

107TH CONGRESS  
2D SESSION

# S. 2426

To increase security for United States ports, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 30, 2002

Mr. SCHUMER introduced the following bill; which was read twice and referred  
to the Committee on Finance

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## A BILL

To increase security for United States ports, 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.**

4       This Act may be cited as the “Port Terrorism Pre-  
5       vention Act of 2002”.

6       **SEC. 2. MANIFEST DISCREPANCIES.**

7       Section 431(b) of the Tariff Act of 1930 (19 U.S.C.  
8       1431(b)) is amended—

9               (1) by striking “(b) PRODUCTION OF MANI-  
10       FEST.—Any” and inserting the following:

11       “(b) PRODUCTION OF MANIFEST.—

1 “(1) REQUIREMENT.—Any”; and

2 (2) by striking “If any irregularity of omission”  
 3 and all that follows through the end period and in-  
 4 serting the following:

5 “(2) DISCREPANCIES.—Notwithstanding any  
 6 other provision of law, if any shortages or overages  
 7 of merchandise with respect to any manifest are not  
 8 reported to the Customs Service at the time a vessel  
 9 makes formal entry under section 434 or at the time  
 10 a vehicle or aircraft presents or transmits docu-  
 11 mentation under section 433(d), the owner or oper-  
 12 ator of the vessel, aircraft, or vehicle, or any party  
 13 responsible for such shortages or overages shall be  
 14 liable for any fine or penalty prescribed by law with  
 15 respect to such discrepancy. The Customs Service  
 16 may take appropriate action against any party re-  
 17 sponsible for not correcting such discrepancy. The  
 18 Secretary of the Treasury shall not permit any ves-  
 19 sel master or agent, any person in charge of a vehi-  
 20 cle, or any airline pilot to report shortages or over-  
 21 ages at any time that is inconsistent with the provi-  
 22 sion of this paragraph.”.

23 **SEC. 3. SPECIFIC DESIGNATION OF MERCHANDISE.**

24 (a) REGULATIONS.—Section 431(d)(1) of the Tariff  
 25 Act of 1930 (19 U.S.C. 1431(d)(1)) is amended—

1 (1) by striking “and” at the end of in subpara-  
 2 graph (C);

3 (2) in subparagraph (D) by striking the end pe-  
 4 riod and inserting a semicolon and “and”; and

5 (3) by adding at the end the following:

6 “(E) prohibit the use of certain descrip-  
 7 tions of merchandise, including ‘freight of all  
 8 kinds’, ‘hazardous not otherwise specified’, and  
 9 ‘said to contain’, or any other description that  
 10 does not provide adequate information regard-  
 11 ing the merchandise on any manifest required  
 12 by the Customs Service.”.

13 (b) AUTOMATED MANIFEST SYSTEM.—Not later  
 14 than 12 months after the date of enactment of this Act,  
 15 the Commissioner of Customs shall develop software to  
 16 carry out the automated manifest system that will reject  
 17 merchandise descriptions prohibited by section  
 18 431(d)(1)(E) of the Tariff Act of 1930 (19 U.S.C.  
 19 1431(d)(1)(E)).

20 **SEC. 4. PENALTIES FOR INACCURATE MANIFEST.**

21 Section 436(b) of the Tariff Act of 1930 (19 U.S.C.  
 22 1436(b)) is amended—

23 (1) by striking “\$5,000” and inserting  
 24 “\$10,000”; and

1           (2) by striking “and \$10,000” and inserting  
2           “\$15,000 for the second violation, and \$20,000”.

3 **SEC. 5. STUDY AND REPORT ON AUTOMATED REVIEW**  
4 **SYSTEMS.**

5       (a) STUDY AND REPORT.—

6           (1) REQUIREMENT.—Not later than 1 year  
7       after the date of enactment of this Act, the Sec-  
8       retary of the Treasury shall conduct a study of the  
9       issues set forth in paragraph (2) and submit a re-  
10      port to Congress setting forth the results of the  
11      study and any recommendations to implement the  
12      conclusions of the study.

13       (2) ISSUES TO BE STUDIED.—The issues to be  
14      studied pursuant to paragraph (1) are—

15           (A) the manner in which data from mani-  
16           fests and bills of lading are submitted to the  
17           Customs Service;

18           (B) an assessment of the accuracy of such  
19           data;

20           (C) the effectiveness of the automated suf-  
21           ficiency programs;

22           (D) the advisability of modifying the proc-  
23           ess for collecting data to be used in the auto-  
24           mated reviews; and

1 (E) the ability to improve the data collec-  
2 tion system.

3 (b) AUTHORIZATION OF APPROPRIATION.—There is  
4 authorized to be appropriated \$500,000 to carry out the  
5 study and prepare the report required by this section.

6 **SEC. 6. MANUAL INSPECTION.**

7 (a) INCREASED MANUAL INSPECTION.—

8 (1) REQUIREMENT.—The Customs Service shall  
9 increase the number of manual inspections of mer-  
10 chandise carried on vessels required to make entry  
11 under section 434 of the Tariff Act of 1930 (19  
12 U.S.C. 1434) with a view toward manually inspect-  
13 ing 10 percent of all such merchandise.

14 (2) ADDITIONAL PERSONNEL.—The Secretary  
15 of the Treasury shall employ a sufficient number of  
16 new Customs Officers to perform the increased num-  
17 ber of manual inspections described in paragraph  
18 (1).

19 (b) AUTHORIZATION OF APPROPRIATION.—There is  
20 authorized to be appropriated \$150,000,000 for fiscal year  
21 2003 to be available for the procurement of at least 100  
22 mobile scanning devices to assist in increasing the number  
23 of manual inspections described in subsection (a)(1).

1 **SEC. 7. RESEARCH AND DEVELOPMENT GRANTS.**

2 (a) GRANTS AUTHORIZED.—The Secretary of the  
3 Treasury is authorized to award grants to eligible entities  
4 to research and develop technologies that can be used to  
5 secure the ports of the United States.

6 (b) USE OF FUNDS.—Grants awarded pursuant to  
7 subsection (a) may be used to develop technologies such  
8 as—

9 (1) methods to increase the ability of the Cus-  
10 toms Service to inspect merchandise carried on any  
11 vessel that will arrive or has arrived at any port or  
12 place in the United States;

13 (2) equipment that accurately detects explo-  
14 sives, or chemical and biological agents that could be  
15 used to commit terrorist acts in the United States,  
16 including—

17 (A) field-portable and hand-held Raman  
18 Lidar systems for standoff identification of sus-  
19 pected chemical or biological agents; and

20 (B) hand-held mass spectrometers for de-  
21 tection of gaseous agents;

22 (3) equipment that accurately detects nuclear  
23 materials, including—

24 (A) hand-held gamma-ray detectors that  
25 utilize cadmium zinc telluride crystals capable  
26 of detailed spectral analysis;

1 (B) large-area, position-sensitive neutron  
2 detectors that utilize He-3 chambers to provide  
3 imaging capability;

4 (C) large-area, gamma-ray detection equip-  
5 ment that utilizes tubes containing compressed  
6 xenon; and

7 (D) scintillation-based detection equipment  
8 capable of attachment to spreaders to signal the  
9 presence of nuclear materials during the un-  
10 loading of containers;

11 (4) improved tags and seals designed for use on  
12 shipping containers to track the transportation of  
13 the merchandise in such containers, including  
14 “smart sensors” that are able to track a container  
15 throughout its entire supply chain, detect hazardous  
16 and radioactive materials within that container, and  
17 transmit such information to the appropriate au-  
18 thorities at a remote location;

19 (5) tools to mitigate the consequences of a ter-  
20 rorist act at a port of the United States, including  
21 a network of sensors to predict the dispersion of ra-  
22 diological, chemical, or biological agents that might  
23 be intentionally or accidentally released; and

24 (6) pilot projects that could be implemented  
25 within 12 months at 1 of the Nation’s 5 largest

1        ports to demonstrate the effectiveness of a system of  
2        radiation detection monitors located throughout the  
3        port to detect nuclear or radiological material.

4        (c) APPLICATION.—Each eligible entity desiring a  
5        grant under this section shall submit an application to the  
6        Secretary of the Treasury at such time, in such manner,  
7        and accompanied by such information as the Secretary  
8        may reasonably require.

9        (d) ELIGIBLE ENTITY.—In this section, the term “el-  
10        igible entity” means any national laboratory, nonprofit  
11        private organization, institution of higher education, or  
12        other entity that the Secretary of the Treasury determines  
13        is eligible to receive a grant authorized by subsection (a).

14        (e) AUTHORIZATION OF APPROPRIATIONS.—There is  
15        authorized to be appropriated \$50,000,000 for each of the  
16        fiscal years 2003 through 2007 to carry out the provisions  
17        of this section.

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