Opening Statement Chairman Susan M. Collins Committee on Homeland Security and Governmental Affairs "The Future of Port Security: The GreenLane Maritime Cargo Security Act" April 5, 2006

Today, the Committee considers the GreenLane Maritime Cargo Security Act, which Senator Patty Murray and I introduced last November with our colleagues Senator Lieberman and Senator Coleman. I am pleased to be joined in this bipartisan, bicameral effort by two of our House colleagues, Representatives Dan Lungren and Jane Harman, two leaders of this issue.

This hearing builds on our extensive efforts to enhance the security of our nation's maritime transportation system and the international supply chain. Seaports are more than waterfront facilities. They are crucial links in a supply chain that includes all modes of transportation and that reaches

# Page 2 of 9

across the country and around the world. They also are profoundly and unacceptably at risk.

The urgency cannot be overstated. Approximately 95 percent of our nation's trade, worth nearly \$1 trillion, enters or leaves through our seaports. Our ports receive some 8,555 foreign vessels, which make more than 55,000 calls per year. These ships carry the bulk of the approximately 800 million tons of goods that came into our country, including more than 175 billion gallons of oil and other fuels.

In fiscal year 2005, these vessels also brought more than eleven million containers. The number of containers entering this country by sea continues to grow by more than 10 percent per year. While this figure represents robust trade, it also signals a considerable risk to our nation's security. Al Qaeda has a stated goal of causing maximum harm to the American people and maximum damage to the American economy. Clearly, our cargo ports provide a tempting target. One has only to visit a major port like Seattle, which I did in February, with its large urban population, two stadiums nearby, and daily ferries with thousands of passengers to realize the enormous loss of life that could occur if a dirty bomb were detonated.

We already have had a glimpse of the staggering economic damage a terrorist attack on a cargo port could produce, damage that would extend far beyond the waterfront. The West Coast dock strike in the fall of 2002 cost our economy an estimated \$1 billion for each of the 10 days it lasted. It not only brought those ports to a halt, but also harmed businesses throughout this country and along the entire length of the supply chain. And that astonishing amount

## Page 4 of 9

of harm was the result of an event that was both peaceful and anticipated. A terrorist attack would be neither.

We cannot eliminate the risk of terrorist attack, but better supply chain security can build a stronger shield against terrorism without hampering trade. Indeed, greater security can promote trade and strengthen the global economy by building confidence and trust.

That is why Senator Murray and I joined together last year to introduce comprehensive legislation to strengthen this shield as we expedite trade. The GreenLane Maritime Cargo Security Act was developed in close consultation with key stakeholders including port authorities, major retailers and importers, carriers, labor organizations, supply chain managers, security and transportation experts, and Federal and state agencies. Let me highlight some of the important Page 5 of 9

features of this bill.

First, it directs the Department of Homeland Security to develop a strategic plan to strengthen security for all modes of transportation by which containers arrive in, depart from or move through seaports of the United States. Despite the myriad of programs aimed at enhancing supply chain security, the Administration has not yet brought those programs together in a seamless strategy. The plan we require in the bill would clarify the roles, responsibilities, and authorities of government agencies at all levels and of private sector stakeholders. It would establish clear, measurable goals for furthering the security of commercial operations from point of origin to point of destination. It would establish mandatory, baseline security standards and provide incentives for additional voluntary measures.

## Page 6 of 9

Most important, the Secretary would be required to develop protocols for the resumption of trade in the wake of an attack. Just as the events of 9/11 grounded all commercial flights, an attack on one port would likely result in the closure of all ports for a time. More than four years later, the federal government has yet to establish protocols for resuming port operations and for deciding which cargo would be released first after an attack. The impact on factories and retailers using "just-in-time" inventory, as many businesses do, would be devastating. Much of our agricultural sector would also be harmed as farmers would be unable to export their crops. These protocols are essential to enhancing our economic security.

Second, this legislation would require the Department to make faster progress in strengthening port security and outlines the priorities for action. I am deeply concerned by the

## Page 7 of 9

slow pace of the Department's agenda. For example, the Department has been working on a regulation setting a minimum standard for mechanical seals on containers for more than two years. Though the Department has recently announced a timeline toward implementation, the Transportation Workers Identification Card has languished for years despite the obvious importance of a secure ID to facilitate access controls to our ports.

Such delays are unacceptable. This legislation would set clear timelines to ensure steady progress. It gives the Department six months to establish minimum standards and procedures for securing containers in transit to the U.S. All containers bound for U.S. ports of entry must meet those standards no later than two years after they are established.

# Page 8 of 9

It also provides guidance and deadlines for essential improvements in several security programs, including the Automated Targeting System (ATS), the Radiation Portal Monitor Program, Container Security Initiative (CSI), and the Customs-Trade Partnership Against Terrorism (C-TPAT).

Third, this legislation would provide for creation of the GreenLane, a third tier of C-TPAT, which would offer additional benefits to participants that voluntarily meet the highest level of security standards. This part of our bill is described by Senator Murray in her testimony so I will not go into detail.

Finally, this comprehensive legislation would authorize a competitive port security grants program, with \$400 million of stable, consistent funding each year. America's cargo ports, large and small, are on the front lines of the war against terrorism. Strong accountability provisions would prevent wasteful spending. These port security dollars would originate from duties collected by Customs and Border Protection. This is a major commitment of resources, but it is fully proportional to what is at stake.

The Dubai situation has focused much-needed attention on port security. I believe that we can pass this important legislation this year. I look forward to hearing the views of our witnesses today.