

applicable to qualified small business stock.

S. 1140

At the request of Mr. HATCH, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Illinois (Mr. DURBIN), the Senator from Texas (Mrs. HUTCHISON), and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S.J. RES. 18

At the request of Mr. SARBANES, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S.J. Res. 18, a joint resolution memorializing fallen firefighters by lowering the United States flag to half-staff on the day of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CAMPBELL (for himself, Mr. INOUE, Mr. DASCHLE, Mr. JOHNSON, and Mr. BURNS):

S. 1210. A bill to reauthorize the Native American Housing Assistance and Self-Determination Act of 1996; to the Committee on Indian Affairs.

Mr. CAMPBELL. Mr. President, I am pleased to be joined by Senators INOUE, DASCHLE, JOHNSON, and BURNS in introducing a bill that reauthorizes the Native American Housing Assistance and Self-Determination Act, NAHASDA, of 1996, P.L. 104-330. As many of my colleagues know, NAHASDA promotes tribal self-determination and self-sufficiency as it builds upon the government-to-government relationship that exists between Indian tribes and the Federal Government.

NAHASDA became effective on October 1, 1997 and provides a single, flexible block grant for tribes or tribally-designated housing entities, TDHE, to administer Federal housing assistance. Under this block grant system, NAHASDA empowers tribes to determine local needs and authorizes tribal decision making when it comes to Indian housing policy.

Before NAHASDA, the Federal Government dictated the planning, financing and building of Indian housing. Since NAHASDA's enactment, tribes are in the "driver's seat," and have the right to make certain decisions with regard to resource allocation; and also have the responsibility to determine the needs of their members and to make every effort to satisfy those needs.

In the past five years, NAHASDA has assisted tribes in making great strides in the quality and quantity of housing provided to Indian and Alaska Native communities. In fact, HUD estimates that over 25,000 new units of housing have been placed in Indian and Alaska

Native communities under NAHASDA. This number is 10 times the maximum annual number of units provided for Indian communities under the previous Indian housing program.

Even with all the success of NAHASDA, Indian communities continue to live in the worst housing conditions in the United States. In fact, Indian housing is often and justifiably compared to the conditions present in Third World countries. Some of the startling statistics that characterize housing in Indian communities show that: 1 out of every 5 Indian homes lacks complete plumbing; 40 percent of homes on Indian lands are overcrowded and have serious physical deficiencies; and 69 percent of homes on Indian lands are severely overcrowded with up to 4 or 5 families living in the same two bedroom house.

These statistics illustrate that there is still much work to be done. NAHASDA has been a good first step in improving living conditions in Indian and Alaska Native communities, however there is still a tremendous need for adequate housing in these communities.

In the first few years of NAHASDA implementation, some bumps in the road were experienced. To provide a better transition from the old HUD dominated regime to the new policies of NAHASDA, I introduced a bill to provide technical amendments to strengthen and clarify NAHASDA. These technical amendments were necessary to ensure the proper implementation and enforcement of NAHASDA. With the recent enactment of the Native American Housing Assistance and Self-Determination Act Amendments of 1999, P.L. 106-568, NAHASDA is better suited to meet its goals and responsibilities.

The bill I am introducing today will extend NAHASDA for an additional five years. With the groundwork now laid, both Indian tribes and HUD should be able to provide improved housing assistance to Indian and Alaska Native communities.

Moreover, the extension of NAHASDA will encourage greater utilization of NAHASDA programs including its Title VI Loan Guarantee program, designed to aid tribes in leveraging federal funds in partnership with the private sector.

As Chairman of the Committee on Indian Affairs, I am committed to ensuring that NAHASDA is implemented in a fair, efficient and productive manner. It is my hope that the enactment of certain technical amendments in P.L. 106-568, and the reauthorization of NAHASDA will ensure improved housing assistance to all Indian and Alaska Native communities for years to come.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1210

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Housing Assistance and Self-Determination Reauthorization Act of 2001".

SEC. 2. REAUTHORIZATION OF THE NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT OF 1996.

(a) BLOCK GRANTS.—Section 108 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4117) is amended by striking "1999, 2000, and 2001" and inserting "through 2006".

(b) FEDERAL GUARANTEES.—Subsections (a) and (b) of section 605 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4195) are each amended by striking "1998, 1999, 2000, and 2001" and inserting "through 2006".

(c) TRAINING AND TECHNICAL ASSISTANCE.—Section 703 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4212) is amended by striking "1998, 1999, 2000, and 2001" and inserting "through 2006".

By Mr. HOLLINGS (for himself and Mr. GRAHAM):

S. 1214. A bill to amend the Merchant Marine Act, 1936, to establish a program to ensure greater security for United States seaports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. HOLLINGS. Mr. President, I rise today to introduce the Port and Maritime Security Act of 2001. This legislation is long overdue. It is needed to facilitate future technological and advances and increases in international trade, and ensure that we have the sort of security control necessary to ensure that our borders are protected from drug smuggling, illegal aliens, trade fraud, threats of terrorism as well as potential threats to our ability to mobilize U.S. military force. I introduced similar legislation in the last Congress, but time did not allow us to proceed any further with the legislative process. However, this is just too important an issue to let it go by, and I intend to work with Senator GRAHAM, and others to try and craft a policy to help protect our maritime borders.

The Department of Transportation recently conducted an evaluation of our marine transportation needs for the 21st Century. In September 1999, then Transportation Secretary Slater issued a preliminary report of the Marine Transportation System, (MTS) Task Force—An Assessment of the U.S. Marine Transportation System. The report reflected a highly collaborative effort among public sector agencies, private sector organizations and other stakeholders in the MTS.

The report indicates that the United States has more than 1,000 channels and 25,000 miles of inland, intracoastal, and coastal waterways in the United States which serve over 300 ports, with more than 3,700 terminals that handle passenger and cargo movements. These waterways and ports link to 152,000 miles of railways, 460,000 miles of underground pipelines and 45,000 miles of

interstate highways. Annually, the U.S. marine transportation system moves more than 2 billion tons of domestic and international freight, imports 3.3 billion tons of domestic oil, transports 134 million passengers by ferry, serves 78 million Americans engaged in recreational boating, and hosts more than 5 million cruise ship passengers.

The MTS provides economic value, as waterborne cargo contributes more than \$742 billion to U.S. gross domestic product and creates employment for more than 13 million citizens. While these figures reveal the magnitude of our waterborne commerce, they don't reveal the spectacular growth of waterborne commerce, or the potential problems in coping with this growth. It is estimated that the total volume of domestic and international trade is expected to double over the next twenty years. The doubling of trade also brings up the troubling issue of how the U.S. is going to protect our maritime borders from crime, threats of terrorism, or even our ability to mobilize U.S. armed forces.

Security at our maritime borders is given substantially less Federal consideration than airports or land borders. In the aviation industry, the Federal Aviation Administration (FAA) is intimately involved in ensuring that security measures are developed, implemented, and funded. The FAA works with various Federal officials to assess threats direct toward commercial aviation and to target various types of security measures as potential threats change. For example, during the Gulf War, airports were directed to ensure that no vehicles were parked within a set distance of the entrance to a terminal.

Currently, each air carrier, whether a U.S. carrier or foreign air carrier, is required to submit a proposal on how it plans to meet its security needs. Air carriers also are responsible for screening passengers and baggage in compliance with FAA regulations. The types of machines used in airports are all approved, and in many instances paid for by the FAA. The FAA uses its laboratories to check the machinery to determine if the equipment can detect explosives that are capable of destroying commercial aircrafts. Clearly, we learned from the Pan Am 103 disaster over Lockerbie, Scotland in 1988. Congress passed legislation in 1990 "the Aviation Security Improvement Act," which was carefully considered by the Commerce Committee, to develop the types of measures I noted above. We also made sure that airports, the FAA, air carriers and law enforcement worked together to protect the flying public.

Following the crash of TWA flight 800 in 1996, we also leaped to spend money, when it was first thought to have been caused by a terrorist act. The FAA spent about \$150 million on additional screening equipment, and we continue today to fund research and develop-

ment for better, and more effective equipment. Finally, the FAA is responsible for ensuring that background checks, employment records/criminal records, of security screeners and those with access to secured airports are carried out in an effective and thorough manner. The FAA, at the direction of Congress, is responsible for certifying screening companies, and has developed ways to better test screeners. This is all done in the name of protecting the public. Seaports deserve no less consideration.

At land borders, there is a similar investment in security by the Federal Government. In TEA-21, approved \$140 million a year for five years for the National Corridor Planning and Development and Coordinated Border Infrastructure Program. Eligible activities under this program include improvements to existing transportation and supporting infrastructure that facilitate cross-border vehicles and cargo movements; construction of highways and related safety enforcement facilities that facilitate movements related to international trade; operational improvements, including improvements relating to electronic data interchange and use of telecommunications, to expedite cross border vehicle and cargo movements; and planning, coordination, design and location studies.

By way of contrast, at U.S. seaports, the Federal Government invests nothing in infrastructure, other than the human presence of the U.S. Coast Guard, U.S. Customs Service, and the Immigration and Naturalization Service, and whatever equipment those agencies have to accomplish their mandates. Physical infrastructure is provided by state-controlled port authorities, or by private sector marine terminal operators. There are no controls, or requirements in place, except for certain standards promulgated by the Coast Guard for the protection of cruise ship passenger terminals. Essentially, where sea ports are concerned, we have abrogated the Federal responsibility of border control to the state and private sector.

I think that the U.S. Coast Guard and Customs Agency are doing an outstanding job, but they are outgunned. There is simply too much money in the illegal activities they are seeking to curtail or eradicate, and there is too much traffic coming into, and out of the United States. For instance, in the latest data available, 1999, we had more than 10 million TEU's imported into the United States. For the uninitiated, a TEU refers to a twenty-foot equivalent unit shipping container. By way of comparison, a regular truck measures 48-feet in length. So in translation, we imported close to 5 million truckloads of cargo. According to the Customs Service, seaports are able to inspect between 1 percent and 2 percent of the containers, so in other words, a drug smuggler has a 98 percent chance of gaining illegal entry.

It is amazing to think, that when you or I walk through an international air-

port we will walk through a metal detector, and our bags will be x-rayed, and Customs will interview us, and may check our bags. However, at a U.S. seaport you could import a 48 foot truck load of cargo, and have at least a 98 percent chance of not even being inspected. It just doesn't seem right.

For instance, in my own state, the Port of Charleston which is the fourth largest container port in the United States, just recently we got our first unit even capable of x-raying intermodal shipping containers, and we have the temporary deployment of a canine unit. By way of comparison, the Dallas/Fort Worth is the fourth largest airport in the United States, it would be inconceivable that an airport of this magnitude have just one single canine, and one piece of screening equipment. This is simply not sufficient.

The need for the evaluation of higher scrutiny of our system of seaport security came at the request of Senator GRAHAM, and I would like to commend him for his persistent efforts in addressing this issue. Senator GRAHAM has had problems with security at some of the Florida seaports, and although the state has taken some steps to address the issue, there is a great need for considerable improvement. Senator GRAHAM laudably convinced the President to appoint a Commission, designed similarly to the Aviation Security Commission, to review security at U.S. seaports.

The Commission visited twelve major U.S. seaports, as well as two foreign ports. It compiled a record of countless hours of testimony and heard from, and reviewed the security practices of the shipping industry. It also met with local law enforcement officials to discuss the issues and their experiences as a result of seaport related crime.

For instance, the Commission found that the twelve U.S. seaports accounted for 56 percent of the number of cocaine seizures, 32 percent of the marijuana seizures, and 65 percent of heroin seizures in commercial cargo shipments and vessels at all ports of entry nationwide. Yet, we have done relatively little, other than send in an undermanned contingency of Coast Guards and Customs officials to do whatever they can.

Drugs are not the only criminal problem confronting U.S. seaports. For example, alien smuggling has become increasingly lucrative enterprise. To illustrate, in August of 1999, INS officials found 132 Chinese men hiding aboard a container ship docked in Savannah, GA. The INS district director was quoted as saying; "This was a very sophisticated ring, and never in my 23 years with the INS have I seen anything as large or sophisticated". According to a recent GAO report on INS efforts on alien smuggling RPT-Number: B-283952, smuggling collectively may earn as much as several billion dollars per year bringing in illegal aliens.

Another problem facing seaports is cargo theft. Cargo theft does not always occur at seaports, but in many instances the theft has occurred because of knowledge of cargo contents. International shipping provides access to a lot of information and a lot of cargo to many different people along the course of its journey. We need to take steps to ensure that we do not facilitate theft. Losses as a result of cargo theft have been estimated as high as \$12 billion annually, and it has been reported to have increased by as much as 20 percent recently. The FBI has become so concerned that it recently established a multi-district task force, Operation Sudden Stop, to crack down on cargo crime.

The other issues facing seaport security may be less evident, but potentially of greater threat. As a Nation in general, we have been relatively lucky to have been free of some of the terrorist threats that have plagued other nations. However, we must not become complacent. U.S. seaports are extremely exposed. On a daily basis many seaports have cargo that could cause serious illness and death to potentially large populations of civilians living near seaports if targeted by terrorism. Most of the population of the United States lies in proximity to our coastline.

The sheer magnitude of most seaports, their historical proximity to established population bases, the open nature of the facility, and the massive quantities of hazardous cargoes being shipped through a port could be extremely threatening to the large populations that live in areas surrounding our seaports. The same conditions in U.S. seaports, that could expose us to threats from terrorism, could also be used to disrupt our abilities to mobilize militarily. During the Persian Gulf War, 95 percent of our military cargo was carried by sea. Disruption of sea service, could have resulted in a vastly different course of history. We need to ensure that it does not happen to any future military contingencies.

As I mentioned before, our seaports are international borders, and consequently we should treat them as such. However, I am realistic about the possibilities for increasing seaport security, the realities of international trade, and the many functional differences inherent in the different seaport localities. Seaports by their very nature, are open and exposed to surrounding areas, and as such it will be impossible to control all aspects of security, however, sensitive or critical safety areas should be protected. I also understand that U.S. seaports have different security needs in form and scope. For instance, a seaport in Alaska, that has very little international cargo does not need the same degree of attention that a seaport in a major metropolitan center, which imports and exports thousands of international shipments. However, the legislation we are introducing today will allow for

public input and will consider local issues in the implementation of new guidelines on port security, so as to address such details.

Substantively, the Port and Maritime Security Act establishes a multi-pronged effort to address security needs at U.S. Seaports, and in some cases formalizes existing practices that have proven effective. The bill authorizes the Department of Transportation to establish a task force on port security and to work with the private sector to develop solutions to address the need to initiate a system of security to protect our maritime borders.

The purpose of the task force is to implement the provisions of the act; to coordinate programs to enhance the security and safety of U.S. seaports; to provide long-term solutions for seaport safety issues; to coordinate with local port security committees established by the Coast Guard to implement the provisions of the bill; and to ensure that the public and local port security committees are kept informed about seaport security enhancement developments.

The bill requires the U.S. Coast Guard to establish local port security committees at each U.S. seaport. The membership of these committees is to include representatives of the port authority, labor organizations, the private sector, and Federal, State, and local government officials. These committees will be chaired by the U.S. Coast Guard's Captain-of-the-Port, and will be used to establish quarterly meetings with local law enforcement and attempt to coordinate security and help facilitate law enforcement.

The bill also requires the Coast Guard to develop a system of providing vulnerability assessments for U.S. seaports. After completion of the assessment, the seaport would be required to submit a security program to the Coast Guard for review and approval. The assessment shall be performed with the cooperation and assistance of local officials, through local port security committees, and ensure the port is made aware of and participates in the analysis of security concerns. I continue to believe there is a need to perform background checks on transportation workers in sensitive positions to reveal potential threats to facilitate crime or terrorism. While the bill is silent on this matter, we will continue our discussions with law enforcement and transportation workers to develop a system that facilitates law enforcement but focuses more narrowly on those employees who have access to sensitive information.

The bill authorizes MarAd to provide loan guarantees to help cover some of the costs of port security infrastructure improvements, such as cameras and other monitoring equipment, fencing systems and other types of physical enhancements. The bill authorizes \$8 million, annually for four years, to cover costs, as defined by the Credit Reform Act, which could guarantee up

to \$20 million in loans for security enhancements. The bill also establishes a grant program to help cover some of the same infrastructure costs. Additionally, the bill provides funds for the U.S. Customs Service to purchase screening equipment and other types of non-intrusive detection equipment. We have to provide Customs with the tools they need to help prevent further crime.

The bill requires a report to be attached on security and a revision of 1997 document entitled "Port Security: A National Planning Guide." The report and revised guide are to be submitted to Congress and are to include a description of activities undertaken under the Port and Maritime Security Act of 2001, in addition to analysis of the effect of those activities on port security and preventing acts of terrorism and crime.

The bill requires the Department of Transportation, to the extent feasible, to coordinate reporting of seaport related crimes and to work with state law enforcement officials to harmonize the reporting of data on cargo theft and alternatively, the feasibility of utilizing private data on cargo theft. Better data will be crucial in identifying the extent and location of criminal threats and will facilitate law enforcement efforts combating crime. The bill also requires the Secretaries of Agriculture, Treasury, and Transportation, as well as the Attorney General to work together to establish shared dockside inspection facilities at seaports for federal and state agencies, and provides \$1 million, annually for four years, to carry out this section. Currently there are some U.S. ports that do not have inspection space in the organic port area. It is crucial that inspections occur as close to the point of entry as possible.

The bill also establishes a program to train personnel involved in maritime transportation and maritime security. A better prepared security force will help enable us to more effectively combat potential threats of crime and terrorism. The bill also requires the Customs Service to improve reporting of imports at seaports to help ensure that Customs will have adequate information in advance of having the entry of cargo, and to do so in a manner consistent with their plans for the Automated Commercial Environmental ACE program.

Finally, the bill reauthorizes an extension of tonnage duties through 2006, and makes the proceeds of these collections available to carry out the Port and Maritime Security Act. These fees currently are set at certain levels, and are scheduled to be reduced in 2002. The legislation reauthorizes and extends the current fee level for an additional four years, but dedicates its use to enhancing our efforts to fight crime at U.S. seaports and to facilitating improved protection of our borders, as well as to enhance our efforts to ward off potential threats of terrorism.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1214

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Port and Maritime Security Act of 2001”.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) There are 361 public seaports in the United States which have a broad range of characteristics, and all of which are an integral part of our Nation's commerce.

(2) United States seaports conduct over 95 percent of United States overseas trade. Over the next 20 years, the total volume of imported and exported goods at seaports is expected to more than double.

(3) The variety of trade and commerce that are carried out at seaports has greatly expanded. Bulk cargo, containerized cargo, passenger cargo and tourism, intermodal transportation systems, and complex domestic and international trade relationships have significantly changed the nature, conduct, and complexity of seaport commerce.

(4) The top 50 seaports in the United States account for about 90 percent of all the cargo tonnage. Twenty-five United States seaports account for 98 percent of all container shipments. Cruise ships visiting foreign destinations embark from 16 seaports.

(5) In the larger seaports, the activities can stretch along a coast for many miles, including public roads within their geographic boundaries. The facilities used to support arriving and departing cargo are sometimes miles from the coast.

(6) Seaports often are a major locus of Federal crime, including drug trafficking, cargo theft, and smuggling of contraband and aliens. The criminal conspiracies often associated with these crimes can pose threats to the people and critical infrastructures of seaport cities. Seaports that accept international cargo have a higher risk of international crimes like drug and alien smuggling and trade fraud.

(7) Seaports are often very open and exposed and, by the very nature of their role in promoting the free flow of commerce, are susceptible to large scale terrorism that could pose a threat to coastal, Great Lake, or riverain populations. Seaport terrorism could pose a significant threat to the ability of the United States to pursue its national security objectives.

(8) United States seaports are international boundaries, however, unlike United States airports and land borders, United States seaports receive no Federal funds for security infrastructure.

(9) Current inspection levels of containerized cargo are insufficient to counter potential security risks. Technology is currently not adequately deployed to allow for the non-intrusive inspection of containerized cargo. Additional promising technology is in the process of being developed that could inspect cargo in a non-intrusive and timely fashion.

(10) The burgeoning cruise ship industry poses a special risk from a security perspective. The large number of United States citizens sailing on international cruises provides an attractive target to terrorists seeking to cause mass casualties. Approximately 80 percent of cruise line passengers are United States citizens and 20 percent are aliens. Approximately 92 percent of crewmembers are aliens.

(11) Effective physical security and access control in seaports is fundamental to deterring and preventing potential threats to seaport operations, cargo shipments for smuggling or theft or other cargo crimes.

(12) Securing entry points, open storage areas, and warehouses throughout the seaport, controlling the movements of trucks transporting cargo through the seaport, and examining or inspecting containers, warehouses, and ships at berth or in the harbor are all important requirements that should be implemented.

(13) Identification procedures for arriving workers and deterring and preventing internal conspiracies are increasingly important.

(14) On April 27, 1999, the President established the Interagency Commission on Crime and Security in United States Seaports to undertake a comprehensive study of the nature and extent of the problem of crime in our seaports, as well as the ways in which governments at all levels are responding.

(15) The Commission has issued findings that indicate the following:

(A) Frequent crimes in seaports include drug smuggling, illegal car exports, fraud (including Intellectual Property Rights and other trade violations), and cargo theft.

(B) Data about crime in seaports have been very difficult to collect.

(C) Internal conspiracies are an issue at many seaports, and contribute to Federal crime.

(D) Intelligence and information sharing among law enforcement agencies needs to be improved and coordinated at many seaports.

(E) Many seaports do not have any idea about the threats they face from crime, terrorism, and other security-related activities because of a lack of credible threat information.

(F) A lack of minimum physical, procedural, and personnel security standards at seaports and at terminals, warehouses, trucking firms, and related facilities leaves many seaports and seaport users vulnerable to theft, pilferage, and unauthorized access by criminals.

(G) Access to seaports and operations within seaports is often uncontrolled.

(H) Coordination and cooperation between law enforcement agencies in the field is often fragmented.

(I) Meetings between law enforcement personnel, carriers, and seaport authorities regarding security are not being held routinely in the seaports. These meetings could increase coordination and cooperation at the local level.

(J) Security-related equipment such as small boats, cameras, and vessel tracking devices is lacking at many seaports.

(K) Detection equipment such as large-scale x-ray machines is lacking at many high-risk seaports.

(L) A lack of timely, accurate, and complete manifest (including in-bond) and trade (entry, importer, etc.) data negatively impacts law enforcement's ability to function effectively.

(M) Criminal organizations are exploiting weak security in seaports and related intermodal connections to commit a wide range of cargo crimes. Levels of containerized cargo volumes are forecasted to increase significantly, which will create more opportunities for crime while lowering the statistical risk of detection and interdiction.

(16) United States seaports are international boundaries that—

(A) are particularly vulnerable to threats of drug smuggling, illegal alien smuggling, cargo theft, illegal entry of cargo and contraband;

(B) may present weaknesses in the ability of the United States to realize its national security objectives; and

(C) may serve as a vector for terrorist attacks aimed at the population of the United States.

(17) It is in the best interests of the United States—

(A) to be mindful that United States seaports are international ports of entry and that the primary obligation for the security of international ports of entry lies with the Federal government;

(B) to be mindful of the need for the free flow of interstate and foreign commerce and the need to ensure the efficient movement of cargo in interstate and foreign commerce;

(C) to increase United States seaport security by establishing a better method of communication amongst law enforcement officials responsible for seaport boundary, security, and trade issues;

(D) to formulate guidance for the review of physical seaport security, recognizing the different character and nature of United States seaports;

(E) to provide financial incentives to help the States and private sector to increase physical security of United States seaports;

(F) to invest in long-term technology to facilitate the private sector development of technology that will assist in the non-intrusive timely detection of crime or potential crime;

(G) to harmonize data collection on seaport-related and other cargo theft, in order to address areas of potential threat to safety and security;

(H) to create shared inspection facilities to help facilitate the timely and efficient inspection of people and cargo in United States seaports; and

(I) to improve Customs reporting procedures to enhance the potential detection of crime in advance of arrival or departure of cargoes.

SEC. 3. PORT SECURITY TASK FORCE.

(a) ESTABLISHMENT.—The Secretary shall establish a Port Security Task Force—

(1) to help implement the provisions of this Act;

(2) to help coordinate programs to enhance the security and safety of United States seaports;

(3) to help provide long-term solutions for seaport security issues;

(4) to help coordinate the security operations of local seaport security committees;

(5) to help ensure that the public and local seaport security committees are kept informed about seaport security enhancement developments;

(6) to help provide guidance for the conditions under which loan guarantees and grants are made; and

(7) to consult with the Coast Guard and the Maritime Administration in establishing port security program guidance.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Task Force shall include representatives of the Coast Guard and the Maritime Administration.

(2) OTHER AGENCIES.—The Secretary shall consult with the Secretary of the Treasury to invite the participation of the United States Customs Service, and may invite the participation of other departments and agencies of the United States with an interest in port security, port security-related matters, and border protection issues.

(3) REQUIRED PRIVATE SECTOR REPRESENTATIVES.—The Task Force shall include representatives, appointed by the Secretary of—

(A) port authorities;

(B) coastwise management units;

(C) longshore labor organizations;

(D) ocean shipping companies;

(E) trucking companies;

(F) railroad companies;

(G) transportation workers;

(H) ocean shippers;
 (I) freight forwarding companies; and
 (J) other representatives whose participation the Secretary deems beneficial.

(c) SUBCOMMITTEES.—The Task Force may establish subcommittees to facilitate consideration of specific issues, including port security border protection and maritime domain awareness issues.

(d) LAW ENFORCEMENT SUBCOMMITTEE.—The Task Force shall establish a subcommittee comprised of Federal, State, and local government law enforcement agencies to address port security issues, including resource commitments and law enforcement sensitive matters.

(e) EXEMPTION FROM FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) does not apply to the Task Force.

(f) ACCEPTANCE OF CONTRIBUTIONS; JOINT VENTURE ARRANGEMENTS.—In carrying out its responsibilities under this Act, the Task Force, or a member organization or representative acting with the Task Force's consent, may accept contributions of funds, material, services, and the use of personnel and facilities from public and private entities by contract or other arrangement if the confidentiality of security-sensitive information is maintained and access to such information is limited appropriately.

(g) FUNDING.—Of the amounts made available under section 17(b) there shall be made available to the Secretary of Transportation for activities of the Task Force \$1,000,000 for each of fiscal years 2003 through 2006 without further appropriation.

SEC. 4. ESTABLISHMENT OF LOCAL PORT SECURITY COMMITTEES.

(a) IN GENERAL.—The United States Coast Guard shall establish seaport security committees—

- (1) to utilize the information made available under this Act;
- (2) to define the physical boundaries within which to conduct vulnerability assessments in recognition of the unique characteristics of each port;
- (3) to review port security vulnerability assessments promulgated under section 5;
- (4) to implement the guidance promulgated under section 7;

(5) to help coordinate planning and other necessary security activities by conducting meetings no less frequently than 4 times each year, to disseminate information that will facilitate law enforcement activities; and

(6) to conduct an exercise at least once every 3 years to verify the effectiveness of each port authority and marine terminal security plan.

(b) MEMBERSHIP.—In establishing those committees, the United States Coast Guard may utilize or augment any existing harbor safety committee or seaport readiness committee, but the membership of the seaport security committee shall include representatives of—

- (1) the port authority;
- (2) Federal, State and local government;
- (3) Federal, State, and local government law enforcement agencies;
- (4) labor organizations and transportation workers;
- (5) local management organizations; and
- (6) private sector representatives whose inclusion is deemed beneficial by the Captain-of-the-Port.

(c) CHAIRMAN.—The local seaport security committee shall be chaired by the Captain-of-the-Port.

(d) EXEMPTION FROM FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) does not apply to a local seaport security committee.

(e) ACCEPTANCE OF CONTRIBUTIONS; JOINT VENTURE ARRANGEMENTS.—In carrying out

its responsibilities under this Act, a local seaport security committee, or a member organization or representative acting with the committee's consent, may accept contributions of funds, material, services, and the use of personnel and facilities from public and private entities by contract or other arrangement if the confidentiality of security-sensitive information is maintained and access to such information is limited appropriately.

(f) FUNDING.—Of the amounts made available under section 17(b) there shall be made available to the Commandant \$3,000,000 for each of fiscal years 2003 through 2006 without further appropriation to carry out this section, such sums to remain available until expended.

SEC. 5. COAST GUARD PORT SECURITY VULNERABILITY ASSESSMENTS.

(a) IN GENERAL.—The Commandant of the Coast Guard, in consultation with the Defense Threat Reduction Agency, the Center for Civil Force Protection, and other appropriate public and private sector organizations, shall develop standards and procedures for conducting seaport security vulnerability assessments.

(b) INITIAL SCHEDULE.—The Coast Guard, in cooperation with local port authority committee officials with proper security clearances, shall complete no fewer than 10 seaport security vulnerability assessments annually, until it has completed such assessments for the 50 ports determined by the Commandant to be the most strategic or economically strategic ports in the United States. If a seaport security vulnerability assessment has been conducted within 5 years by or on behalf of a port authority or marine terminal authority, and the Commandant determines that it was conducted in a manner that is generally consistent with the standards and procedures developed under subsection (a), the Commandant may accept that assessment rather than conducting another seaport security vulnerability assessment for that port.

(c) REVIEW BY PORT AUTHORITY.—The Commandant shall make the seaport security vulnerability assessment for a seaport available for review and comment by officials of the port authority with proper security clearances or marine terminal operator representatives with proper security clearances.

(d) MAPS AND CHARTS.—

(1) COLLECTION AND DISTRIBUTION.—The Commandant and the Administrator shall, working through local seaport security committees where appropriate—

(A) collect, store securely, and maintain maps and charts of all United States seaports that clearly indicate the location of infrastructure and overt-security equipment;

(B) make those maps and charts available upon request, on a secure and confidential basis, to—

- (i) the Maritime Administration;
- (ii) the United States Coast Guard;
- (iii) the United States Customs Service;
- (iv) the Department of Defense;
- (v) the Federal Bureau of Investigation; and
- (vi) the Immigration and Naturalization Service.

(2) OTHER AGENCIES.—The Coast Guard and the Maritime Administration shall establish a process for providing relevant maps and charts collected under paragraph (1), and other relevant material, available, on a secure and confidential basis, to appropriate Federal, State, and local government agencies, and seaport authorities, for the purpose of obtaining the comments of those agencies before completing a seaport vulnerability assessment for each such seaport.

(3) SECURE STORAGE AND LIMITED ACCESS.—The Coast Guard and the Maritime Adminis-

tration shall establish procedures that ensure that maps, charts, and other material made available to Federal, State, and local government agencies, seaport authorities, and local seaport security committees are maintained in a secure and confidential manner and that access thereto is limited appropriately.

(e) ANNUAL STATUS REPORT TO CONGRESS.—Notwithstanding section 7(c) of the Ports and Waterways Safety Act (33 U.S.C. 1226(c)), the Coast Guard and the Maritime Administration shall report annually to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of seaport security in a form that does not compromise, or present a threat to the disclosure of security-sensitive information about, the seaport security vulnerability assessments conducted under this Act. The report may include recommendations for further improvements in seaport security measures and for any additional enforcement measures necessary to ensure compliance with the seaport security plan requirements of this Act.

(f) FUNDING.—Of the amounts made available under section 17(b) there shall be made available to the Commandant \$10,000,000 for each of fiscal years 2003 through 2006 without further appropriation to carry out this section, such sums to remain available until expended.

SEC. 6. MARITIME TRANSPORTATION SECURITY PROGRAMS.

(a) IN GENERAL.—The Commandant and the Administrator shall jointly initiate a rulemaking proceeding to prescribe regulations to protect the public from threats originating from vessels in maritime transportation originating or terminating in a United States seaport against an act of crime or terrorism. In prescribing a regulation under this subsection, the Commandant and the Administrator shall—

(1) consult with the Secretary of the Treasury, the Attorney General, the heads of other departments, agencies, and instrumentalities of the United States Government, State and local authorities, and the Task Force; and

(2) consider whether a proposed regulation is consistent with—

(A) protecting the public; and

(B) the public interest in promoting maritime transportation and commerce.

(b) SECURITY PROGRAMS.—

(1) PROGRAM TO BE ESTABLISHED.—Each port authority and marine terminal authority for an area designated under section 4(a)(2) at which a port security vulnerability assessment has been conducted under this Act shall establish a maritime transportation security program within 1 year after the assessment is completed.

(2) GENERAL REQUIREMENTS.—A security program established under paragraph (1) shall provide a law enforcement program and capability at that seaport that is adequate to ensure the safety of the public from threats of crime and terrorism.

(3) SPECIFIC REQUIREMENTS.—A security program established under paragraph (1) shall be linked to the Captain-of-the-Port authorities for maritime trade and shall include—

(A) provisions for establishing and maintaining physical security for seaport areas and approaches;

(B) provisions for establishing and maintaining procedural security for processing passengers, cargo, and crewmembers, and personnel security for the employment of individuals and service providers;

(C) a credentialing process to limit access to sensitive areas;

(D) a process to restrict vehicular access to seaport areas and facilities;

(E) restrictions on carrying firearms and other prohibited weapons; and

(F) a private security officer certification program, or provisions for using the services of qualified State, local, and private law enforcement personnel.

(c) INCORPORATION OF MARINE TERMINAL OPERATOR'S PROGRAM.—Notwithstanding the requirements of subsection (b)(3), the Captain-of-the-Port may approve a security program of a port authority, or an amendment to an existing program, that incorporates a security program of a marine terminal operator tenant with access to a secured area of the seaport, if the program or amendment incorporates—

(1) the measures the tenant will use, within the tenant's leased areas or areas designated for the tenant's exclusive use under an agreement with the port authority, to carry out the security requirements imposed by the Commandant and the Administration on the port authority; and

(2) the methods the port authority will use to monitor and audit the tenant's compliance with the security requirements.

(d) INCORPORATION OF OTHER SECURITY PROGRAMS AND LAWS.—Notwithstanding the requirements of subsection (b)(3), the Captain-of-the-Port may approve a security program of a port authority, or an existing program, that incorporates a State or local security program, policy, or law. In reviewing any such program, the Captain-of-the-Port shall—

(1) endeavor to avoid duplication and to recognize the State or local security program or policy; and

(2) ensure that no security program established under subsection (b)(3) conflicts with any applicable provision of State or local law.

(e) REVIEW AND APPROVAL OF SECURITY PROGRAMS.—

(1) IN GENERAL.—The Captain-of-the-Port shall review and approve or disapprove each security program established under subsection (b). If the Captain-of-the-Port disapproves a security program, then—

(A) the Captain-of-the-Port shall notify the port authority or marine terminal authority in writing of the reasons for the disapproval; and

(B) the port authority or marine terminal authority shall submit a revised security plan within 6 months after receiving the notification of disapproval.

(f) 5-YEAR REVIEWS.—Whenever appropriate, but in no event less frequently than once every 5 years, each port authority or marine terminal operator required to develop a security program under this section shall review its program, make such revisions to the program as are necessary or appropriate, and submit the results of its review and the revised program to the Captain-of-the-Port.

(g) NO EROSION OF OTHER AUTHORITY.—Nothing in this section precludes any agency, instrumentality, or department of the United States from exercising, or limits its authority to exercise, any other statutory or regulatory authority to initiate or enforce seaport security standards.

SEC. 7. SECURITY PROGRAM GUIDANCE.

(a) IN GENERAL.—The Commandant and the Administrator, in consultation with the Task Force, shall develop voluntary security guidance that will serve as a benchmark for the review of security plans that—

(1) are linked to the Captain-of-the-Port authorities for maritime trade;

(2) include a set of recommended “best practices” guidelines for the use of maritime terminal operators; and

(3) take into account the different nature and characteristics of United States seaports and the need to promote commerce.

(b) REVISION.—The Commandant and the Maritime Administrator shall review the guidelines developed under subsection (a) not less frequently than every 5 years and revise them as necessary.

(c) AREAS COVERED.—The guidance developed under subsection (a) shall include the following areas:

(1) GENERAL SECURITY.—The establishment of practices for physical security of seaport areas and approaches, procedural security for processing passengers, cargo, and crewmembers, and personnel security for employment of individuals and service providers.

(2) ACCESS TO SENSITIVE AREAS.—The use of a credentials process, administered by public or private sector security services, to limit access to sensitive areas.

(3) VEHICULAR ACCESS.—The use of restrictions on vehicular access to seaport areas and facilities, including requirements that seaport authorities and primary users of seaports implement procedures that achieve appropriate levels of control of vehicular access and accountability for enforcement of controlled access by vehicles.

(4) FIREARMS.—Restrictions on carrying firearms.

(5) CERTIFICATION OF PRIVATE SECURITY OFFICERS.—A private security officer certification program to improve the professionalism of seaport security officers.

SEC. 8. INTERNATIONAL SEAPORT SECURITY.

(a) COAST GUARD; INTERNATIONAL APPLICATION.—The Commandant shall make every effort to have the guidance developed under section 7(a) adopted by appropriate international organizations as an international standard and shall, acting through appropriate officers of the United States Government, seek to encourage the development and adoption of seaport security standards under international agreements in other countries where adoption of the same or similar standards might be appropriate.

(b) MARITIME ADMINISTRATION; PORT ACCREDITATION PROGRAM.—The Administrator shall make every effort to have the guidance developed under section 7(a) adopted by appropriate organizations as security standards and shall encourage the establishment of a program for the private sector accreditation of seaports that implement security standards that are consistent with the guidance.

(c) INTERNATIONAL PORT SECURITY IMPROVEMENT ACTIVITIES.—

(1) IN GENERAL.—The Administrator shall establish a program to assist foreign seaport operators in identifying port security risks, conducting port security vulnerability assessments, and implementing port security standards.

(2) IDENTIFICATION OF STRATEGIC FOREIGN PORTS.—The Administrator shall work with the Secretary of Defense and the Attorney General to identify those foreign seaports where inadequate security or a high level of port security vulnerability poses a strategic threat to United States defense interests or may be implicated in criminal activity in the United States.

(3) DISSEMINATION OF INFORMATION ABROAD.—The Administrator shall work with the Secretary of State to facilitate the dissemination of seaport security program information to port authorities and marine terminal operators in other countries.

(d) FUNDING.—Of the amounts made available under section 17(b) there shall be made available to the Administrator \$500,000 for each of fiscal years 2003 through 2006 without further appropriation to carry out this section, such sums to remain available until expended.

SEC. 9. MARITIME SECURITY PROFESSIONAL TRAINING.

(a) IN GENERAL.—The Secretary shall establish a program, in consultation with the

Federal Law Enforcement Center, the United States Merchant Marine Academy's Global Maritime and Transportation School, and the Maritime Security Council, and the International Association of Airport and Seaport Police, to develop standards and procedures for training and certification of maritime security professionals.

(b) ESTABLISHMENT OF SECURITY INSTITUTE.—The Secretary shall establish the Maritime Security Institute at the United States Merchant Marine Academy's Global Maritime and Transportation School to train and certify maritime security professionals in accordance with internationally recognized law enforcement standards. Institute instructors shall be knowledgeable about Federal and international law enforcement, maritime security, and port and maritime operations.

(c) TRAINING AND CERTIFICATION.—The following individuals shall be eligible for training at the Institute:

(1) Individuals who are employed, whether in the public or private sector, in maritime law enforcement or security activities.

(2) Individuals who are employed, whether in the public or private sector, in planning, executing, or managing security operations—

(A) at United States ports;

(B) on passenger or cargo vessels with United States citizens as passengers or crewmembers;

(C) in foreign ports used by United States-flagged vessels or by foreign-flagged vessels with United States citizens as passengers or crewmembers.

(d) PROGRAM ELEMENTS.—The program established by the Secretary under subsection (a) shall include the following elements:

(1) The development of standards and procedures for certifying maritime security professionals.

(2) The training and certification of maritime security professionals in accordance with internationally accepted law enforcement and security guidelines, policies, and procedures.

(3) The training of students and instructors in all aspects of prevention, detection, investigation, and reporting of criminal activities in the international maritime environment.

(4) The provision of offsite training and certification courses and certified personnel at United States and foreign ports used by United States-flagged vessels, or by foreign-flagged vessels with United States citizens as passengers or crewmembers, to develop and enhance security awareness and practices.

(e) ANNUAL REPORT.—The Institute shall transmit an annual report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the expenditure of appropriated funds and the training and other activities of the Institute.

(f) FUNDING.—Of the amounts made available under section 17(b), there shall be made available to the Secretary, without further appropriation, to carry out this section—

(1) \$2,500,000 for each of fiscal years 2003 and 2004, and

(2) \$1,000,000 for each of fiscal years 2005 and 2006, such amounts to remain available until expended.

SEC. 10. PORT SECURITY INFRASTRUCTURE IMPROVEMENT.

(a) IN GENERAL.—Title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et seq.) is amended by adding at the end thereof the following:

“SEC. 1113. LOAN GUARANTEES FOR PORT SECURITY INFRASTRUCTURE IMPROVEMENTS.

“(a) IN GENERAL.—The Secretary, under section 1103(a) and subject to the terms the

Secretary shall prescribe and after consultation with the United States Coast Guard, the United States Customs Service, and the Port Security Task Force established under section 3 of the Port and Maritime Security Act of 2001, may guarantee or make a commitment to guarantee the payment of the principal of, and the interest on, an obligation for seaport security infrastructure improvements for an eligible project at any United States seaport involved in international trade.

“(b) LIMITATIONS.—Guarantees or commitments to guarantee under this section are subject to the extent applicable to all the laws, requirements, regulations, and procedures that apply to guarantees or commitments to guarantee made under this title.

“(c) TRANSFER OF FUNDS.—The Secretary may accept the transfer of funds from any other department, agency, or instrumentality of the United States Government and may use those funds to cover the cost (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 61a)) of making guarantees or commitments to guarantee loans entered into under this section.

“(d) ELIGIBLE PROJECTS.—A project is eligible for a loan guarantee or commitment under subsection (a) if it is for the construction or acquisition of—

“(1) equipment or facilities to be used for seaport security monitoring and recording;

“(2) security gates and fencing;

“(3) security-related lighting systems;

“(4) remote surveillance systems;

“(5) concealed video systems; or

“(6) other security infrastructure or equipment that contributes to the overall security of passengers, cargo, or crewmembers.

SEC. 1114. GRANTS.

“(a) FINANCIAL ASSISTANCE.—The Secretary may provide financial assistance for eligible projects (within the meaning of section 1113(d)).

“(b) MATCHING REQUIREMENTS.—

“(1) 75-PERCENT FEDERAL FUNDING.—Except as provided in paragraph (2), Federal funds for any eligible project under this section shall not exceed 75 percent of the total cost of such project. In calculating that percentage, the non-Federal share of project costs may be provided by in-kind contributions and other noncash support.

“(2) EXCEPTIONS.—

“(A) SMALL PROJECTS.—There are no matching requirements for grants under subsection (a) for projects costing not more than \$25,000.

“(B) HIGHER LEVEL OF SUPPORT REQUIRED.—If the Secretary determines that a proposed project merits support and cannot be undertaken without a higher rate of Federal support, then the Secretary may approve grants under this section with a matching requirement other than that specified in paragraph (1).

“(C) ALLOCATION.—The Secretary shall ensure that financial assistance provided under subsection (a) during a fiscal year is distributed so that funds are awarded for eligible projects that address emerging priorities or threats identified by the Task Force under section 5 of the Port and Maritime Security Act of 2001.

“(d) PROJECT PROPOSALS.—Each proposal for a grant under this section shall include the following:

“(1) The name of the individual or entity responsible for conducting the project.

“(2) A succinct statement of the purposes of the project.

“(3) A description of the qualifications of the individuals who will conduct the project.

“(4) An estimate of the funds and time required to complete the project.

“(5) Evidence of support of the project by appropriate representatives of States or ter-

ritories of the United States or other government jurisdictions in which the project will be conducted.

“(6) Information regarding the source and amount of matching funding available to the applicant, as appropriate.

“(7) Any other information the Secretary considers to be necessary for evaluating the eligibility of the project for funding under this title.”.

(b) ANNUAL ACCOUNTING.—The Secretary of Transportation shall submit an annual summary of loan guarantees and commitments to make loan guarantees under section 1113 of the Merchant Marine Act, 1936, and grants made under section 1114 of that Act, to the Task Force. The Task Force shall make that information available to the public and to local seaport security committees through appropriate media of communication, including the Internet.

(c) FUNDING.—Of amounts made available under section 17(b), there shall be made available to the Secretary of Transportation without further appropriation—

(1) \$8,000,000 for each of the fiscal years 2003, 2004, 2005, and 2006 as guaranteed loan costs (as defined in section 502(5) of the Federal Credit Reform Act of 1990; 2 U.S.C. 661a(5)),

(2) \$10,000,000 for each of such fiscal years for grants under section 1114 of the Merchant Marine Act, 1936, and

(3) \$2,000,000 for each such fiscal year to cover administrative expenses related to loan guarantees and grants, such amounts to remain available until expended.

(d) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts made available under subsection (c)(2), there are authorized to be appropriated to the Secretary of Transportation for grants under section 1114 of the Merchant Marine Act, 1936, \$10,000,000 for each of the fiscal years 2003, 2004, 2005, and 2006.

SEC. 11. SCREENING AND DETECTION EQUIPMENT.

(a) FUNDING.—Of amounts made available under section 17(b), there shall be made available to the Commissioner of Customs without further appropriation for the purchase of non-intrusive screening and detection equipment for use at United States seaports—

(1) \$15,000,000 for fiscal year 2003,

(2) \$16,000,000 for fiscal year 2004,

(3) \$18,000,000 for fiscal year 2005, and

(4) \$19,000,000 for fiscal year 2006,

such sums to remain available until expended.

(b) ACCOUNTING.—The Commissioner shall submit a report for each such fiscal year to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the expenditure of funds appropriated pursuant to this section.

SEC. 12. ANNUAL REPORT ON MARITIME SECURITY AND TERRORISM.

Section 905 of the International Maritime and Port Security Act (46 U.S.C. App. 1802) is amended by adding at the end thereof the following: “Beginning with the first report submitted under this section after the date of enactment of the Port and Maritime Security Act of 2001, the Secretary shall include a description of activities undertaken under that Act and an analysis of the effect of those activities on seaport security against acts of terrorism.”.

SEC. 13. REVISION OF PORT SECURITY PLANNING GUIDE.

The Secretary of Transportation, acting through the Maritime Administration and after consultation with the Task Force and

the United States Coast Guard, shall publish a revised version of the document entitled “Port Security: A National Planning Guide”, incorporating the guidance promulgated under section 7, within 3 years after the date of enactment of this Act, and make that document available on the Internet.

SEC. 14. SECRETARY OF TRANSPORTATION TO COORDINATE PORT-RELATED CRIME DATA COLLECTION.

(a) IN GENERAL.—The Secretary of Transportation shall—

(1) require, to the extent feasible, United States government agencies with significant regulatory or law enforcement responsibilities at United States seaports to modify their information databases to ensure the collection and retrievability of data relating to crime at or affecting such seaports;

(2) evaluate the feasibility of capturing data on cargo theft offenses (including such offenses occurring outside such seaports) that would indicate the port of entry, the port where the shipment originated, where the theft occurred, and maintaining the confidentiality of shipper and carrier unless voluntarily disclosed, and, if feasible, implement its capture;

(3) if feasible, and in conjunction with the Task Force, establish an outreach program to work with State law enforcement officials to harmonize the reporting of data on cargo theft among the States and with the United States government’s reports;

(4) if the harmonization of the reporting of such data among the States is not feasible, evaluate the feasibility of using private data bases on cargo theft and disseminating confidential cargo theft information to local port security committees for further dissemination to appropriate law enforcement officials; and

(5) in conjunction with the Task Force, establish an outreach program to work with local port security committees to disseminate cargo theft information to appropriate law enforcement officials.

(b) REPORT ON FEASIBILITY.—The Secretary of Transportation shall report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 1 year after the date of enactment of this Act on the feasibility of each activity authorized by subsection (a).

(c) INTERSTATE OR FOREIGN SHIPMENTS BY CARRIER.—

(1) IN GENERAL.—Section 659 of title 18, United States Code, is amended—

(A) by striking “with intent to convert to his own use” each place it appears;

(B) by inserting “trailer,” after “motortruck,” in the first undesignated paragraph;

(C) by inserting “air cargo container,” after “aircraft,” in the first undesignated paragraph;

(D) by inserting a comma and “or from any intermodal container, trailer, container freight station, warehouse, or freight consolidation facility,” after “air navigation facility” in the first undesignated paragraph;

(E) by striking “one year” and inserting “3 years” in the fifth undesignated paragraph;

(F) by adding at the end of the fifth undesignated paragraph the following: “Notwithstanding the preceding sentence, the court may, upon motion of the Attorney General, reduce any penalty imposed under this paragraph with respect to any defendant who provides information leading to the arrest and conviction of any dealer or wholesaler of stolen goods or chattels moving as or which are a part of or which constitute an interstate or foreign shipment.”;

(G) by inserting after the first sentence in the penultimate undesignated paragraph the following: “For purposes of this section,

goods and chattel shall be construed to be moving as an interstate or foreign shipment at all points between the point of origin and the final destination (as evidenced by the waybill or other shipping document of the shipment), regardless of any temporary stop while awaiting transshipment or otherwise.”; and

(H) by adding at the end the following:

“It shall be an affirmative defense (on which the defendant bears the burden of persuasion by a preponderance of the evidence) to an offense under this section that the defendant bought, received, or possessed the goods, chattels, money, or baggage at issue with the sole intent to report the matter to an appropriate law enforcement officer or to the owner of the goods, chattels, money, or baggage.”.

(2) FEDERAL SENTENCING GUIDELINES.—Pursuant to section 994 of title 28, United States Code, the United States Sentencing Commission shall amend the Federal sentencing guidelines to provide a sentencing enhancement of not less than 2 levels for any offense under section 659 of title 18, United States Code, as amended by this section.

(3) REPORT TO CONGRESS.—The Attorney General shall annually submit to Congress a report, which shall include an evaluation of law enforcement activities relating to the investigation and prosecution of offenses under section 659 of title 18, United States Code.

(d) Funding.—Out of amounts made available under section 17(b), there shall be made available to the Secretary of Transportation, without further appropriation, \$1,000,000 for each of fiscal years 2003, 2004, 2005, and 2006, to modify existing data bases to capture data on cargo theft offenses and to make grants to States to harmonize data on cargo theft, such sums to remain available until expended.

SEC. 15. SHARED DOCKSIDE INSPECTION FACILITIES.

(a) IN GENERAL.—The Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Transportation, and the Attorney General shall work with each other, the Task Force, and the States to establish shared dockside inspection facilities at United States seaports for Federal and State agencies.

(b) FUNDING.—Of the amounts made available under section 17(b), there shall be made available to the Secretary of the Transportation, without further appropriation, \$1,000,000 for each of fiscal years 2003, 2004, 2005, and 2006, such sums to remain available until expended, to establish shared dockside inspection facilities at United States seaports in consultation with the Secretary of the Treasury, the Secretary of Agriculture, and the Attorney General.

SEC. 16. IMPROVED CUSTOMS REPORTING PROCEDURES.

In an manner that is consistent with the promulgation of the manifesting and in-bond regulations and with the phased-in implementation of those regulations in the development of the Automated Commercial Environment Project, the United States Customs Service shall improve reporting of imports at United States seaports—

(1) by promulgating regulations to require, notwithstanding the second sentence of section 411(b) of the Tariff Act of 1930 (19 U.S.C. 1411(b)), all ocean manifests to be transmitted in electronic form to the Service in sufficient time for the information to be used effectively by the Service;

(2) by promulgating regulations to require, notwithstanding sections 552, 553, and 1641 of such Act (19 U.S.C. 1552, 1553, and 1641), all entries of goods, including in-bond entries, to provide the same information required for

entries of goods released into the commerce of the United States to the Service before the goods are released for shipment from the seaport of first arrival; and

(3) by distributing the information described in paragraphs (1) and (2) on a real-time basis to any Federal, State, or local government agency that has a regulatory or law-enforcement interest in the goods.

SEC. 17. 4-YEAR REAUTHORIZATION OF TONNAGE DUTIES.

(a) IN GENERAL.—

(1) EXTENSION OF DUTIES.—Section 36 of the Act of August 5, 1909 (36 Stat. 111; 46 U.S.C. App. 121) is amended by striking “through 2002,” each place it appears and inserting “through 2006.”

(2) CONFORMING AMENDMENT.—The Act entitled “An Act concerning tonnage duties on vessels entering otherwise than by sea”, approved March 8, 1910 (36 Stat. 234; 46 U.S.C. App. 132) is amended by striking “through 2002,” and inserting “through 2006.”

(b) AVAILABILITY OF FUNDS.—Amounts deposited in the general fund of the Treasury as receipts of tonnage charges collected as a result of the amendments made by subsection (a) shall be made available in each of fiscal years 2003 through 2006 to carry out this Act, as provided in sections 3(g), 4(f), 5(f), 8(d), 9(f), 10(c), 11(a), 14(d), and 15(b).

SEC. 18. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Maritime Administration.

(1) CAPTAIN-OF-THE-PORT.—The term “Captain-of-the-Port” means the United States Coast Guard’s Captain-of-the-Port.

(2) COMMANDANT.—The term “Commandant” means the Commandant of the United States Coast Guard.

(1) SECRETARY.—Except as otherwise provided, the term “Secretary” means the Secretary of Transportation.

(2) TASK FORCE.—The term “Task Force” means the Port Security Task Force established under section 3.

By Mr. DODD (for himself, Mr. DEWINE, Ms. SNOWE, Mr. KENNEDY, Mr. ROBERTS, Mr. JOHNSON, Mr. EDWARDS, Mrs. FEINSTEIN, Ms. COLLINS, Mr. WELLSTONE, Mr. BINGAMAN, and Mrs. MURRAY):

S. 1217. A bill to provide for the acquisition, construction, and improvement of child care facilities or equipment, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DODD. Mr. President, I am pleased to join with my colleague from Ohio, Senator DEWINE, in introducing the Child Care Facilities Financing Act. We are also joined by Senator SNOWE, Senator KENNEDY, Senator ROBERTS, Senator JOHNSON, Senator EDWARDS, Senator FEINSTEIN, Senator COLLINS, Senator WELLSTONE, Senator BINGAMAN, and Senator MURRAY as original cosponsors.

According to the Bureau of Labor Statistics, about 13 million children under age 6 and 31 million children between the ages of 6 and 17 have both parents or their only parent in the work force.

The demand for quality child care is exploding. But the supply of care has not kept pace, particularly in low-income communities where demand has

been stimulated by a strong economy and employment requirements under welfare reform.

Studies show that the supply of home-based and center-based child care is far more abundant in affluent areas than in low-income areas. Moreover, despite increased child care spending by states and the expansion of Head Start, physical space continues to remain scarce or unaffordable in low-income communities.

Existing child care programs in too many low-income neighborhoods are crammed into inadequate, temporary quarters, leaky church basements, apartments, and other locations that were never designed for this purpose. Between the overall shortage of child care and inadequate existing facilities, parents have limited choices among inferior quality care, at times unsafe care for children.

The United States has carried out the most extensive systematic, and rigorous research on investing in early education and child care programs. This research has shown that brain development is fastest during a child’s earliest years.

We know that quality child care can significantly assist in preparing children for school. The shortage in the supply of quality child care too often translates to inferior quality care for children.

One of the contributing factors to the child care shortage is the difficulty that would-be providers face in financing child care facility development. Financial institutions often view child care providers as high risks for loans.

In low-income neighborhoods, child care providers face severely restricted revenues and low real estate values. In urban areas, would-be child care providers must contend with buildings in poor physical condition and high property costs.

In all areas, reimbursement rates for child care subsidies are generally too low to cover the recovery cost of purchasing or developing facilities, especially after allowing for the cost of running the program. In addition, new providers often have no business training, and may need to learn how to manage their finances and business.

The Child Care Facilities Financing Act would provide grants to intermediary organizations, enabling them to provide financial and technical assistance to existing or new child care providers—including both center-based and home-based child care.

The financial assistance may be in the form of loans, grants, investments, or other assistance, allowing for flexibility depending on the situation of the child care provider. The assistance may be used for acquisition, construction, or renovation of child care facilities or equipment. It may also be used for improving child care management and business practices.

Grant funds under our legislation are required to be matched 50-50, further enhancing local capacity by leveraging

Federal funding and creating valuable public/private partnerships. The added benefit in providing this kind of assistance is that it will spur further community and economic development by building local partnerships.

Reducing parental anxiety about child care means that parents can become more reliable and productive workers. An evaluation of California's welfare-to-work program found that mothers participating in the program were twice as likely to drop out during the first year if they expressed dissatisfaction with the child care provider or facility they were using.

Let me share with you an example from my state of Connecticut. In the Hill neighborhood of New Haven, one of the most underserved areas of the city, there are more than 2,500 children under the age of five, but just 200 licensed child care spaces, including family care.

LULAC Head Start has been serving the Hill neighborhood since 1983, operating a part-day, early childhood program out of a cramped and poorly lit church basement. This basement program could no longer be licensed by the state and recently closed. The 54 children being served were moved to another location which is overcrowded.

Thanks to a collaboration between the Hill Development Corporation, LULAC Head Start and the New Haven Child Development Program, low-income families in the Hill community will have more access to affordable and high-quality child care services.

A new facility, the Hill Parent Child Center, is under construction and will provide multicultural child care, school readiness, and Head Start services for 172 low-income children in New Haven.

Fortunately for this Hill Community, Connecticut has a new child care financing program. Connecticut multi-Cities Local Initiatives Support Corporation and the National Child Care Initiative joined forces with the State of Connecticut to design a program to finance the development of child care facilities.

Unfortunately, there are many more children in New Haven and other parts of Connecticut as well as across the Nation who still need child care. Sadly, most States do not have a child care financing system in place.

We should do all we can to ensure that safe, affordable, quality child care is available for more families, particularly low-income families, so that we can truly leave no child behind. When the economic situation of families improve, distressed communities become revitalized.

Expanding the supply of quality child care is an important step in investing in the needs of families with young children.

I hope that you will join with Senator DEWINE and me in supporting this legislation to ensure that parents have as many choices as possible in selecting child care while they work. It is

hard enough for low-income families to make ends meet without the additional anxiety of poor choices of care for their children.

I ask unanimous consent that a brief summary of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CHILD CARE FACILITIES FINANCING ACT

THE PROBLEM

Many low-income communities face a severe shortage of child care and equipment.

Child care providers in low-income areas often lack the access to capital and management expertise to expand the capacity and the quality of their programs.

A lack of affordable child care threatens the ability of low-income parents to find and maintain stable employment.

Quality child care can really make a difference in a child's ability to start school ready to learn.

THE SOLUTION

The Child Care Facilities Financing Act authorizes \$50 million annually to fund grants to non-profit intermediaries to enhance the ability of home- and center-based child care providers to serve their communities. Funds will be used to provide:

Financial assistance by intermediaries, in the form of loans, grants, and interest subsidies, for the acquisition, construction, or improvement of facilities for home- and center-based child care and technical assistance to improve business management and entrepreneurial skills to ensure long-term viability of child care providers.

The Child Care Facilities Financing Act requires that the federal investment be matched, dollar for dollar, by funds from the private sector, stimulating valuable public/private partnerships.

BUILDING ON A PROVEN MODEL

The Child Care Facilities Financing Act draws from the community development model—using small, seed-money investments to leverage existing community resources.

Tested in communities across the nation, this approach has been proven to be successful in expanding child care capacity:

In New Haven, Connecticut, the Local Initiatives Support Corporation (LISC) established the Community Investment Collaborative for Kids—closing on \$3.6 million in public-private financing to construct a new 10 room, 171 child Head Start and child care center on a vacant lot in a low-income neighborhood.

The Ohio Community Development Finance Fund offers stable resources for planning, technical assistance and funding for the development of expanded quality child care space. It leverages \$26.11 for every \$1.00 in public funding and has touched the lives of over 13,000 Ohio children. Wonder World, an urban child care center in Akron, Ohio, was operating in a dingy and poorly lit space of an old church. Despite these conditions the center had a waiting list. With help from the Ohio Community Development Finance Fund, a new eight room child care facility was constructed serving approximately 200 children.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1028. Mr. THOMAS submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending

September 30, 2002, and for other purposes; which was ordered to lie on the table.

SA 1029. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) supra.

SA 1030. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) supra.

SA 1031. Mr. CRAPO submitted an amendment intended to be proposed to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1028. Mr. THOMAS submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 66, line 8, after the word "bus", insert the following phrase: "as that term is defined in section 301 of the American with Disabilities Act of 1990 (42 U.S.C. § 12181)".

On page 66, line 9 strike ";" and insert in lieu thereof ":"; and

On page 66, beginning with line 10, strike all through page 70, line 14.

SA 1029. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 20, line 16, strike the numeral and all that follows through the word "Code" on page 18 and insert in lieu thereof the following: "\$3,348,128 shall be set aside for the program authorized under section 1101(a)(11) of the Transportation Equity Act for the 21st Century, as amended and section 162 of title 23, United States Code;"

On page 33, line 12, strike the word "together" and all that follows through the semi-colon on line 14.

On page 78, strike line 20 through 24.

SA 1030. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 73, strike lines 19 through 24 and insert the following:

"(E) requires—

"(i) inspections of all commercial vehicles of Mexican motor carriers authorized, or seeking authority, to operate beyond United States municipalities and commercial zones on the United States-Mexico border that do not display a valid Commercial Vehicle Safety Alliance inspection decal, by certified Federal inspectors, or by State inspectors whose operations are funded in part or in whole by Federal funds, in accordance with the requirements for a Level I Inspection under the criteria of the North American