requirements, program tiers, and program  
13 benefits of C-TPAT.

14 (b) PARTICIPATION.—Importers, brokers, air, sea,  
15 land carriers, and other entities in the international supply  
16 chain and intermodal transportation system are eligible to  
17 apply to voluntarily enter into partnerships with the De-  
18 partment.

19 (c) MINIMUM REQUIREMENTS.—An applicant seek-  
20 ing to participate in C-TPAT shall—

21 (1) demonstrate a history of moving commerce  
22 in the international supply chain;

23 (2) conduct an assessment of its supply chains  
24 based upon security criteria established by the Sec-  
25 retary, including—

- 1 (A) business partner requirements;
- 2 (B) container security;
- 3 (C) physical security and access controls;
- 4 (D) personnel security;
- 5 (E) procedural security;
- 6 (F) security training and threat awareness;

7 and

- 8 (G) information technology security;

9 (3) implement and maintain security measures  
10 and supply chain security practices meeting security  
11 criteria; and

12 (4) meet all other requirements established by  
13 the Secretary.

14 (d) CERTIFICATION.—

15 (1) GUIDELINES.—Not later than 180 days  
16 after the date of enactment of this Act, the Sec-  
17 retary shall update guidelines for certifying a par-  
18 ticipant’s security measures and supply chain secu-  
19 rity practices.

20 (2) TIER ONE BENEFITS.—The Secretary may  
21 offer limited benefits to C-TPAT participants whose  
22 security measures and supply chain security prac-  
23 tices have been certified in accordance with the  
24 guidelines established pursuant to paragraph (1).

1 Such benefits may not include reduced scores in the  
2 Automated Targeting System.

3 (e) VALIDATION.—

4 (1) IN GENERAL.—Not later than 1 year after  
5 a participant has been certified under subsection  
6 (d)(1), the Secretary shall validate, directly or  
7 through certified third parties, the security measures  
8 and supply chain security practices of that partici-  
9 pant. Such validation shall include a visit to foreign  
10 locations utilized by the C-TPAT participant as part  
11 of the supply chain.

12 (2) GUIDELINES.—Not later than 180 days  
13 after the date of enactment of this Act, the Sec-  
14 retary shall update guidelines for validating a par-  
15 ticipant's security measures and supply chain secu-  
16 rity practices.

17 (3) CONSEQUENCES FOR FAILED VALIDA-  
18 TION.—If a C-TPAT participant's security meas-  
19 ures and supply chain security practices fail to meet  
20 validation requirements—

21 (A) the participant may not receive the  
22 benefits of validation; and

23 (B) the Commissioner of the Bureau of  
24 Customs and Border Protection may deny the  
25 participant all benefits under C-TPAT.



1           (4) RIGHT OF APPEAL.—A C-TPAT partici-  
2           pant described under paragraph (3) may—

3                   (A) file an appeal with the Secretary of the  
4           Commissioner’s decision under paragraph  
5           (3)(B) to deny benefits under C-TPAT; and

6                   (B) request revalidation.

7           (5) TIER TWO BENEFITS.—The Secretary shall  
8           extend benefits to each participant who has been  
9           validated under this subsection, which may include—

10                   (A) reduced searches;

11                   (B) priority processing for searches; and

12                   (C) reduced scores in the Automated Tar-  
13           geting System.

14           (f) REVALIDATION.—The Secretary shall establish a  
15           process for revalidating C-TPAT participants. Such re-  
16           validation shall occur not less frequently than once during  
17           every 3-year period following validation.

18   **SEC. 10. GREENLANE DESIGNATION.**

19           (a) ESTABLISHMENT.—The Secretary shall establish  
20           a third tier of C-TPAT (referred to in this section as the  
21           “GreenLane”) that offers additional benefits to validated  
22           C-TPAT participants that demonstrate a sustained com-  
23           mitment beyond the minimum requirements for participa-  
24           tion in C-TPAT.

1 (b) BASIC REQUIREMENTS.—Designated GreenLane  
2 participants shall ensure that—

3 (1) entry data is submitted on shipments before  
4 loading;

5 (2) cargo is loaded at a port designated under  
6 CSI, or other foreign port as determined by the Sec-  
7 retary, for transit to the United States;

8 (3) cargo is loaded on a vessel with a vessel se-  
9 curity plan approved or accepted under section  
10 70103(c) of title 46, United States Code;

11 (4) cargo is made available for screening and  
12 examination before loading using technologies, proc-  
13 esses or techniques, as determined by the Secretary;

14 (5) the supply chain visibility procedures estab-  
15 lished by the Secretary are utilized;

16 (6) container security devices meeting the  
17 standards and procedures established by the Sec-  
18 retary are utilized;

19 (7) cargo complies with additional security cri-  
20 teria established by the Secretary beyond the min-  
21 imum requirements for C-TPAT participation under  
22 section 9(e), particularly in the area of access con-  
23 trols; and

24 (8) cargo complies with any other requirements  
25 determined by the Secretary.

1           (c) CONTAINERS TRANSHIPPED THROUGH CANADA  
2 OR MEXICO UNDER GREENLANE.—Containers entering  
3 the United States under GreenLane at a land border port  
4 of entry shall undergo the equivalent, appropriate level of  
5 inspection and screening for potential compromise by ter-  
6 rorists or terrorist weapons as containers arriving at a  
7 United States port of entry from a foreign port.

8           (d) CONSEQUENCES FOR LACK OF COMPLIANCE.—

9               (1) IN GENERAL.—Any participant whose secu-  
10 rity measures and supply chain security practices  
11 have been found by the Secretary to be out of com-  
12 pliance with any requirements of the GreenLane  
13 program shall be denied all benefits under  
14 GreenLane.

15               (2) RIGHT OF APPEAL.—GreenLane partici-  
16 pants under paragraph (1) shall have the right to  
17 appeal denial of benefits decisions to the Secretary  
18 and request redesignation under GreenLane.

19           (e) NON-CONTAINERIZED CARGO.—The Secretary  
20 may consider the potential for participation in the  
21 GreenLane Program by importers of non-containerized  
22 cargoes that otherwise meet the requirements under this  
23 section.

24           (f) OVERSEAS SCREENING AND EXAMINATIONS.—

25 Not later than 180 days after the date of enactment of

1 this Act, the Secretary shall submit a strategy for screen-  
2 ing and examining GreenLane containers overseas before  
3 they are loaded on to vessels destined for the United  
4 States to—

5 (1) the Committee on Homeland Security and  
6 Governmental Affairs of the Senate;

7 (2) the Committee on Appropriations of the  
8 Senate;

9 (3) the Committee on Homeland Security of the  
10 House of Representatives; and

11 (4) the Committee on Appropriations of the  
12 House of Representatives.

13 (g) RULEMAKING.—

14 (1) IN GENERAL.—Not later than 1 year after  
15 the date of enactment of this Act, the Secretary, in  
16 consultation with private sector stakeholders, shall  
17 promulgate regulations that establish—

18 (A) requirements for supply chain visibility  
19 procedures;

20 (B) performance standards for container  
21 security devices and protocols for their use;

22 (C) procedures for overseas screening and  
23 examination of GreenLane containers; and

24 (D) any other GreenLane Program re-  
25 quirements that the Secretary considers appro-

1           appropriate, including requirements building upon se-  
2           curity measures and supply chain security best  
3           practices contained in the C-TPAT minimum  
4           requirements set forth in section 9(c).

5           (2) BENEFITS.—Not later than 2 years after  
6           the date of enactment of this Act, the Secretary, in  
7           consultation with the Commercial Operations Advi-  
8           sory Committee, shall promulgate regulations pro-  
9           viding benefits for participation in the GreenLane  
10          Program, which may include—

11                 (A) the expedited release of GreenLane  
12                 cargo into destination ports within the United  
13                 States during all threat levels designated by the  
14                 Secretary or the Commandant of the Coast  
15                 Guard;

16                 (B) reduced or eliminated bonding require-  
17                 ments for GreenLane cargo;

18                 (C) preference to vessels (as described in  
19                 section 4(e)(B));

20                 (D) further reduced searches;

21                 (E) priority processing for searches;

22                 (F) further reduced scores in the Auto-  
23                 mated Targeting System; and

24                 (G) streamlined billing of any customs du-  
25                 ties or fees.

1 **SEC. 11. JOINT OPERATIONS CENTER.**

2 (a) ESTABLISHMENT.—Not later than 3 years after  
3 the date of enactment of this Act, the Secretary shall es-  
4 tablish joint operation centers for maritime and cargo se-  
5 curity to—

6 (1) enhance information sharing;

7 (2) facilitate day-to-day operational coordina-  
8 tion; and

9 (3) in the case of a transportation security inci-  
10 dent, facilitate incident management and response.

11 (b) ORGANIZATION.—At a minimum, a joint oper-  
12 ations center shall be colocated with the command center  
13 for each Coast Guard sector. If a particular port is covered  
14 by a command center that is not located at that port, the  
15 Secretary shall consider virtual connectivity to maintain  
16 awareness of activities of that port and to provide other  
17 agency participation in accordance with subsection (c).

18 (c) PARTICIPATION.—The following entities shall par-  
19 ticipate in each joint operations center for maritime and  
20 cargo security:

21 (1) The United States Coast Guard.

22 (2) The Bureau of Customs and Border Protec-  
23 tion.

24 (3) The Bureau of Immigration and Customs  
25 Enforcement.

26 (4) The Department of Defense, as appropriate.

1           (5) The Federal Bureau of Investigation.

2           (6) Other Federal agencies with a presence at  
3 a particular port, as appropriate, or as otherwise se-  
4 lected by the Secretary.

5           (7) State, local, and international law enforce-  
6 ment and first responder agencies responsible for the  
7 port, as appropriate, or as otherwise selected by the  
8 Secretary.

9           (8) Port authority representatives, maritime ex-  
10 changes, private sector stakeholders, and other enti-  
11 ties subject to an Area Maritime Security Plan, as  
12 selected by the Secretary.

13       (d) RESPONSIBILITIES.—Each joint operations cen-  
14 ter for maritime and cargo security shall—

15           (1) assist, as appropriate, in the implementa-  
16 tion of maritime transportation security plans devel-  
17 oped under section 70103 of title 46, United States  
18 Code;

19           (2) implement the transportation security inci-  
20 dent response plans required under section 70104 of  
21 such title;

22           (3) carry out information sharing activities con-  
23 sistent with those required under section 1016 of the  
24 National Security Intelligence Reform Act of 2004

1 (6 U.S.C. 485) and the Homeland Security Informa-  
2 tion Sharing Act (6 U.S.C. 481 et seq.);

3 (4) conduct short- and long-range vessel track-  
4 ing under sections 70114 and 70115 of such title  
5 46, United States Code; and

6 (5) carry out such other responsibilities as de-  
7 termined by the Secretary.

8 (e) SECURITY CLEARANCES.—The Secretary shall  
9 sponsor and expedite individuals participating in the joint  
10 operations centers in gaining or maintaining their security  
11 clearances. Through the Captain of the Port, the Sec-  
12 retary may identify key individuals who should participate.  
13 In addition, the port or other entities may appeal to the  
14 Captain of the Port for sponsorship.

15 (f) SECURITY INCIDENTS.—During a transportation  
16 security incident involving the port, the Coast Guard Cap-  
17 tain of the Port designated by the Commandant of the  
18 Coast Guard in each joint operations center for maritime  
19 security shall act as the incident commander, unless other-  
20 wise directed under the National Response Plan.

21 (g) IMPLEMENTATION.—

22 (1) IN GENERAL.—Not later than 180 days  
23 after the date of enactment of this Act, the Sec-  
24 retary shall submit an implementation plan for this  
25 section to—



1 (A) the Committee on Homeland Security  
2 and Governmental Affairs of the Senate;

3 (B) the Committee on Appropriations of  
4 the Senate;

5 (C) the Committee on Homeland Security  
6 of the House of Representatives; and

7 (D) the Committee on Appropriations of  
8 the House of Representatives.

9 (2) CONTENTS.—The report submitted under  
10 paragraph (1) shall describe, for each joint oper-  
11 ations center—

12 (A) the location;

13 (B) the specific participating entities;

14 (C) the implementation costs; and

15 (D) the necessary resources for operation  
16 and maintenance, including the cost-sharing re-  
17 quirements for other agencies and participants.

18 **SEC. 12. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**  
19 **TION.**

20 (a) REAUTHORIZATION OF HOMELAND SECURITY  
21 SCIENCE AND TECHNOLOGY ADVISORY COMMITTEE.—

22 (1) IN GENERAL.—Section 311(j) of the Home-  
23 land Security Act of 2002 (6 U.S.C. 191(j)) is  
24 amended by striking “3 years after the effective date  
25 of this Act” and inserting “on December 31, 2008”.

1           (2) EFFECTIVE DATE AND APPLICATION.—The  
2 amendment made by paragraph (1) shall be effective  
3 as if enacted on the date of enactment of the Home-  
4 land Security Act of 2002.

5           (3) ADVISORY COMMITTEE.—The Under Sec-  
6 retary for Science and Technology shall utilize the  
7 Homeland Security Science and Technology Advisory  
8 Committee, as appropriate, to provide outside exper-  
9 tise in advancing cargo security technology.

10       (b) DUTIES OF SECRETARY.—The Secretary shall—

11           (1) direct research, development, test, and eval-  
12 uation efforts in furtherance of maritime and cargo  
13 security;

14           (2) encourage the ingenuity of the private sec-  
15 tor in developing and testing technologies and proc-  
16 ess innovations in furtherance of these objectives;  
17 and

18           (3) evaluate such technologies.

19       (c) COORDINATION.—The Secretary, acting through  
20 the Under Secretary for Science and Technology, in con-  
21 sultation with the Under Secretary for Policy, the Director  
22 of Cargo Security Policy, and the Chief Financial Officer,  
23 shall ensure that—

24           (1) research, development, test, and evaluation  
25 efforts funded by the Department in furtherance of

1 maritime and cargo security are coordinated to avoid  
2 duplication of efforts; and

3 (2) the results of such efforts are shared  
4 throughout the Department, as appropriate.

5 (d) OPERATION SAFE COMMERCE.—

6 (1) IN GENERAL.—Not later than 1 year after  
7 the date of enactment of this Act, the Secretary  
8 shall initiate grant projects, as part of Operation  
9 Safe Commerce, that—

10 (A) integrate nonintrusive inspection and  
11 radiation detection equipment with automatic  
12 identification methods for containers, vessels,  
13 and vehicles;

14 (B) test physical access control protocols  
15 and technologies;

16 (C) create a data sharing network capable  
17 of transmitting data required by entities par-  
18 ticipating in the international supply chain from  
19 every intermodal transfer point to the National  
20 Targeting Center of the Department; and

21 (D) otherwise further maritime and cargo  
22 security, as determined by the Secretary.

23 (2) SUPPLY CHAIN SECURITY FOR SPECIAL  
24 CONTAINER AND NONCONTAINERIZED CARGO.—The  
25 Secretary shall consider demonstration projects that

1 further the security of the international supply chain  
2 for special container cargo, including refrigerated  
3 containers, and noncontainerized cargo, including  
4 roll-on/roll-off, break-bulk, liquid, and dry bulk  
5 cargo.

6 (3) ANNUAL REPORT.—Not later than March 1  
7 of each year, the Secretary shall submit a report de-  
8 tailing the results of Operation Safe Commerce to—

9 (A) the Committee on Homeland Security  
10 and Governmental Affairs of the Senate;

11 (B) the Committee on Homeland Security  
12 of the House of Representatives;

13 (C) the Committee on Appropriations of  
14 the Senate; and

15 (D) the Committee on Appropriations of  
16 the House of Representatives.

17 (e) GREENLANE TECHNOLOGY.—The Secretary  
18 shall, not less frequently than once every 2 years—

19 (1) review the technology requirements and  
20 standards established under section 10; and

21 (2) test future supply chain visibility proce-  
22 dures, container security devices, and other systems  
23 as they become commercially available to track and  
24 secure containers and the smallest exterior pack-  
25 aging units loaded into containers.

1 **SEC. 13. PORT SECURITY GRANT PROGRAM.**

2 (a) GRANTS AUTHORIZED.—The Secretary, acting  
3 through the Office for Domestic Preparedness, shall estab-  
4 lish a grant program to fairly and equitably allocate Fed-  
5 eral financial assistance—

6 (1) to help implement Area Maritime Transpor-  
7 tation Security plans required under section  
8 70103(b) of title 46, United States Code;

9 (2) to correct port security vulnerabilities iden-  
10 tified through vulnerability assessments approved by  
11 the Secretary; or

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

16 (b) GRANTEE SELECTION.—In awarding grants  
17 under this Act, the Secretary shall—

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

20 (2) strongly encourage efforts to promote—

21 (A) integration of port-wide security, in-  
22 cluding supply chain initiatives;

23 (B) information and intelligence sharing;

24 and

25 (C) joint efforts, such as joint operations  
26 centers, among all port stakeholders; and

1           (3) consider funding major projects in phases  
2 over multiple years.

3           (c) MULTIPLE PHASE PROJECTS.—

4           (1) FUNDING LIMITATION.—Not more than 20  
5 percent of the total grant funds awarded under this  
6 section in any fiscal year may be awarded for  
7 projects that span multiple years.

8           (2) PRIORITY.—In determining grant recipients  
9 under this section, the Secretary may give preference  
10 to continuing to fund multiyear projects that have  
11 previously received funding under this section.

12           (d) USE OF FUNDS.—Grants awarded under this sec-  
13 tion may be used—

14           (1) to help implement Area Maritime Transpor-  
15 tation Security Plans required under section  
16 70103(b) of title 46, United States Code;

17           (2) to correct port security vulnerabilities iden-  
18 tified through vulnerability assessments approved by  
19 the Secretary;

20           (3) for the salaries, benefits, overtime com-  
21 pensation, and other costs of additional security per-  
22 sonnel for State and local agencies for activities re-  
23 quired by the Area Maritime Security Plan for a  
24 port area if—

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

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

7 (C) the Secretary otherwise authorizes  
8 such costs;

9 (4) for the cost of acquisition, operation, and  
10 maintenance of equipment that contributes to the  
11 overall security of the port area, as identified in the  
12 Area Maritime Security Plan if the need is based  
13 upon vulnerability assessments approved by the Sec-  
14 retary or identified in the Area Maritime Security  
15 Plan;

16 (5) to develop joint operations centers, as de-  
17 scribed under section 10, that bring together Fed-  
18 eral, State, and local officials and stakeholders into  
19 a common operation center that is focused on area  
20 maritime and cargo security;

21 (6) to conduct vulnerability assessments ap-  
22 proved by the Secretary; and

23 (7) to conduct port-wide exercises to strengthen  
24 emergency preparedness of Federal, State, and local  
25 officials responsible for port security, including law

1 enforcement personnel and firefighters and other  
2 first responders, in support of the Area Maritime  
3 Security Plan.

4 (e) PROHIBITED USES.—Grants awarded under this  
5 section may not be used to—

6 (1) construct buildings or other physical facili-  
7 ties, except those otherwise authorized under section  
8 611 of the Robert T. Stafford Disaster Relief and  
9 Emergency Assistance Act (42 U.S.C. 5121 et seq.),  
10 including those facilities in support of subsection  
11 (d)(5), and specifically approved by the Secretary; or

12 (2) acquire land, unless such use is specifically  
13 approved by the Secretary in support of subsection  
14 (d)(5).

15 (f) MATCHING REQUIREMENTS.—Except as provided  
16 in paragraph (2), Federal funds for any eligible project  
17 under this section shall be determined by the Secretary.

18 (g) APPLICATION.—

19 (1) IN GENERAL.—Any entity subject to an  
20 Area Maritime Transportation Security Plan may  
21 submit an application for a grant under this section,  
22 at such time, in such form, and containing such in-  
23 formation and assurances as the Secretary, working  
24 through the Office for Domestic Preparedness, may  
25 require.



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

4           (A) a comprehensive description of—

5                 (i) the need for the project;

6                 (ii) the methodology for coordinating  
7 the project into the security of the greater  
8 port area, as identified in the Area Mari-  
9 time Security Plan;

10                (iii) any existing cooperation agree-  
11 ments with other port facilities, vessels, or  
12 organizations that benefit security of the  
13 entire port; and

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

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

19                 (i) addresses or corrects port security  
20 vulnerabilities identified by the Coast  
21 Guard, or through port security vulner-  
22 ability assessments approved by the Sec-  
23 retary; and

1                   (ii) helps to ensure compliance with  
2                   the Area Maritime Transportation Security  
3                   Plan.

4                   (3) PROCEDURAL SAFEGUARDS.—The Sec-  
5                   retary, in consultation with the Office of the Inspec-  
6                   tor General, shall issue guidelines to establish appro-  
7                   priate accounting, reporting, and review procedures  
8                   to ensure that—

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

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

13                  (C) grant funds not used for such purposes  
14                  and amounts not obligated or expended are re-  
15                  turned.

16                  (4) PROJECT APPROVAL REQUIRED.—The Sec-  
17                  retary may not award a grant under this section un-  
18                  less the Secretary determines that—

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

21                   (i) is consistent with vulnerability as-  
22                   sessments approved by the Secretary;

23                   (ii) supports cooperation or integra-  
24                   tion of Federal, State, local, and industry  
25                   stakeholders in the port area; and

1 (iii) helps to implement the Area Mar-  
2 itime Transportation Security Plan;

3 (B) sufficient funding is available to meet  
4 the matching requirement described under sub-  
5 section (d);

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

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

10 (h) COORDINATION AND COOPERATION.—The Sec-  
11 retary—

12 (1) shall ensure that all projects that receive  
13 grant funding under this section within any area de-  
14 fined in an Area Maritime Transportation Security  
15 Plan are coordinated with other projects in such  
16 area; and

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

20 (i) AUDITS AND EXAMINATIONS.—All grantees under  
21 this section shall maintain such records as the Secretary  
22 may require and make such records available for review  
23 and audit by the Secretary, the Comptroller General of  
24 the United States, or the Inspector General of the Depart-  
25 ment.

1 (j) ANNUAL REPORTS.—Not later than 1 year after  
2 the date of enactment of this Act, and annually thereafter  
3 until October 1, 2013, the Secretary shall submit an un-  
4 classified report describing regarding the progress made  
5 in meeting the objectives of the port security grant pro-  
6 gram established under this section to—

7 (1) the Committee on Homeland Security and  
8 Governmental Affairs of the Senate;

9 (2) the Committee on Homeland Security of the  
10 House of Representatives;

11 (3) the Committee on Appropriations of the  
12 Senate; and

13 (4) the Committee on Appropriations of the  
14 House of Representatives.

15 **SEC. 14. AUTHORIZATION OF APPROPRIATIONS.**

16 (a) IMPROVEMENTS TO AUTOMATED TARGETING  
17 SYSTEM.—There are authorized to be appropriated  
18 \$5,000,000 for each of the fiscal years 2007 through 2012  
19 to carry out the provisions of section 4(b).

20 (b) OFFICE OF CARGO SECURITY POLICY.—There  
21 are authorized to be appropriated for each of the fiscal  
22 years 2007 through 2012—

23 (1) \$4,000,000 to carry out the amendment  
24 made by section 5(a); and

1           (2) \$1,000,000 to carry out the provisions of  
2           section 5(b).

3           (c) CONTAINER SECURITY INITIATIVE.—There are  
4 authorized to be appropriated \$175,000,000 for each of  
5 the fiscal years 2007 through 2012 to carry out the provi-  
6 sions of section 8.

7           (d) CUSTOMS-TRADE PARTNERSHIP AGAINST TER-  
8 RORISM.—There are authorized to be appropriated  
9 \$75,000,000 for each of the fiscal years 2007 through  
10 2012 to carry out the provisions of section 9.

11          (e) GREENLANE DESIGNATION.—There are author-  
12 ized to be appropriated \$50,000,000 for each of the fiscal  
13 years 2007 through 2012 to carry out the provisions of  
14 section 10.

15          (f) INCIDENT RESPONSE.—

16           (1) IN GENERAL.—There are authorized to be  
17 appropriated \$100,000,000 for each of the fiscal  
18 years 2007 through 2012 to carry out the provisions  
19 of section 11.

20           (2) BUDGET ANALYSIS.—Not later than 180  
21 days after the date of enactment of this Act, the  
22 Secretary shall submit a budget analysis for imple-  
23 menting the provisions of section 11, including addi-  
24 tional cost-sharing arrangements with other Federal

1 departments and other participants involved in the  
2 joint operation centers, to—

3 (A) the Committee on Homeland Security  
4 and Governmental Affairs of the Senate;

5 (B) the Committee on Appropriations of  
6 the Senate;

7 (C) the Committee on Homeland Security  
8 of the House of Representatives; and

9 (D) the Committee on Appropriations of  
10 the House of Representatives.

11 (g) OPERATION SAFE COMMERCE.—There are au-  
12 thorized to be appropriated \$25,000,000 for each of fiscal  
13 years 2007 through 2012 to carry out the provisions of  
14 section 12(c).

15 (h) PORT SECURITY GRANT PROGRAM.—There are  
16 authorized to be appropriated \$400,000,000 for each of  
17 fiscal years 2007 through 2012 to carry out the grant pro-  
18 gram established under section 13.

19 (i) OTHER PROVISIONS.—There are authorized to be  
20 appropriated such sums as may be necessary for each of  
21 fiscal years 2007 through 2012 to carry out the provisions  
22 of this Act not otherwise provided for under this section.

23 (j) SOURCE OF FUNDS.—Amounts authorized to be  
24 appropriated under this section shall originate from duties

1 collected by the Bureau of Customs and Border Protec-  
2 tion.

○