

Calendar No. 292

109TH CONGRESS
1ST SESSION**S. 2008**

To improve cargo security, and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 15, 2005

Mrs. MURRAY (for herself, Ms. COLLINS, Mr. LIEBERMAN, and Mr. COLEMAN) introduced the following bill; which was read the first time

NOVEMBER 16, 2005

Read the second time and placed on the calendar

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. Office of Cargo Security 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.

1 (4) In its final report, the National Commission
2 on Terrorist Attacks Upon the United States noted,
3 “While commercial aviation remains a possible tar-
4 get, terrorists may turn their attention to other
5 modes of transportation. Opportunities to do harm
6 are as great, or greater, in maritime or surface
7 transportation. Initiatives to secure shipping con-
8 tainers have just begun.”.

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

19 (6) The March 2005 Government Account-
20 ability Office report entitled, “CARGO SECURITY:
21 Partnership Program Grants Importers Reduced
22 Scrutiny with Limited Assurance of Improved Secu-
23 rity”, reports that the terrorist events of September
24 11, 2001, raised concerns about the potential use of
25 company supply chains, particularly oceangoing

1 cargo containers, to move weapons of mass destruc-
2 tion to the United States. While the likelihood of
3 such use of containers is considered low, the move-
4 ment of oceangoing containerized cargo is vulnerable
5 to some form of terrorist action. Such action, includ-
6 ing attempts to smuggle either fully assembled weap-
7 ons of mass destruction or their individual compo-
8 nents, could lead to widespread death and damage.

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

24 (8) Significant enhancements can be achieved
25 by applying a layered approach to supply chain secu-

1 rity, though such layers must be developed in a co-
2 ordinated fashion. Current supply chain security
3 programs within the Federal government have been
4 independently operated, often falling short of gains
5 which could be made had coordination taken place.

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

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

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

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

24 (D) the lack of such performance measures
25 and an assessment for staffing allocations has

1 lead to some CSI ports being overstaffed while
2 others are inadequately staffed;

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

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

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

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

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

1 perative to fight terrorism with the possibility of in-
2 creased efficiency in the system. These efficiency
3 gains are maximized when all nations adopt them.

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

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

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

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

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

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

24 (14) Increasing the transparency of the supply
25 chain will assist in mitigating the impact of an inci-

1 dent by allowing for targeted shutdown of the inter-
2 national supply chain and expedited restoration of
3 commercial traffic.

4 **SEC. 3. DEFINITIONS.**

5 In this Act:

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

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

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

21 (4) **CONTAINER SECURITY INITIATIVE; CSI.**—
22 The terms “Container Security Initiative” and
23 “CSI” mean the program authorized under section
24 8 to identify and examine maritime containers that

1 pose a risk for terrorism at foreign ports before they
2 are shipped to the United States.

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

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

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

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

23 (9) INSPECTION.—The term “inspection”
24 means the comprehensive process used by the Bu-
25 reau of Customs and Border Protection for assess-

1 ing goods entering the United States to appraise
2 them for duty purposes, to detect the presence of re-
3 stricted or prohibited items, and to ensure compli-
4 ance with all applicable laws. This process may in-
5 clude screening, conducting an examination, or con-
6 ducting a search.

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

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

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

1 (13) SCREENING.—The term “screening”
2 means a visual or automated review of information
3 about goods, including manifest or entry documenta-
4 tion accompanying a shipment being imported into
5 the United States, to determine or assess the threat
6 of such cargo.

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

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

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

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

1 (18) TRANSPORTATION SECURITY INCIDENT.—

2 The term “transportation security incident” has the
3 meaning given such term in section 70101(6) of title
4 46, United States Code.

5 **SEC. 4. STRATEGY.**

6 (a) STRATEGIC PLAN.—

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

19 (A) the Committee on Homeland Security
20 and Governmental Affairs of the Senate;

21 (B) the Committee on Appropriations of
22 the Senate;

23 (C) the Committee on Homeland Security
24 of the House of Representatives; and

1 (D) the Committee on Appropriations of
2 the House of Representatives.

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

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

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

15 (C) build on available resources and con-
16 sider costs and benefits;

17 (D) identify mandatory, baseline security
18 goals, and the minimum container security
19 standards and procedures described in section
20 6;

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

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

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

8 (H) provide a plan for the expeditious re-
9 sumption of the flow of legitimate trade in ac-
10 cordance with paragraph (3);

11 (I) focus on the secure movement of con-
12 tainerized cargo through the international sup-
13 ply chain; and

14 (J) expand upon and relate to existing
15 strategies and plans, including the National
16 Strategy for Maritime Security.

17 (3) RESUMPTION OF TRADE.—

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

1 (B) PREFERENCES.—In reestablishing the
2 flow of cargo through ports of entry in the
3 United States after a transportation security in-
4 cident, the Secretary shall give preference to
5 vessels—

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

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

13 (iii) operated by validated C-TPAT
14 participants; and

15 (iv) carrying GreenLane designated
16 cargo.

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

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

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

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

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

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

17 (6) UTILIZATION OF ADVISORY COMMITTEES.—

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

1 (7) INTERNATIONAL STANDARDS AND PRAC-
2 TICES.—In furtherance of the strategic plan, the
3 Secretary is encouraged to consider proposed or es-
4 tablished standards and practices of foreign govern-
5 ments and international organizations, including the
6 International Maritime Organization, the World
7 Customs Organization, the International Labor Or-
8 ganization, and the International Organization for
9 Standardization, as appropriate, to establish stand-
10 ards and best practices for the security of containers
11 moving through the international supply chain.

12 (b) IMPROVEMENTS TO AUTOMATED TARGETING
13 SYSTEM.—

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

20 (2) CONTENTS.—

21 (A) TREATMENT OF RECOMMENDA-
22 TIONS.—The Secretary shall include in the plan
23 required under paragraph (1) a schedule for
24 completing all outstanding corrective actions
25 recommended by the Comptroller General of the

1 United States, the Inspector General of the De-
2 partment of the Treasury, and the Inspector
3 General of the Department with respect to the
4 operation of the Automated Targeting System.

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

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

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

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

22 (iv) such other actions the Secretary
23 considers beneficial for improving the in-
24 formation relied upon for the Automated
25 Targeting System and any other targeting

1 systems in furthering the security and in-
2 tegrity of the international supply chain.

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

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

15 (3) NEW OR EXPANDED INFORMATION SUBMIS-
16 SIONS.—In considering any new or expanded infor-
17 mation submission requirements, the Secretary shall
18 consult with stakeholders and identify the need for
19 such information, and the appropriate timing of its
20 submission, in the plan submitted under paragraph
21 (1).

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

1 Secretary, so as to protect the information from un-
2 authorized access.

3 (c) UNIFORM DATA FOR GOVERNMENT-WIDE
4 USAGE.—

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

21 (2) INTERAGENCY STEERING GROUP.—The
22 Deputy Director for Management of the Office of
23 Management and Budget (referred to in this sub-
24 section as the “Deputy Director”), pursuant to re-
25 sponsibilities under chapter 36 of title 44, United

1 States Code, shall establish an executive level, inter-
2 departmental steering group (referred to in this sub-
3 section as the “Interdepartmental Steering Group”),
4 comprised of representatives of the departments list-
5 ed in paragraph (1), to coordinate, the establish-
6 ment, investment in, and implementation of the
7 International Trade Data System.

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

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

20 (5) JOINT INSPECTIONS PROCEDURES.—The
21 Deputy Director, through the Interdepartmental
22 Steering Group, shall develop plans for longer term
23 uses of the International Trade Data System, in-
24 cluding facilitating joint cargo inspections by mul-

1 tiple Federal agencies to meet their respective re-
 2 quirements.

3 **SEC. 5. OFFICE OF CARGO SECURITY POLICY.**

4 (a) ESTABLISHMENT.—Subtitle C of title IV of the
 5 Homeland Security Act of 2002 (6 U.S.C. 231 et seq.)
 6 is amended by adding at the end the following:

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

8 “(a) ESTABLISHMENT.—There is established within
 9 the Department an Office of Cargo Security Policy (re-
 10 referred to in this section as the ‘Office’).

11 “(b) PURPOSE.—The Office shall—

12 “(1) coordinate all Department policies and
 13 programs relating to cargo security; and

14 “(2) consult with stakeholders and work with
 15 other Federal agencies to establish standards and
 16 regulations and to promote best practices.

17 “(c) DIRECTOR.—

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

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

21 “(B) report to the Assistant Secretary for
 22 Policy.

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

24 “(A) advise the Secretary and the Assist-
 25 ant Secretary for Policy regarding all aspects of

1 Department programs relating to cargo secu-
2 rity;

3 “(B) develop Department-wide policies re-
4 garding cargo security;

5 “(C) coordinate the cargo security policies
6 and programs of the Department with other ex-
7 ecutive agencies; and

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

10 (b) DESIGNATION OF LIAISON OFFICE OF DEPART-
11 MENT OF STATE.—The Secretary of State shall designate
12 a liaison office within the Department of State to assist
13 the Secretary, as appropriate in negotiating cargo security
14 related international agreements; in conducting activities
15 under this Act; and other responsibilities as assigned by
16 the Secretary of State.

17 **SEC. 6. CONTAINER SECURITY STANDARDS AND PROCE-**
18 **DURES.**

19 (a) ESTABLISHMENT.—

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

1 (2) INFORMATION SOURCES.—The Secretary
2 shall use information from C-TPAT, Operation Safe
3 Commerce, any container security program of the
4 Directorate of Science and Technology, and other se-
5 curity initiatives to establish the standards and pro-
6 cedures described in paragraph (1). Such standards
7 may address operation, technology use, and perform-
8 ance.

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

14 (b) REVIEW AND ENHANCEMENT.—The Secretary
15 shall regularly—

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

18 (2) enhance the security standards and proce-
19 dures, as appropriate, based on tests of technologies
20 as they become commercially available to detect con-
21 tainer intrusion and the highest consequence threats,
22 particularly weapons of mass destruction, in accord-
23 ance with section 11.

24 (c) INTERNATIONAL CARGO SECURITY STAND-
25 ARDS.—The Secretary, in consultation with the Secretary

1 of State, is encouraged to promote and establish inter-
 2 national standards for the security of containers moving
 3 through the international supply chain with foreign gov-
 4 ernments and international organizations, including the
 5 International Maritime Organization and the World Cus-
 6 toms Organization.

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

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

11 (b) STRATEGY.—

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

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

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

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

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

24 (2) CONTENTS.—The strategy submitted under
 25 paragraph (1) shall include—

- 1 (A) the type of equipment to be used;
- 2 (B) standard operating procedures for ex-
- 3 amining containers with such equipment;
- 4 (C) a plan detailing the environmental
- 5 health and safety impacts of nonintrusive in-
- 6 spection technology;
- 7 (D) the Department policy for the using
- 8 nonintrusive inspection equipment; and
- 9 (E) a classified annex that details plans
- 10 for covert testing.

11 (c) RADIATION SAFETY.—Not later than 90 days
12 after the date of enactment of this Act, the Secretary shall
13 submit a plan, to the Committee on Homeland Security
14 and Governmental Affairs of the Senate, the Committee
15 on Appropriations of the Senate, the Committee on Home-
16 land Security of the House of Representatives, and the
17 Committee on Appropriations of the House of Representa-
18 tives, that—

- 19 (1) details the health and safety impacts of
- 20 nonintrusive inspection technology; and
- 21 (2) describes the policy of the Bureau of Cus-
- 22 toms and Border Protection for using nonintrusive
- 23 inspection equipment.

1 **SEC. 8. CONTAINER SECURITY INITIATIVE.**

2 (a) AUTHORIZATION.—The Secretary is authorized to
3 establish and implement a program (to be known as the
4 “Container Security Initiative” or “CSI”) to identify and
5 examine maritime containers that pose a risk for terrorism
6 at foreign ports before the containers are shipped to the
7 United States.

8 (b) ASSESSMENT.—Before the Secretary designates
9 any foreign port under CSI, the Secretary, in coordination
10 with the Secretary of State and other Federal officials,
11 as appropriate, shall conduct an assessment of the port
12 to evaluate costs, benefits, and other factors associated
13 with designation, including—

14 (1) the level of risk for the potential com-
15 promise of containers by terrorists or terrorist weap-
16 ons;

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

19 (3) the results of the Coast Guard assessments
20 conducted pursuant to section 70108 of title 46,
21 United States Code;

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

24 (5) the potential for validation of security prac-
25 tices by the Department, directly or through cer-

1 tified third parties within the country in which the
2 foreign port is located;

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

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

7 (c) ANNUAL REPORT.—Not later than March 1 of
8 each year in which the Secretary proposes to designate
9 a foreign port under CSI, the Secretary shall submit a
10 report, in classified or unclassified form, detailing the as-
11 sessment of each foreign port the Secretary is considering
12 designating under CSI, to—

13 (1) the Committee on Homeland Security and
14 Governmental Affairs of the Senate;

15 (2) the Committee on Appropriations of the
16 Senate;

17 (3) the Committee on Homeland Security of the
18 House of Representatives; and

19 (4) the Committee on Appropriations of the
20 House of Representatives.

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

1 (e) DESIGNATION OF NEW PORTS.—The Secretary
2 shall not designate a foreign port under CSI unless the
3 Secretary has completed the assessment required in sub-
4 section (b) for that port and submitted a report under sub-
5 section (c) that includes that port.

6 (f) NEGOTIATIONS.—The Secretary of State, in con-
7 junction with the United States Trade Representative,
8 shall enter into trade negotiations with the government of
9 each foreign country with a port designated under CSI,
10 as appropriate, to ensure full compliance with the require-
11 ments under CSI.

12 (g) INSPECTIONS.—

13 (1) REQUIREMENTS AND PROCEDURES.—The
14 Secretary shall—

15 (A) establish technical capability require-
16 ments and standard operating procedures for
17 the use of nonintrusive inspection and radiation
18 detection equipment in conjunction with CSI;

19 (B) require each port designated under
20 CSI to operate the equipment in accordance
21 with the requirements and procedures estab-
22 lished under subparagraph (A); and

23 (C) continually monitor the technologies,
24 processes, and techniques used to inspect cargo
25 at ports designated under CSI.

1 (2) FOREIGN ASSISTANCE.—

2 (A) IN GENERAL.—The Secretary, in co-
3 ordination with the Secretary of State, the Sec-
4 retary of Energy, and other Federal agencies,
5 shall identify foreign assistance programs that
6 could facilitate the implementation of cargo se-
7 curity antiterrorism measures at ports des-
8 ignated under CSI and foreign ports not des-
9 ignated under CSI that lack effective
10 antiterrorism measures.

11 (B) ACQUISITION.—The Secretary may
12 lease or loan nonintrusive inspection and radi-
13 ation detection equipment for containers to the
14 government of a foreign country for use in
15 ports participating in CSI.

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

19 (h) PERSONNEL.—The Secretary shall—

20 (1) annually assess the personnel needs at each
21 port designated under CSI;

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

24 (3) consider the potential for remote targeting
25 in decreasing the number of personnel.

1 **SEC. 9. CUSTOMS-TRADE PARTNERSHIP AGAINST TER-**
2 **RORISM.**

3 (a) IN GENERAL.—

4 (1) AUTHORIZATION.—The Secretary is author-
5 ized to establish a voluntary program (to be known
6 as the “Customs-Trade Partnership Against Ter-
7 rorism” or “C-TPAT”) to strengthen and improve
8 the overall security of the international supply chain
9 and United States border security.

10 (2) CORRECTION OF DEFICIENCIES.—The Sec-
11 retary shall correct the deficiencies of the C-TPAT
12 program that were identified in the Government Ac-
13 countability Office report entitled “CARGO SECU-
14 RITY: Partnership Program Grants Importers Re-
15 duced Scrutiny with Limited Assurance of Improved
16 Security” (GAO-05-404).

17 (3) MINIMUM REQUIREMENTS.—The Secretary
18 shall promulgate regulations that describe the min-
19 imum requirements, program tiers, and program
20 benefits of C-TPAT.

21 (b) PARTICIPATION.—Importers, brokers, air, sea,
22 land carriers, and other entities in the international supply
23 chain and intermodal transportation system are eligible to
24 apply to voluntarily enter into partnerships with the De-
25 partment.

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

3 (1) demonstrate a history of moving commerce
4 in the international supply chain;

5 (2) conduct an assessment of its supply chains
6 based upon security criteria established by the Sec-
7 retary, including—

8 (A) business partner requirements;

9 (B) container security;

10 (C) physical security and access controls;

11 (D) personnel security;

12 (E) procedural security;

13 (F) security training and threat awareness;

14 and

15 (G) information technology security;

16 (3) implement and maintain security measures
17 and supply chain security practices meeting security
18 criteria; and

19 (4) meet all other requirements established by
20 the Secretary.

21 (d) CERTIFICATION.—

22 (1) GUIDELINES.—Not later than 180 days
23 after the date of enactment of this Act, the Sec-
24 retary shall update guidelines for certifying a par-

1 participant's security measures and supply chain secu-
2 rity practices.

3 (2) TIER ONE BENEFITS.—The Secretary may
4 offer limited benefits to C-TPAT participants whose
5 security measures and supply chain security prac-
6 tices have been certified in accordance with the
7 guidelines established pursuant to paragraph (1).
8 Such benefits may not include reduced scores in the
9 Automated Targeting System.

10 (e) VALIDATION.—

11 (1) IN GENERAL.—Not later than 1 year after
12 a participant has been certified under subsection
13 (d)(1), the Secretary shall validate, directly or
14 through certified third parties, the security measures
15 and supply chain security practices of that partici-
16 pant. Such validation shall include a visit to foreign
17 locations utilized by the C-TPAT participant as part
18 of the supply chain.

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

24 (3) CONSEQUENCES FOR FAILED VALIDA-
25 TION.—If a C-TPAT participant's security meas-

1 ures and supply chain security practices fail to meet
 2 validation requirements—

3 (A) the participant may not receive the
 4 benefits of validation; and

5 (B) the Commissioner of the Bureau of
 6 Customs and Border Protection may deny the
 7 participant all benefits under C-TPAT.

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

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

13 (B) request revalidation.

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

17 (A) reduced searches;

18 (B) priority processing for searches; and

19 (C) reduced scores in the Automated Tar-
 20 geting System.

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

1 **SEC. 10. GREENLANE DESIGNATION.**

2 (a) ESTABLISHMENT.—The Secretary shall establish
3 a third tier of C-TPAT (referred to in this section as the
4 “GreenLane”) that offers additional benefits to validated
5 C-TPAT participants that demonstrate a sustained com-
6 mitment beyond the minimum requirements for participa-
7 tion in C-TPAT.

8 (b) BASIC REQUIREMENTS.—Designated GreenLane
9 participants shall ensure that—

10 (1) entry data is submitted on shipments before
11 loading;

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

15 (3) cargo is loaded on a vessel with a vessel se-
16 curity plan approved or accepted under section
17 70103(c) of title 46, United States Code;

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

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

23 (6) container security devices meeting the
24 standards and procedures established by the Sec-
25 retary are utilized;

1 (7) cargo complies with additional security cri-
2 teria established by the Secretary beyond the min-
3 imum requirements for C-TPAT participation under
4 section 9(c), particularly in the area of access con-
5 trols; and

6 (8) cargo complies with any other requirements
7 determined by the Secretary.

8 (c) CONTAINERS TRANSHIPPED THROUGH CANADA
9 OR MEXICO UNDER GREENLANE.—Containers entering
10 the United States under GreenLane at a land border port
11 of entry shall undergo the equivalent, appropriate level of
12 inspection and screening for potential compromise by ter-
13 rorists or terrorist weapons as containers arriving at a
14 United States port of entry from a foreign port.

15 (d) CONSEQUENCES FOR LACK OF COMPLIANCE.—

16 (1) IN GENERAL.—Any participant whose secu-
17 rity measures and supply chain security practices
18 have been found by the Secretary to be out of com-
19 pliance with any requirements of the GreenLane
20 program shall be denied all benefits under
21 GreenLane.

22 (2) RIGHT OF APPEAL.—GreenLane partici-
23 pants under paragraph (1) shall have the right to
24 appeal denial of benefits decisions to the Secretary
25 and request redesignation under GreenLane.

1 (e) NON-CONTAINERIZED CARGO.—The Secretary
2 may consider the potential for participation in the
3 GreenLane Program by importers of non-containerized
4 cargoes that otherwise meet the requirements under this
5 section.

6 (f) OVERSEAS SCREENING AND EXAMINATIONS.—
7 Not later than 180 days after the date of enactment of
8 this Act, the Secretary shall submit a strategy for screen-
9 ing and examining GreenLane containers overseas before
10 they are loaded on to vessels destined for the United
11 States to—

12 (1) the Committee on Homeland Security and
13 Governmental Affairs of the Senate;

14 (2) the Committee on Appropriations of the
15 Senate;

16 (3) the Committee on Homeland Security of the
17 House of Representatives; and

18 (4) the Committee on Appropriations of the
19 House of Representatives.

20 (g) RULEMAKING.—

21 (1) IN GENERAL.—Not later than 1 year after
22 the date of enactment of this Act, the Secretary, in
23 consultation with private sector stakeholders, shall
24 promulgate regulations that establish—

1 (A) requirements for supply chain visibility
2 procedures;

3 (B) performance standards for container
4 security devices and protocols for their use;

5 (C) procedures for overseas screening and
6 examination of GreenLane containers; and

7 (D) any other GreenLane Program re-
8 quirements that the Secretary considers appro-
9 priate, including requirements building upon se-
10 curity measures and supply chain security best
11 practices contained in the C-TPAT minimum
12 requirements set forth in section 9(c).

13 (2) BENEFITS.—Not later than 2 years after
14 the date of enactment of this Act, the Secretary, in
15 consultation with the Commercial Operations Advi-
16 sory Committee, shall promulgate regulations pro-
17 viding benefits for participation in the GreenLane
18 Program, which may include—

19 (A) the expedited release of GreenLane
20 cargo into destination ports within the United
21 States during all threat levels designated by the
22 Secretary or the Commandant of the Coast
23 Guard;

24 (B) reduced or eliminated bonding require-
25 ments for GreenLane cargo;

1 (C) preference to vessels (as described in
2 section 4(e)(B));

3 (D) further reduced searches;

4 (E) priority processing for searches;

5 (F) further reduced scores in the Auto-
6 mated Targeting System; and

7 (G) streamlined billing of any customs du-
8 ties or fees.

9 **SEC. 11. JOINT OPERATIONS CENTER.**

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

14 (1) enhance information sharing;

15 (2) facilitate day-to-day operational coordina-
16 tion; and

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

19 (b) ORGANIZATION.—At a minimum, a joint oper-
20 ations center shall be colocated with the command center
21 for each Coast Guard sector. If a particular port is covered
22 by a command center that is not located at that port, the
23 Secretary shall consider virtual connectivity to maintain
24 awareness of activities of that port and to provide other
25 agency participation in accordance with subsection (c).

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

4 (1) The United States Coast Guard.

5 (2) The Bureau of Customs and Border Protec-
6 tion.

7 (3) The Bureau of Immigration and Customs
8 Enforcement.

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

10 (5) The Federal Bureau of Investigation.

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

14 (7) State, local, and international law enforce-
15 ment and first responder agencies responsible for the
16 port, as appropriate, or as otherwise selected by the
17 Secretary.

18 (8) Port authority representatives, maritime ex-
19 changes, private sector stakeholders, and other enti-
20 ties subject to an Area Maritime Security Plan, as
21 selected by the Secretary.

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

24 (1) assist, as appropriate, in the implementa-
25 tion of maritime transportation security plans devel-

1 oped under section 70103 of title 46, United States
2 Code;

3 (2) implement the transportation security inci-
4 dent response plans required under section 70104 of
5 such title;

6 (3) carry out information sharing activities con-
7 sistent with those required under section 1016 of the
8 National Security Intelligence Reform Act of 2004
9 (6 U.S.C. 485) and the Homeland Security Informa-
10 tion Sharing Act (6 U.S.C. 481 et seq.);

11 (4) conduct short- and long-range vessel track-
12 ing under sections 70114 and 70115 of such title
13 46, United States Code; and

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

16 (e) SECURITY CLEARANCES.—The Secretary shall
17 sponsor and expedite individuals participating in the joint
18 operations centers in gaining or maintaining their security
19 clearances. Through the Captain of the Port, the Sec-
20 retary may identify key individuals who should participate.
21 In addition, the port or other entities may appeal to the
22 Captain of the Port for sponsorship.

23 (f) SECURITY INCIDENTS.—During a transportation
24 security incident involving the port, the Coast Guard Cap-
25 tain of the Port designated by the Commandant of the

1 Coast Guard in each joint operations center for maritime
2 security shall act as the incident commander, unless other-
3 wise directed under the National Response Plan.

4 (g) IMPLEMENTATION.—

5 (1) IN GENERAL.—Not later than 180 days
6 after the date of enactment of this Act, the Sec-
7 retary shall submit an implementation plan for this
8 section to—

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

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

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

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

17 (2) CONTENTS.—The report submitted under
18 paragraph (1) shall describe, for each joint oper-
19 ations center—

20 (A) the location;

21 (B) the specific participating entities;

22 (C) the implementation costs; and

23 (D) the necessary resources for operation
24 and maintenance, including the cost-sharing re-
25 quirements for other agencies and participants.

1 **SEC. 12. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**
2 **TION.**

3 (a) IN GENERAL.—The Secretary shall—

4 (1) direct research, development, test, and eval-
5 uation efforts in furtherance of maritime and cargo
6 security;

7 (2) encourage the ingenuity of the private sec-
8 tor in developing and testing technologies and proc-
9 ess innovations in furtherance of these objectives;
10 and

11 (3) evaluate such technologies.

12 (b) COORDINATION.—The Secretary, acting through
13 the Undersecretary for Science and Technology, in con-
14 sultation with the Assistant Secretary for Policy, the Di-
15 rector of Cargo Security Policy, and the Chief Financial
16 Officer, shall ensure that—

17 (1) research, development, test, and evaluation
18 efforts funded by the Department in furtherance of
19 maritime and cargo security are coordinated to avoid
20 duplication of efforts; and

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

23 (c) OPERATION SAFE COMMERCE.—

24 (1) IN GENERAL.—Not later than 1 year after
25 the date of enactment of this Act, the Secretary

1 shall initiate grant projects, as part of Operation
2 Safe Commerce, that—

3 (A) integrate nonintrusive inspection and
4 radiation detection equipment with automatic
5 identification methods for containers, vessels,
6 and vehicles;

7 (B) test physical access control protocols
8 and technologies;

9 (C) create a data sharing network capable
10 of transmitting data required by entities par-
11 ticipating in the international supply chain from
12 every intermodal transfer point to the National
13 Targeting Center of the Department; and

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

16 (2) SUPPLY CHAIN SECURITY FOR SPECIAL
17 CONTAINER AND NONCONTAINERIZED CARGO.—The
18 Secretary shall consider demonstration projects that
19 further the security of the international supply chain
20 for special container cargo, including refrigerated
21 containers, and noncontainerized cargo, including
22 roll-on/roll-off, break-bulk, liquid, and dry bulk
23 cargo.

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

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

6 (B) the Committee on Homeland Security
7 of the House of Representatives;

8 (C) the Committee on Appropriations of
9 the Senate; and

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

12 (d) GREENLANE TECHNOLOGY.—The Secretary
13 shall, not less frequently than once every 2 years—

14 (1) review the technology requirements and
15 standards established under section 10; and

16 (2) test future supply chain visibility proce-
17 dures, container security devices, and other systems
18 as they become commercially available to track and
19 secure containers and the smallest exterior pack-
20 aging units loaded into containers.

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

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

1 (1) to help implement Area Maritime Transpor-
2 tation Security plans required under section
3 70103(b) of title 46, United States Code;

4 (2) to correct port security vulnerabilities iden-
5 tified through vulnerability assessments approved by
6 the Secretary; or

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

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

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

15 (2) strongly encourage efforts to promote—

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

18 (B) information and intelligence sharing;

19 and

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

22 (3) consider funding major projects in phases
23 over multiple years.

24 (c) MULTIPLE PHASE PROJECTS.—

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

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

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

11 (1) to help implement Area Maritime Transpor-
12 tation Security Plans required under section
13 70103(b) of title 46, United States Code;

14 (2) to correct port security vulnerabilities iden-
15 tified through vulnerability assessments approved by
16 the Secretary;

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

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

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

4 (C) the Secretary otherwise authorizes
5 such costs;

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

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

18 (6) to conduct vulnerability assessments ap-
19 proved by the Secretary; and

20 (7) to conduct port-wide exercises to strengthen
21 emergency preparedness of Federal, State, and local
22 officials responsible for port security, including law
23 enforcement personnel and firefighters and other
24 first responders, in support of the Area Maritime
25 Security Plan.

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

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

9 (2) acquire land, unless such use is specifically
10 approved by the Secretary in support of subsection
11 (d)(5).

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

15 (g) APPLICATION.—

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

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

1 (A) a comprehensive description of—

2 (i) the need for the project;

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

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

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

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

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

21 (ii) helps to ensure compliance with
22 the Area Maritime Transportation Security
23 Plan.

24 (3) PROCEDURAL SAFEGUARDS.—The Sec-
25 retary, in consultation with the Office of the Inspec-

1 tor General, shall issue guidelines to establish appro-
2 priate accounting, reporting, and review procedures
3 to ensure that—

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

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

8 (C) grant funds not used for such purposes
9 and amounts not obligated or expended are re-
10 turned.

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

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

16 (i) is consistent with vulnerability as-
17 sessments approved by the Secretary;

18 (ii) supports cooperation or integra-
19 tion of Federal, State, local, and industry
20 stakeholders in the port area; and

21 (iii) helps to implement the Area Mar-
22 itime Transportation Security Plan;

23 (B) sufficient funding is available to meet
24 the matching requirement described under sub-
25 section (d);

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

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

5 (h) COORDINATION AND COOPERATION.—The Sec-
6 retary—

7 (1) shall ensure that all projects that receive
8 grant funding under this section within any area de-
9 fined in an Area Maritime Transportation Security
10 Plan are coordinated with other projects in such
11 area; and

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

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

21 (j) ANNUAL REPORTS.—Not later than 1 year after
22 the date of enactment of this Act, and annually thereafter
23 until October 1, 2013, the Secretary shall submit an un-
24 classified report describing regarding the progress made

1 in meeting the objectives of the port security grant pro-
2 gram established under this section to—

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

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

7 (3) the Committee on Appropriations of the
8 Senate; and

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

11 **SEC. 14. AUTHORIZATION OF APPROPRIATIONS.**

12 (a) IMPROVEMENTS TO AUTOMATED TARGETING
13 SYSTEM.—There are authorized to be appropriated
14 \$5,000,000 for each of the fiscal years 2007 through 2012
15 to carry out the provisions of section 4(b).

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

19 (1) \$4,000,000 to carry out the amendment
20 made by section 5(a); and

21 (2) \$1,000,000 to carry out the provisions of
22 section 5(b).

23 (c) CONTAINER SECURITY INITIATIVE.—There are
24 authorized to be appropriated \$175,000,000 for each of

1 the fiscal years 2007 through 2012 to carry out the provi-
2 sions of section 8.

3 (d) CUSTOMS-TRADE PARTNERSHIP AGAINST TER-
4 RORISM.—There are authorized to be appropriated
5 \$75,000,000 for each of the fiscal years 2007 through
6 2012 to carry out the provisions of section 9.

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

11 (f) INCIDENT RESPONSE.—

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

16 (2) BUDGET ANALYSIS.—Not later than 180
17 days after the date of enactment of this Act, the
18 Secretary shall submit a budget analysis for imple-
19 menting the provisions of section 11, including addi-
20 tional cost-sharing arrangements with other Federal
21 departments and other participants involved in the
22 joint operation centers, to—

23 (A) the Committee on Homeland Security
24 and Governmental Affairs of the Senate;

1 (B) the Committee on Appropriations of
2 the Senate;

3 (C) the Committee on Homeland Security
4 of the House of Representatives; and

5 (D) the Committee on Appropriations of
6 the House of Representatives.

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

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

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

19 (j) SOURCE OF FUNDS.—Amounts authorized to be
20 appropriated under this section shall originate from duties
21 collected by the Bureau of Customs and Border Protec-
22 tion.

Calendar No. 292

109TH CONGRESS
1ST Session

S. 2008

A BILL

To improve cargo security, and for other purposes.

NOVEMBER 16, 2005

Read the second time and placed on the calendar