

retary to deny entry of any cargo into the United States.

**(l) Report**

Not later than 270 days after October 5, 2018, the Secretary, acting through the Commissioner, shall, in consultation with other appropriate government officials and the Commercial Operations Advisory Committee, submit a report to the appropriate congressional committees on the effectiveness of, and the need for any improvements to, the Container Security Initiative. The report shall include—

(1) a description of the technical assistance delivered to, as well as needed at, each designated seaport;

(2) a description of the human capital management plan at each designated seaport;

(3) a summary of the requests made by the United States to foreign governments to conduct physical or nonintrusive inspections of cargo at designated seaports, and whether each such request was granted or denied by the foreign government;

(4) an assessment of the effectiveness of screening, scanning, and inspection protocols and technologies utilized at designated seaports and the effect on the flow of commerce at such seaports, as well as any recommendations for improving the effectiveness of screening, scanning, and inspection protocols and technologies utilized at designated seaports;

(5) a description and assessment of the outcome of any security incident involving a foreign seaport designated under the Container Security Initiative;

(6) the rationale for the continuance of each port designated under CSI;

(7) a description of the potential for remote targeting to decrease the number of personnel who are deployed at foreign ports under CSI; and

(8) a summary and assessment of the aggregate number and extent of trade compliance lapses at each seaport designated under the Container Security Initiative.

**(m) Authorization of appropriations**

There are authorized to be appropriated to the United States Customs and Border Protection to carry out the provisions of this section—

- (1) \$144,000,000 for fiscal year 2008;
- (2) \$146,000,000 for fiscal year 2009; and
- (3) \$153,300,000 for fiscal year 2010.

(Pub. L. 109-347, title II, § 205, Oct. 13, 2006, 120 Stat. 1906; Pub. L. 115-254, div. J, § 1812, Oct. 5, 2018, 132 Stat. 3539.)

**Editorial Notes**

**AMENDMENTS**

2018—Subsec. (l). Pub. L. 115-254 struck out par. (1) designation and heading, substituted “Not later than 270 days after October 5, 2018,” for “Not later than September 30, 2007,” in introductory provisions, redesignated subpars. (A) to (H) of former par. (1) as pars. (1) to (8), respectively, and struck out former par. (2). Prior to amendment, text of par. (2) read as follows: “Not later than September 30, 2010, the Secretary, acting through the Commissioner, shall, in consultation with other appropriate government officials and the Commercial Operations Advisory Committee, submit

an updated report to the appropriate congressional committees on the effectiveness of, and the need for any improvements to, the Container Security Initiative. The updated report shall address each of the elements required to be included in the report provided for under paragraph (1).”

**Statutory Notes and Related Subsidiaries**

**INTERNATIONAL PORT AND FACILITY INSPECTION  
COORDINATION**

Pub. L. 111-281, title VIII, § 825, Oct. 15, 2010, 124 Stat. 3004, as amended by Pub. L. 114-120, title III, § 320, Feb. 8, 2016, 130 Stat. 66, provided that:

“(a) **COORDINATION.**—The Secretary of Homeland Security shall, to the extent practicable, conduct the assessments required by the following provisions of law concurrently, or develop a process by which the assessments are coordinated between the Coast Guard and Customs and Border Protection:

“(1) Section 205 of the SAFE Port Act (6 U.S.C. 945).

“(2) Section 213 of that Act (6 U.S.C. 964 [963]).

“(3) Section 70108 of title 46, United States Code.

“(b) **LIMITATION.**—Nothing in subsection (a) shall be construed to affect or diminish the Secretary’s authority or discretion—

“(1) to conduct an assessment of a foreign port at any time;

“(2) to compel the Secretary to conduct an assessment of a foreign port so as to ensure that 2 or more assessments are conducted concurrently; or

“(3) to cancel an assessment of a foreign port if the Secretary is unable to conduct 2 or more assessments concurrently.

“(c) **MULTIPLE ASSESSMENT REPORT.**—The Secretary shall provide written notice to the Committee on Commerce, Science, and Transportation of the Senate and the Committees on Transportation and Infrastructure and Homeland Security of the House of Representatives whenever the Secretary conducts 2 or more assessments of the same port within a 3-year period.”

**PART B—CUSTOMS-TRADE PARTNERSHIP AGAINST  
TERRORISM**

**§ 961. Establishment**

**(a) Establishment**

The Secretary, acting through the Commissioner, is authorized to establish a voluntary government-private sector program (to be known as the “Customs-Trade Partnership Against Terrorism” or “C-TPAT”) to strengthen and improve the overall security of the international supply chain and United States border security, and to facilitate the movement of secure cargo through the international supply chain, by providing benefits to participants meeting or exceeding the program requirements. Participants in C-TPAT shall include Tier 1 participants, Tier 2 participants, and Tier 3 participants.

**(b) Minimum security requirements**

The Secretary, acting through the Commissioner, shall review the minimum security requirements of C-TPAT at least once every year and update such requirements as necessary.

(Pub. L. 109-347, title II, § 211, Oct. 13, 2006, 120 Stat. 1909.)

**§ 962. Eligible entities**

Importers, customs brokers, forwarders, air, sea, land carriers, contract logistics providers, and other entities in the international supply

chain and intermodal transportation system are eligible to apply to voluntarily enter into partnerships with the Department under C-TPAT.

(Pub. L. 109-347, title II, §212, Oct. 13, 2006, 120 Stat. 1909.)

### § 963. Minimum requirements

An applicant seeking to participate in C-TPAT shall—

(1) demonstrate a history of moving cargo in the international supply chain;

(2) conduct an assessment of its supply chain based upon security criteria established by the Secretary, acting through the Commissioner, including—

(A) business partner requirements;

(B) container security;

(C) physical security and access controls;

(D) personnel security;

(E) procedural security;

(F) security training and threat awareness; and

(G) information technology security;

(3) implement and maintain security measures and supply chain security practices meeting security criteria established by the Commissioner; and

(4) meet all other requirements established by the Commissioner, in consultation with the Commercial Operations Advisory Committee.

(Pub. L. 109-347, title II, §213, Oct. 13, 2006, 120 Stat. 1909.)

### § 964. Tier 1 participants in C-TPAT

#### (a) Benefits

The Secretary, acting through the Commissioner, shall offer limited benefits to a Tier 1 participant who has been certified in accordance with the guidelines referred to in subsection (b). Such benefits may include a reduction in the score assigned pursuant to the Automated Targeting System of not greater than 20 percent of the high-risk threshold established by the Secretary.

#### (b) Guidelines

Not later than 180 days after October 13, 2006, the Secretary, acting through the Commissioner, shall update the guidelines for certifying a C-TPAT participant's security measures and supply chain security practices under this section. Such guidelines shall include a background investigation and extensive documentation review.

#### (c) Timeframe

To the extent practicable, the Secretary, acting through the Commissioner, shall complete the Tier 1 certification process within 90 days of receipt of an application for participation in C-TPAT.

(Pub. L. 109-347, title II, §214, Oct. 13, 2006, 120 Stat. 1910.)

### § 965. Tier 2 participants in C-TPAT

#### (a) Validation

The Secretary, acting through the Commissioner, shall validate the security measures and

supply chain security practices of a Tier 1 participant in accordance with the guidelines referred to in subsection (c). Such validation shall include on-site assessments at appropriate foreign locations utilized by the Tier 1 participant in its supply chain and shall, to the extent practicable, be completed not later than 1 year after certification as a Tier 1 participant.

#### (b) Benefits

The Secretary, acting through the Commissioner, shall extend benefits to each C-TPAT participant that has been validated as a Tier 2 participant under this section, which may include—

(1) reduced scores in the Automated Targeting System;

(2) reduced examinations of cargo; and

(3) priority searches of cargo.

#### (c) Guidelines

Not later than 180 days after October 13, 2006, the Secretary, acting through the Commissioner, shall develop a schedule and update the guidelines for validating a participant's security measures and supply chain security practices under this section.

(Pub. L. 109-347, title II, §215, Oct. 13, 2006, 120 Stat. 1910.)

### § 966. Tier 3 participants in C-TPAT

#### (a) In general

The Secretary, acting through the Commissioner, shall establish a third tier of C-TPAT participation that offers additional benefits to participants who demonstrate a sustained commitment to maintaining security measures and supply chain security practices that exceed the guidelines established for validation as a Tier 2 participant in C-TPAT under section 965 of this title.

#### (b) Criteria

The Secretary, acting through the Commissioner, shall designate criteria for validating a C-TPAT participant as a Tier 3 participant under this section. Such criteria may include—

(1) compliance with any additional guidelines established by the Secretary that exceed the guidelines established pursuant to section 965 of this title for validating a C-TPAT participant as a Tier 2 participant, particularly with respect to controls over access to cargo throughout the supply chain;

(2) submission of additional information regarding cargo prior to loading, as determined by the Secretary;

(3) utilization of container security devices, technologies, policies, or practices that meet standards and criteria established by the Secretary; and

(4) compliance with any other cargo requirements established by the Secretary.

#### (c) Benefits

The Secretary, acting through the Commissioner, in consultation with the Commercial Operations Advisory Committee and the National Maritime Security Advisory Committee, shall extend benefits to each C-TPAT participant that has been validated as a Tier 3 participant under this section, which may include—

(1) the expedited release of a Tier 3 participant's cargo in destination ports within the United States during all threat levels designated by the Secretary;

(2) further reduction in examinations of cargo;

(3) priority for examinations of cargo; and

(4) further reduction in the risk score assigned pursuant to the Automated Targeting System; and

(5) inclusion in joint incident management exercises, as appropriate.

**(d) Deadline**

Not later than 2 years after October 13, 2006, the Secretary, acting through the Commissioner, shall designate appropriate criteria pursuant to subsection (b) and provide benefits to validated Tier 3 participants pursuant to subsection (c).

(Pub. L. 109-347, title II, §216, Oct. 13, 2006, 120 Stat. 1910.)

**§ 967. Consequences for lack of compliance**

**(a) In general**

If at any time a C-TPAT participant's security measures and supply chain security practices fail to meet any of the requirements under this part, the Commissioner may deny the participant benefits otherwise available under this part, in whole or in part. The Commissioner shall develop procedures that provide appropriate protections to C-TPAT participants before benefits are revoked. Such procedures may not limit the ability of the Commissioner to take actions to protect the national security of the United States.

**(b) False or misleading information**

If a C-TPAT participant knowingly provides false or misleading information to the Commissioner during the validation process provided for under this part, the Commissioner shall suspend or expel the participant from C-TPAT for an appropriate period of time. The Commissioner, after the completion of the process under subsection (c), may publish in the Federal Register a list of participants who have been suspended or expelled from C-TPAT pursuant to this subsection, and may make such list available to C-TPAT participants.

**(c) Right of appeal**

**(1) In general**

A C-TPAT participant may appeal a decision of the Commissioner pursuant to subsection (a). Such appeal shall be filed with the Secretary not later than 90 days after the date of the decision, and the Secretary shall issue a determination not later than 180 days after the appeal is filed.

**(2) Appeals of other decisions**

A C-TPAT participant may appeal a decision of the Commissioner pursuant to subsection (b). Such appeal shall be filed with the Secretary not later than 30 days after the date of the decision, and the Secretary shall issue a determination not later than 180 days after the appeal is filed.

(Pub. L. 109-347, title II, §217, Oct. 13, 2006, 120 Stat. 1911.)

**§ 968. Third party validations**

**(a) Plan**

The Secretary, acting through the Commissioner, shall develop a plan to implement a 1-year voluntary pilot program to test and assess the feasibility, costs, and benefits of using third party entities to conduct validations of C-TPAT participants.

**(b) Consultations**

Not later than 120 days after October 13, 2006, after consulting with private sector stakeholders, including the Commercial Operations Advisory Committee, the Secretary shall submit a report to the appropriate congressional committees on the plan described in subsection (a).

**(c) Pilot program**

**(1) In general**

Not later than 1 year after the consultations described in subsection (b), the Secretary shall carry out the 1-year pilot program to conduct validations of C-TPAT participants using third party entities described in subsection (a).

**(2) Authority of the Secretary**

The decision to validate a C-TPAT participant is solely within the discretion of the Secretary, or the Secretary's designee.

**(d) Certification of third party entities**

The Secretary shall certify a third party entity to conduct validations under subsection (c) if the entity—

(1) demonstrates to the satisfaction of the Secretary that the entity has the ability to perform validations in accordance with standard operating procedures and requirements designated by the Secretary; and

(2) agrees—

(A) to perform validations in accordance with such standard operating procedures and requirements (and updates to such procedures and requirements); and

(B) to maintain liability insurance coverage at policy limits and in accordance with conditions to be established by the Secretary; and

(3) signs an agreement to protect all proprietary information of C-TPAT participants with respect to which the entity will conduct validations.

**(e) Information for establishing limits of liability insurance**

A third party entity seeking a certificate under subsection (d) shall submit to the Secretary necessary information for establishing the limits of liability insurance required to be maintained by the entity under this Act.

**(f) Additional requirements**

The Secretary shall ensure that—

(1) any third party entity certified under this section does not have—

(A) any beneficial interest in or any direct or indirect control over the C-TPAT participant for which the validation services are performed; or

(B) any other conflict of interest with respect to the C-TPAT participant; and

(2) the C-TPAT participant has entered into a contract with the third party entity under which the C-TPAT participant agrees to pay all costs associated with the validation.

**(g) Monitoring**

**(1) In general**

The Secretary shall regularly monitor and inspect the operations of a third party entity conducting validations under subsection (c) to ensure that the entity is meeting the minimum standard operating procedures and requirements for the validation of C-TPAT participants established by the Secretary and all other applicable requirements for validation services.

**(2) Revocation**

If the Secretary determines that a third party entity is not meeting the minimum standard operating procedures and requirements designated by the Secretary under subsection (d)(1), the Secretary shall—

- (A) revoke the entity's certificate of conformance issued under subsection (d)(1); and
- (B) review any validations conducted by the entity.

**(h) Limitation on authority**

The Secretary may only grant a C-TPAT validation by a third party entity pursuant to subsection (c) if the C-TPAT participant voluntarily submits to validation by such third party entity.

**(i) Report**

Not later than 30 days after the completion of the pilot program conducted pursuant to subsection (c), the Secretary shall submit a report to the appropriate congressional committees that contains—

- (1) the results of the pilot program, including the extent to which the pilot program ensured sufficient protection for proprietary commercial information;
- (2) the cost and efficiency associated with validations under the pilot program;
- (3) the impact of the pilot program on the rate of validations conducted under C-TPAT;
- (4) any impact on national security of the pilot program; and
- (5) any recommendations by the Secretary based upon the results of the pilot program.

(Pub. L. 109-347, title II, §218, Oct. 13, 2006, 120 Stat. 1912.)

**Editorial Notes**

**REFERENCES IN TEXT**

This Act, referred to in subsec. (e), is Pub. L. 109-347, Oct. 13, 2006, 120 Stat. 1884, known as the Security and Accountability For Every Port Act of 2006 or the SAFE Port Act. For complete classification of this Act to the Code, see Tables.

**§ 969. Revalidation**

The Secretary, acting through the Commissioner, shall develop and implement—

- (1) a revalidation process for Tier 2 and Tier 3 participants;
- (2) a framework based upon objective criteria for identifying participants for periodic

revalidation not less frequently than once during each 4-year period following the initial validation; and

(3) an annual plan for revalidation that includes—

- (A) performance measures;
- (B) an assessment of the personnel needed to perform the revalidations; and
- (C) the number of participants that will be revalidated during the following year.

(Pub. L. 109-347, title II, §219, Oct. 13, 2006, 120 Stat. 1913.)

**§ 970. Noncontainerized cargo**

The Secretary, acting through the Commissioner, shall consider the potential for participation in C-TPAT by importers of noncontainerized cargoes that otherwise meet the requirements under this part.

(Pub. L. 109-347, title II, §220, Oct. 13, 2006, 120 Stat. 1914.)

**§ 971. C-TPAT program management**

**(a) In general**

The Secretary, acting through the Commissioner, shall establish sufficient internal quality controls and record management to support the management systems of C-TPAT. In managing the program, the Secretary shall ensure that the program includes:

**(1) Strategic plan**

A 5-year plan to identify outcome-based goals and performance measures of the program.

**(2) Annual plan**

An annual plan for each fiscal year designed to match available resources to the projected workload.

**(3) Standardized work program**

A standardized work program to be used by agency personnel to carry out the certifications, validations, and revalidations of participants. The Secretary shall keep records and monitor staff hours associated with the completion of each such review.

**(b) Documentation of reviews**

The Secretary, acting through the Commissioner, shall maintain a record management system to document determinations on the reviews of each C-TPAT participant, including certifications, validations, and revalidations.

**(c) Confidential information safeguards**

In consultation with the Commercial Operations Advisory Committee, the Secretary, acting through the Commissioner, shall develop and implement procedures to ensure the protection of confidential data collected, stored, or shared with government agencies or as part of the application, certification, validation, and revalidation processes.

**(d) Resource management staffing plan**

The Secretary, acting through the Commissioner, shall—

- (1) develop a staffing plan to recruit and train staff (including a formalized training

program) to meet the objectives identified in the strategic plan of the C-TPAT program; and

(2) provide cross-training in postincident trade resumption for personnel who administer the C-TPAT program.

**(e) Report to Congress**

In connection with the President's annual budget submission for the Department, the Secretary shall report to the appropriate congressional committees on the progress made by the Commissioner to certify, validate, and revalidate C-TPAT participants. Such report shall be due on the same date that the President's budget is submitted to the Congress.

(Pub. L. 109-347, title II, §221, Oct. 13, 2006, 120 Stat. 1914.)

**§ 972. Additional personnel**

For fiscal years 2008 and 2009, the Commissioner shall increase by not less than 50 the number of full-time personnel engaged in the validation and revalidation of C-TPAT participants (over the number of such personnel on the last day of the previous fiscal year), and shall provide appropriate training and support to such additional personnel.

(Pub. L. 109-347, title II, §222, Oct. 13, 2006, 120 Stat. 1914.)

**§ 973. Authorization of appropriations**

**(a) C-TPAT**

There are authorized to be appropriated to the United States Customs and Border Protection to carry out the provisions of sections 961 through 971 of this title to remain available until expended—

- (1) \$65,000,000 for fiscal year 2008;
- (2) \$72,000,000 for fiscal year 2009; and
- (3) \$75,600,000 for fiscal year 2010.

**(b) Additional personnel**

In addition to any amounts otherwise appropriated to the United States Customs and Border Protection, there are authorized to be appropriated for the purpose of meeting the staffing requirement provided for in section 972 of this title, to remain available until expended—

- (1) \$8,500,000 for fiscal year 2008;
- (2) \$17,600,000 for fiscal year 2009;
- (3) \$19,000,000 for fiscal year 2010;
- (4) \$20,000,000 for fiscal year 2011; and
- (5) \$21,000,000 for fiscal year 2012.

(Pub. L. 109-347, title II, §223, Oct. 13, 2006, 120 Stat. 1915.)

**PART C—MISCELLANEOUS PROVISIONS**

**§ 981. Pilot integrated scanning system**

**(a) Designations**

Not later than 90 days after October 13, 2006, the Secretary shall designate 3 foreign seaports through which containers pass or are transshipped to the United States for the establishment of pilot integrated scanning systems that couple nonintrusive imaging equipment and radiation detection equipment. In making the designations under this subsection, the Secretary

shall consider 3 distinct ports with unique features and differing levels of trade volume.

**(b) Coordination**

The Secretary shall—

(1) coordinate with the Secretary of Energy, as necessary, to provide radiation detection equipment through the Department of Energy's Second Line of Defense and Megaports programs; or

(2) work with the private sector or, when possible, host governments to obtain radiation detection equipment that meets both the Department's and the Department of Energy's technical specifications for such equipment.

**(c) Pilot system implementation**

Not later than 1 year after October 13, 2006, the Secretary shall achieve a full-scale implementation of the pilot integrated scanning system at the ports designated under subsection (a), which—

(1) shall scan all containers destined for the United States that are loaded in such ports;

(2) shall electronically transmit the images and information to appropriate United States Government personnel in the country in which the port is located or in the United States for evaluation and analysis;

(3) shall resolve every radiation alarm according to established Department procedures;

(4) shall utilize the information collected to enhance the Automated Targeting System or other relevant programs;

(5) shall store the information for later retrieval and analysis; and

(6) may provide an automated notification of questionable or high-risk cargo as a trigger for further inspection by appropriately trained personnel.

**(d) Report**

Not later than 180 days after achieving full-scale implementation under subsection (c), the Secretary, in consultation with the Secretary of State and, as appropriate, the Secretary of Energy, shall submit a report to the appropriate congressional committees, that includes—

(1) an evaluation of the lessons derived from the pilot system implemented under this subsection;

(2) an analysis of the efficacy of the Automated Targeting System or other relevant programs in utilizing the images captured to examine high-risk containers;

(3) an evaluation of the effectiveness of the integrated scanning system in detecting shielded and unshielded nuclear and radiological material;

(4) an evaluation of software and other technologies that are capable of automatically identifying potential anomalies in scanned containers; and

(5) an analysis of the need and feasibility of expanding the integrated scanning system to other container security initiative ports, including—

(A) an analysis of the infrastructure requirements;

(B) a projection of the effect on current average processing speed of containerized cargo;