

Port Security Grants Briefing

Prevention First 2002 Conference
September 9-11, 2002
Long Beach, CA

First, let me thank the California State Lands Commission for putting on such a productive conference this week. (turn in their direction) Thank you. Also, I would like to welcome all of you who have made the decision to be here. I look forward to meeting you throughout the rest of this conference.

It is a pleasure to be with you today, representing the Maritime Administration, and to discuss a very serious topic facing all of us today; that is port and maritime security. Specifically, the Port Security Grants Program. Through this program and ongoing and future efforts, important *regional* security issues can be brought forth and dealt with in a timely manner.

(SLIDES 1-3)

First, I'd like to make a few brief comments on the Marine Transportation System (MTS) Initiative. America depends heavily on its Marine Transportation System, as this audience knows very well. The world's largest economy would not enjoy that standing without a totally integrated system of waterways, ports, and intermodal landside connections. In California, **the world's fifth largest economy**, the same applies and we continue efforts today to in working towards, not only improving that standing, but also improving the efficiency, safety and security of the existing system in our region.

On April 27, 1999, President Clinton signed an Executive Memorandum directing the establishment of the Interagency Commission on Crime and Security in U.S. Seaports. MARAD, the U.S. Customs Service and the U.S. Coast Guard were all active members of the Commission. As part of the Executive Memorandum the President called for "a comprehensive review of the nature and extent of seaport crime and the overall state of security in seaports, as well as the ways in which governments at all levels respond to the [crime and security] problem."

As a result of this directive, the Commission conducted an extensive investigation and published a report, which was published in the Fall of 2000. The report documented several physical security and other shortfalls in the nation's port system and provided a set of several recommendations for improving security in the port infrastructure. The report resulted in action by Congress, which held hearings on port security in the summer of 2001, and concluded in some legislative proposals for improving port security and coordination. All of this of course was prior to September 11th.

(SLIDE 4)

After the disastrous events of September 11th the nation, including Congress, took a look at where we might have security lapses, especially in the transportation system. Having already been made aware of the Commission's report of the Fall of 2000, combined with testimony and support from the USCG, Customs, MARAD, and especially through the lobbying efforts of private industry groups such as the American Association of Port Authorities, Congress quickly advanced Port Security Grant Legislation which appeared in the Department of Defense Authorization Legislation (DOD App. Act for FY 2002, PL 107-117).

All of this highlights the importance of getting federal, state and local organizations thinking and acting collectively on transportation issues early, thus reinforcing the importance of our Marine Transportation System Initiative (MTS). I would now like to read from comments made by Captain Bill Schubert, The Maritime Administrator. Captain Schubert made these comments in July this year before the House Subcommittee

on National Security, Veteran's Affairs and International Relations regarding homeland Security and protecting our Strategic Ports.

(SLIDES 5-12 – Overview as go through paragraph)

“Port Security Grants

Congress and the President are to be commended for their swift action in passing the Department of Defense Appropriations Act of Fiscal Year 2002 to include port security grant funding. The DOT, through MARAD, the Coast Guard, and the Transportation Security Administration, was able to award 77 port security grants totaling \$92.3 million, including \$38.1 million for our 13 Strategic Ports.

Port security grants totaling \$78 million will fund enhanced facility and operational security. In addition, \$5 million is provided for security assessments that will enable ports and terminals to evaluate vulnerabilities and identify mitigation strategies for their facilities, and \$9.3 million will fund "proof-of-concept" projects, which will explore the use of new technology, such as electronic seals, vessel tracking, and electronic notification of vessel arrivals, to improve maritime security.”

On Port Security Legislation – He Further States:

“As you know, port security legislation currently awaits action by Congressional conferees. Although neither bill specifically addresses port security during a period of mobilization, the broad range of security measures that will result from the passage of this legislation will certainly provide enhanced security throughout our port system, both for commercial and mobilization activities.

The Department supports the goals of H.R. 3983 and S. 1214, legislation that will heighten national awareness of the need for collective action and facilitate development of a coordinated interagency and public-private approach to port and waterways safety and security. The Department believes that a comprehensive approach to combating maritime terrorism is needed to assist in the prevention of, and to aid response to, criminal activity and terrorist attacks, and otherwise enhance port security by providing for port security threat assessments. It also supports an approach that will provide for the

development of port security standards. The Administration also seeks a comprehensive, integrated approach to intermodal freight and cargo security.

The Department believes that a broad port vulnerability assessment program is critical to proper and efficient implementation of any port and maritime security and antiterrorism measures, both during peacetime and mobilization of troops and equipment. Because ports are varied in their size, layout, function and vulnerabilities, some sort of individualized assessment is necessary before any decisions can be made on what measures are necessary to protect any given port, including strategic ports. The Secretary of Transportation should also be allowed to establish standards for port vulnerability assessments, after consultation with public and private stakeholders.

The Department also believes that it is necessary to work with international organizations to develop standards and procedures for maritime security, and in consultation with the Secretary of State, undertake security assessments at foreign ports. The Department supports a comprehensive scheme for foreign port assessments, including the element of international operation and development of guidelines, which is crucial to the success of any effort to conduct assessments of foreign ports. For example, the U.S. Customs' Container Security Initiative includes agreements with other countries to place U.S. customs officers in their ports for purposes of pre-screening containers destined to the United States. The initiative currently targets the "top 20 ports" in the world, in terms of cargo volume and participation is voluntary. Such pre-screening could facilitate the flow of cargo as well as promote security at strategic ports during a mobilization.

While the Department believes that some financing mechanism is desirable for responding to identified gaps in security coverage, it believes that funding should be in the form of grants for improvements necessary to comply with the requirements of local port security plans and other federal government security requirements.”

Lastly, I would like to pass on some information regarding supplemental port security funding that might be of interest to some in the audience.

In the CONFERENCE REPORT ON H.R. 4775, 2002 SUPPLEMENTAL APPROPRIATIONS ACT FOR FURTHER RECOVERY FROM AND RESPONSE TO TERRORIST ATTACKS ON THE UNITED STATES

Port security grants.-The conference agreement includes \$125,000,000 for port security grants, instead of \$75,000,000 as proposed by the House and \$200,000,000 as proposed by the Senate. The bill specifies that \$20,000,000 is provided to develop and conduct emergency incident response training and exercises at ports. The conferees do not agree with the Senate's proposal to limit grant awards to applications already submitted. Instead, the conference agreement assumes that grants will be awarded in as wise and expeditious a manner as possible, using merit-based criteria.

(SLIDE 13)

In conclusion, I would like to leave you with the vision for America's Marine Transportation System. *The vision for MTS is "that it will be the world's most technologically advanced, safe, efficient, effective, accessible, globally competitive, dynamic and environmentally responsible system for moving goods and people."* It is clear to me that by the number of attendees here today, we in California have a similar vision for our state.

Thank you for your participation and I look forward to working with you throughout the Conference.