

109TH CONGRESS
1ST SESSION

S. _____

To improve cargo security, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mrs. MURRAY (for herself, Ms. COLLINS, and Mr. COLEMAN) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To improve cargo security, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “GreenLane Maritime Cargo Security Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.
- Sec. 4. Strategy.
- Sec. 5. Office of Cargo Security Policy.
- Sec. 6. Container security standards and procedures.
- Sec. 7. Radiation detection and radiation safety.
- Sec. 8. Container Security Initiative.
- Sec. 9. Customs-Trade Partnership Against Terrorism.

- Sec. 10. GreenLane designation.
- Sec. 11. Joint operations center.
- Sec. 12. Research, development, test, and evaluation.
- Sec. 13. Port Security Grant Program.
- Sec. 14. Authorization of appropriations.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) Maritime vessels are the primary mode of
4 transportation for international trade and they carry
5 over 80 percent of international trade by volume.
6 Improving the security of this complex supply chain
7 is critical for the prosperity and liberty of all na-
8 tions.

9 (2) In 2004, approximately 9,700,000 shipping
10 containers came into the United States through the
11 Nation's seaports, averaging nearly 27,000 per day.

12 (3) In May 2002, the Brookings Institution es-
13 timated that costs associated with United States
14 port closures from a detonated terrorist weapon
15 could add up to \$1,000,000,000,000 from the result-
16 ing economic slump and changes in our Nation's
17 ability to trade. Although the October 2002 west
18 coast port closures were anticipated, such closures
19 cost the American economy approximately
20 \$1,000,000,000 per day for the first 5 days.

21 (4) In its final report, the National Commission
22 on Terrorist Attacks Upon the United States noted,
23 "While commercial aviation remains a possible tar-

1 get, terrorists may turn their attention to other
2 modes of transportation. Opportunities to do harm
3 are as great, or greater, in maritime or surface
4 transportation. Initiatives to secure shipping con-
5 tainers have just begun.”.

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

16 (6) The March 2005 Government Account-
17 ability Office report entitled, “CARGO SECURITY:
18 Partnership Program Grants Importers Reduced
19 Scrutiny with Limited Assurance of Improved Secu-
20 rity”, reports that the terrorist events of September
21 11, 2001, raised concerns about the potential use of
22 company supply chains, particularly oceangoing
23 cargo containers, to move weapons of mass destruc-
24 tion to the United States. While the likelihood of
25 such use of containers is considered low, the move-

1 ment of oceangoing containerized cargo is vulnerable
2 to some form of terrorist action. Such action, includ-
3 ing attempts to smuggle either fully assembled weap-
4 ons of mass destruction or their individual compo-
5 nents, could lead to widespread death and damage.

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

21 (8) Significant enhancements can be achieved
22 by applying a layered approach to supply chain secu-
23 rity, though such layers must be developed in a co-
24 ordinated fashion. Current supply chain security
25 programs within the Federal government have been

1 independently operated, often falling short of gains
2 which could be made had coordination taken place.

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

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

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

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

21 (D) the lack of such performance measures
22 and an assessment for staffing allocations has
23 lead to some CSI ports being overstaffed while
24 others are inadequately staffed;

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

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

10 (10) The statement of managers accompanying
11 the conference report on the Department of Home-
12 land Security Appropriations Act, 2005 (Public Law
13 108–334) directed the Under Secretary for Border
14 and Transportation Security to “submit a report to
15 the Congress no later than February 8, 2005, which
16 identified: (1) the steps the Department has taken
17 to date to enhance shipping container security, (2)
18 the resources that have been devoted to shipping
19 container security in prior fiscal years and the pro-
20 posed resources to continue this security, (3) the re-
21 sults of on-going projects, such as Operation Safe
22 Commerce, CSI, C-TPAT and others, (4) which de-
23 partmental entity has primary responsibility for im-
24 plementing the needed changes, and (5) the steps
25 the entity with primary responsibility will take to

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

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

1 creased efficiency in the system. These efficiency
2 gains are maximized when all nations adopt them.

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

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

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

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

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

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

23 (14) Increasing the transparency of the supply
24 chain will assist in mitigating the impact of an inci-
25 dent by allowing for targeted shutdown of the inter-

1 national supply chain and expedited restoration of
2 commercial traffic.

3 **SEC. 3. DEFINITIONS.**

4 In this Act:

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

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

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

20 (4) **CONTAINER SECURITY INITIATIVE; CSI.**—
21 The terms “Container Security Initiative” and
22 “CSI” mean the program authorized under section
23 8 to identify and examine maritime containers that
24 pose a risk for terrorism at foreign ports before they
25 are shipped to the United States.

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

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

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

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

21 (9) INSPECTION.—The term “inspection”
22 means the comprehensive process used by the Bu-
23 reau of Customs and Border Protection for assess-
24 ing goods entering the United States to appraise
25 them for duty purposes, to detect the presence of re-

1 stricted or prohibited items, and to ensure compli-
2 ance with all applicable laws. This process may in-
3 clude screening, conducting an examination, or con-
4 ducting a search.

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

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

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

24 (13) SCREENING.—The term “screening”
25 means a visual or automated review of information

1 about goods, including manifest or entry documenta-
2 tion accompanying a shipment being imported into
3 the United States, to determine or assess the threat
4 of such cargo.

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

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

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

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

23 (18) TRANSPORTATION SECURITY INCIDENT.—
24 The term “transportation security incident” has the

1 meaning given such term in section 70101(6) of title
2 46, United States Code.

3 **SEC. 4. STRATEGY.**

4 (a) STRATEGIC PLAN.—

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

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

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

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

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

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

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

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

13 (C) build on available resources and con-
14 sider costs and benefits;

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

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

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

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

5 (H) provide a plan for the expeditious re-
6 sumption of the flow of legitimate trade in ac-
7 cordance with paragraph (3);

8 (I) focus on the secure movement of con-
9 tainerized cargo through the international sup-
10 ply chain; and

11 (J) expand upon and relate to existing
12 strategies and plans, including the National
13 Strategy for Maritime Security.

14 (3) RESUMPTION OF TRADE.—

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

22 (B) PREFERENCES.—In reestablishing the
23 flow of cargo through ports of entry in the
24 United States after a transportation security in-

1 cident, the Secretary shall give preference to
2 vessels—

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

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

10 (iii) operated by validated C-TPAT
11 participants; and

12 (iv) carrying GreenLane designated
13 cargo.

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

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

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

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

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

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

15 (6) UTILIZATION OF ADVISORY COMMITTEES.—

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

23 (7) INTERNATIONAL STANDARDS AND PRAC-
24 TICES.—In furtherance of the strategic plan, the
25 Secretary is encouraged to consider proposed or es-

1 tablished standards and practices of foreign govern-
2 ments and international organizations, including the
3 International Maritime Organization, the World
4 Customs Organization, the International Labor Or-
5 ganization, and the International Organization for
6 Standardization, as appropriate, to establish stand-
7 ards and best practices for the security of containers
8 moving through the international supply chain.

9 (b) IMPROVEMENTS TO AUTOMATED TARGETING
10 SYSTEM.—

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

17 (2) CONTENTS.—

18 (A) TREATMENT OF RECOMMENDA-
19 TIONS.—The Secretary shall include in the plan
20 required under paragraph (1) a schedule for
21 completing all outstanding corrective actions
22 recommended by the Comptroller General of the
23 United States, the Inspector General of the De-
24 partment of the Treasury, and the Inspector

1 General of the Department with respect to the
2 operation of the Automated Targeting System.

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

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

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

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

20 (iv) such other actions the Secretary
21 considers beneficial for improving the in-
22 formation relied upon for the Automated
23 Targeting System and any other targeting
24 systems in furthering the security and in-
25 tegrity of the international supply chain.

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

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

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

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

1 (c) UNIFORM DATA FOR GOVERNMENT-WIDE
2 USAGE.—

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

19 (2) INTERAGENCY STEERING GROUP.—The
20 Deputy Director for Management of the Office of
21 Management and Budget (referred to in this sub-
22 section as the “Deputy Director”), pursuant to re-
23 sponsibilities under chapter 36 of title 44, United
24 States Code, shall establish an executive level, inter-
25 departmental steering group (referred to in this sub-

1 section as the “Interdepartmental Steering Group”),
2 comprised of representatives of the departments list-
3 ed in paragraph (1), to coordinate, the establish-
4 ment, investment in, and implementation of the
5 International Trade Data System.

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

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

18 (5) JOINT INSPECTIONS PROCEDURES.—The
19 Deputy Director, through the Interdepartmental
20 Steering Group, shall develop plans for longer term
21 uses of the International Trade Data System, in-
22 cluding facilitating joint cargo inspections by mul-
23 tiple Federal agencies to meet their respective re-
24 quirements.

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

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

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

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

9 “(b) PURPOSE.—The Office shall—

10 “(1) coordinate all Department policies and
11 programs relating to cargo security; and

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

15 “(c) DIRECTOR.—

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

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

19 “(B) report to the Assistant Secretary for
20 Policy.

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

22 “(A) advise the Secretary and the Assist-
23 ant Secretary for Policy regarding all aspects of
24 Department programs relating to cargo secu-
25 rity;

1 “(B) develop Department-wide policies re-
2 garding cargo security;

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

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

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

15 **SEC. 6. CONTAINER SECURITY STANDARDS AND PROCE-**
16 **DURES.**

17 (a) ESTABLISHMENT.—

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

23 (2) INFORMATION SOURCES.—The Secretary
24 shall use information from C-TPAT, Operation Safe
25 Commerce, any container security program of the

1 Directorate of Science and Technology, and other se-
2 curity initiatives to establish the standards and pro-
3 cedures described in paragraph (1). Such standards
4 may address operation, technology use, and perform-
5 ance.

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

11 (b) REVIEW AND ENHANCEMENT.—The Secretary
12 shall regularly—

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

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

21 (c) INTERNATIONAL CARGO SECURITY STAND-
22 ARDS.—The Secretary, in consultation with the Secretary
23 of State, is encouraged to promote and establish inter-
24 national standards for the security of containers moving
25 through the international supply chain with foreign gov-

1 ernments and international organizations, including the
2 International Maritime Organization and the World Cus-
3 toms Organization.

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

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

8 (b) STRATEGY.—

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

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

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

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

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

21 (2) CONTENTS.—The strategy submitted under
22 paragraph (1) shall include—

23 (A) the type of equipment to be used;

24 (B) standard operating procedures for ex-
25 amining containers with such equipment;

1 (C) a plan detailing the environmental
2 health and safety impacts of nonintrusive in-
3 spection technology;

4 (D) the Department policy for the using
5 nonintrusive inspection equipment; and

6 (E) a classified annex that details plans
7 for covert testing.

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

16 (1) details the health and safety impacts of
17 nonintrusive inspection technology; and

18 (2) describes the policy of the Bureau of Cus-
19 toms and Border Protection for using nonintrusive
20 inspection equipment.

21 **SEC. 8. CONTAINER SECURITY INITIATIVE.**

22 (a) **AUTHORIZATION.**—The Secretary is authorized to
23 establish and implement a program (to be known as the
24 “Container Security Initiative” or “CSI”) to identify and
25 examine maritime containers that pose a risk for terrorism

1 at foreign ports before the containers are shipped to the
2 United States.

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

9 (1) the level of risk for the potential com-
10 promise of containers by terrorists or terrorist weap-
11 ons;

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

14 (3) the results of the Coast Guard assessments
15 conducted pursuant to section 70108 of title 46,
16 United States Code;

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

19 (5) the potential for validation of security prac-
20 tices by the Department, directly or through cer-
21 tified third parties within the country in which the
22 foreign port is located;

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

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

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

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

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

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

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

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

21 (e) DESIGNATION OF NEW PORTS.—The Secretary
22 shall not designate a foreign port under CSI unless the
23 Secretary has completed the assessment required in sub-
24 section (b) for that port and submitted a report under sub-
25 section (c) that includes that port.

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

7 (g) INSPECTIONS.—

8 (1) REQUIREMENTS AND PROCEDURES.—The
9 Secretary shall—

10 (A) establish technical capability require-
11 ments and standard operating procedures for
12 the use of nonintrusive inspection and radiation
13 detection equipment in conjunction with CSI;

14 (B) require each port designated under
15 CSI to operate the equipment in accordance
16 with the requirements and procedures estab-
17 lished under subparagraph (A); and

18 (C) continually monitor the technologies,
19 processes, and techniques used to inspect cargo
20 at ports designated under CSI.

21 (2) FOREIGN ASSISTANCE.—

22 (A) IN GENERAL.—The Secretary, in co-
23 ordination with the Secretary of State, the Sec-
24 retary of Energy, and other Federal agencies,
25 shall identify foreign assistance programs that

1 could facilitate the implementation of cargo se-
2 curity antiterrorism measures at ports des-
3 ignated under CSI and foreign ports not des-
4 ignated under CSI that lack effective
5 antiterrorism measures.

6 (B) ACQUISITION.—The Secretary may
7 lease or loan nonintrusive inspection and radi-
8 ation detection equipment for containers to the
9 government of a foreign country for use in
10 ports participating in CSI.

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

14 (h) PERSONNEL.—The Secretary shall—

15 (1) annually assess the personnel needs at each
16 port designated under CSI;

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

19 (3) consider the potential for remote targeting
20 in decreasing the number of personnel.

21 **SEC. 9. CUSTOMS-TRADE PARTNERSHIP AGAINST TER-**
22 **RORISM.**

23 (a) IN GENERAL.—

24 (1) AUTHORIZATION.—The Secretary is author-
25 ized to establish a voluntary program (to be known

1 as the “Customs-Trade Partnership Against Ter-
2 rorism” or “C-TPAT”) to strengthen and improve
3 the overall security of the international supply chain
4 and United States border security.

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

12 (3) MINIMUM REQUIREMENTS.—The Secretary
13 shall promulgate regulations that describe the min-
14 imum requirements, program tiers, and program
15 benefits of C-TPAT.

16 (b) PARTICIPATION.—Importers, brokers, air, sea,
17 land carriers, and other entities in the international supply
18 chain and intermodal transportation system are eligible to
19 apply to voluntarily enter into partnerships with the De-
20 partment.

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

23 (1) demonstrate a history of moving commerce
24 in the international supply chain;

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

4 (A) business partner requirements;

5 (B) container security;

6 (C) physical security and access controls;

7 (D) personnel security;

8 (E) procedural security;

9 (F) security training and threat awareness;

10 and

11 (G) information technology security;

12 (3) implement and maintain security measures
13 and supply chain security practices meeting security
14 criteria; and

15 (4) meet all other requirements established by
16 the Secretary.

17 (d) CERTIFICATION.—

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

23 (2) TIER ONE BENEFITS.—The Secretary may
24 offer limited benefits to C-TPAT participants whose
25 security measures and supply chain security prac-

1 tices have been certified in accordance with the
2 guidelines established pursuant to paragraph (1).
3 Such benefits may not include reduced scores in the
4 Automated Targeting System.

5 (e) VALIDATION.—

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

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

19 (3) CONSEQUENCES FOR FAILED VALIDA-
20 TION.—If a C-TPAT participant's security meas-
21 ures and supply chain security practices fail to meet
22 validation requirements—

23 (A) the participant may not receive the
24 benefits of validation; and

1 (B) the Commissioner of the Bureau of
2 Customs and Border Protection may deny the
3 participant all benefits under C-TPAT.

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

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

9 (B) request revalidation.

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

13 (A) reduced searches;

14 (B) priority processing for searches; and

15 (C) reduced scores in the Automated Tar-
16 geting System.

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

21 **SEC. 10. GREENLANE DESIGNATION.**

22 (a) ESTABLISHMENT.—The Secretary shall establish
23 a third tier of C-TPAT (referred to in this section as the
24 “GreenLane”) that offers additional benefits to validated
25 C-TPAT participants that demonstrate a sustained com-

1 mitment beyond the minimum requirements for participa-
2 tion in C-TPAT.

3 (b) BASIC REQUIREMENTS.—Designated GreenLane
4 participants shall ensure that—

5 (1) entry data is submitted on shipments before
6 loading;

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

10 (3) cargo is loaded on a vessel with a vessel se-
11 curity plan approved or accepted under section
12 70103(e) of title 46, United States Code;

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

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

18 (6) container security devices meeting the
19 standards and procedures established by the Sec-
20 retary are utilized;

21 (7) cargo complies with additional security cri-
22 teria established by the Secretary beyond the min-
23 imum requirements for C-TPAT participation under
24 section 9(e), particularly in the area of access con-
25 trols; and

1 (8) cargo complies with any other requirements
2 determined by the Secretary.

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

10 (d) CONSEQUENCES FOR LACK OF COMPLIANCE.—

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

17 (2) RIGHT OF APPEAL.—GreenLane partici-
18 pants under paragraph (1) shall have the right to
19 appeal denial of benefits decisions to the Secretary
20 and request redesignation under GreenLane.

21 (e) NON-CONTAINERIZED CARGO.—The Secretary
22 may consider the potential for participation in the
23 GreenLane Program by importers of non-containerized
24 cargoes that otherwise meet the requirements under this
25 section.

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

7 (1) the Committee on Homeland Security and
8 Governmental Affairs of the Senate;

9 (2) the Committee on Appropriations of the
10 Senate;

11 (3) the Committee on Homeland Security of the
12 House of Representatives; and

13 (4) the Committee on Appropriations of the
14 House of Representatives.

15 (g) RULEMAKING.—

16 (1) IN GENERAL.—Not later than 1 year after
17 the date of enactment of this Act, the Secretary, in
18 consultation with private sector stakeholders, shall
19 promulgate regulations that establish—

20 (A) requirements for supply chain visibility
21 procedures;

22 (B) performance standards for container
23 security devices and protocols for their use;

24 (C) procedures for overseas screening and
25 examination of GreenLane containers; and

1 (D) any other GreenLane Program re-
2 quirements that the Secretary considers appro-
3 priate, including requirements building upon se-
4 curity measures and supply chain security best
5 practices contained in the C-TPAT minimum
6 requirements set forth in section 9(e).

7 (2) BENEFITS.—Not later than 2 years after
8 the date of enactment of this Act, the Secretary, in
9 consultation with the Commercial Operations Advi-
10 sory Committee, shall promulgate regulations pro-
11 viding benefits for participation in the GreenLane
12 Program, which may include—

13 (A) the expedited release of GreenLane
14 cargo into destination ports within the United
15 States during all threat levels designated by the
16 Secretary or the Commandant of the Coast
17 Guard;

18 (B) reduced or eliminated bonding require-
19 ments for GreenLane cargo;

20 (C) preference to vessels (as described in
21 section 4(e)(B));

22 (D) further reduced searches;

23 (E) priority processing for searches;

24 (F) further reduced scores in the Auto-
25 mated Targeting System; and

1 (G) streamlined billing of any customs du-
2 ties or fees.

3 **SEC. 11. JOINT OPERATIONS CENTER.**

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

8 (1) enhance information sharing;

9 (2) facilitate day-to-day operational coordina-
10 tion; and

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

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

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

23 (1) The United States Coast Guard.

24 (2) The Bureau of Customs and Border Protec-
25 tion.

1 (3) The Bureau of Immigration and Customs
2 Enforcement.

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

4 (5) The Federal Bureau of Investigation.

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

8 (7) State, local, and international law enforce-
9 ment and first responder agencies responsible for the
10 port, as appropriate, or as otherwise selected by the
11 Secretary.

12 (8) Port authority representatives, maritime ex-
13 changes, private sector stakeholders, and other enti-
14 ties subject to an Area Maritime Security Plan, as
15 selected by the Secretary.

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

18 (1) assist, as appropriate, in the implementa-
19 tion of maritime transportation security plans devel-
20 oped under section 70103 of title 46, United States
21 Code;

22 (2) implement the transportation security inci-
23 dent response plans required under section 70104 of
24 such title;

1 (3) carry out information sharing activities con-
2 sistent with those required under section 1016 of the
3 National Security Intelligence Reform Act of 2004
4 (6 U.S.C. 485) and the Homeland Security Informa-
5 tion Sharing Act (6 U.S.C. 481 et seq.);

6 (4) conduct short- and long-range vessel track-
7 ing under sections 70114 and 70115 of such title
8 46, United States Code; and

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

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

18 (f) SECURITY INCIDENTS.—During a transportation
19 security incident involving the port, the Coast Guard Cap-
20 tain of the Port designated by the Commandant of the
21 Coast Guard in each joint operations center for maritime
22 security shall act as the incident commander, unless other-
23 wise directed under the National Response Plan.

24 (g) IMPLEMENTATION.—

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

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

7 (B) the Committee on Appropriations of
8 the Senate;

9 (C) the Committee on Homeland Security
10 of the House of Representatives; and

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

13 (2) CONTENTS.—The report submitted under
14 paragraph (1) shall describe, for each joint oper-
15 ations center—

16 (A) the location;

17 (B) the specific participating entities;

18 (C) the implementation costs; and

19 (D) the necessary resources for operation
20 and maintenance, including the cost-sharing re-
21 quirements for other agencies and participants.

22 **SEC. 12. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**
23 **TION.**

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

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

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

8 (3) evaluate such technologies.

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

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

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

20 (c) OPERATION SAFE COMMERCE.—

21 (1) IN GENERAL.—Not later than 1 year after
22 the date of enactment of this Act, the Secretary
23 shall initiate grant projects, as part of Operation
24 Safe Commerce, that—

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

5 (B) test physical access control protocols
6 and technologies;

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

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

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

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

1 (A) the Committee on Homeland Security
2 and Governmental Affairs of the Senate;

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

5 (C) the Committee on Appropriations of
6 the Senate; and

7 (D) the Committee on Appropriations of
8 the House of Representatives.

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

11 (1) review the technology requirements and
12 standards established under section 10; and

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

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

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

23 (1) to help implement Area Maritime Transpor-
24 tation Security plans required under section
25 70103(b) of title 46, United States Code;

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

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

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

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

12 (2) strongly encourage efforts to promote—

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

15 (B) information and intelligence sharing;

16 and

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

19 (3) consider funding major projects in phases
20 over multiple years.

21 (c) MULTIPLE PHASE PROJECTS.—

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

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

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

7 (1) to help implement Area Maritime Transpor-
8 tation Security Plans required under section
9 70103(b) of title 46, United States Code;

10 (2) to correct port security vulnerabilities iden-
11 tified through vulnerability assessments approved by
12 the Secretary;

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

18 (A) the Secretary increases the threat level
19 under the Homeland Security Advisory System
20 to Code Orange or Code Red;

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

24 (C) the Secretary otherwise authorizes
25 such costs;

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

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

13 (6) to conduct vulnerability assessments ap-
14 proved by the Secretary; and

15 (7) to conduct port-wide exercises to strengthen
16 emergency preparedness of Federal, State, and local
17 officials responsible for port security, including law
18 enforcement personnel and firefighters and other
19 first responders, in support of the Area Maritime
20 Security Plan.

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

23 (1) construct buildings or other physical facili-
24 ties, except those otherwise authorized under section
25 611 of the Robert T. Stafford Disaster Relief and

1 Emergency Assistance Act (42 U.S.C. 5121 et seq.),
2 including those facilities in support of subsection
3 (d)(5), and specifically approved by the Secretary; or
4 (2) acquire land, unless such use is specifically
5 approved by the Secretary in support of subsection
6 (d)(5).

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

10 (g) APPLICATION.—

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

18 (2) MINIMUM STANDARDS FOR PAYMENT OR
19 REIMBURSEMENT.—Each application submitted
20 under paragraph (1) shall include—

21 (A) a comprehensive description of—

22 (i) the need for the project;

23 (ii) the methodology for coordinating
24 the project into the security of the greater

1 port area, as identified in the Area Mari-
2 time Security Plan;

3 (iii) any existing cooperation agree-
4 ments with other port facilities, vessels, or
5 organizations that benefit security of the
6 entire port; and

7 (iv) the applicability of the project to
8 the Area Maritime Transportation Security
9 Plan; and

10 (B) a determination by the Captain of the
11 Port that the security project—

12 (i) addresses or corrects port security
13 vulnerabilities identified by the Coast
14 Guard, or through port security vulner-
15 ability assessments approved by the Sec-
16 retary; and

17 (ii) helps to ensure compliance with
18 the Area Maritime Transportation Security
19 Plan.

20 (3) PROCEDURAL SAFEGUARDS.—The Sec-
21 retary, in consultation with the Office of the Inspec-
22 tor General, shall issue guidelines to establish appro-
23 priate accounting, reporting, and review procedures
24 to ensure that—

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

3 (B) grantees have properly accounted for
4 all expenditures of grant funds; and

5 (C) grant funds not used for such purposes
6 and amounts not obligated or expended are re-
7 turned.

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

11 (A) the project to be carried out with such
12 grant funding—

13 (i) is consistent with vulnerability as-
14 sessments approved by the Secretary;

15 (ii) supports cooperation or integra-
16 tion of Federal, State, local, and industry
17 stakeholders in the port area; and

18 (iii) helps to implement the Area Mar-
19 itime Transportation Security Plan;

20 (B) sufficient funding is available to meet
21 the matching requirement described under sub-
22 section (d);

23 (C) the project will be completed without
24 unreasonable delay; and

1 (D) the recipient has authority to carry
2 out the proposed project.

3 (h) COORDINATION AND COOPERATION.—The Sec-
4 retary—

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

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

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

19 (j) ANNUAL REPORTS.—Not later than 1 year after
20 the date of enactment of this Act, and annually thereafter
21 until October 1, 2013, the Secretary shall submit an un-
22 classified report describing regarding the progress made
23 in meeting the objectives of the port security grant pro-
24 gram established under this section to—

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

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

5 (3) the Committee on Appropriations of the
6 Senate; and

7 (4) the Committee on Appropriations of the
8 House of Representatives.

9 **SEC. 14. AUTHORIZATION OF APPROPRIATIONS.**

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

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

17 (1) \$4,000,000 to carry out the amendment
18 made by section 5(a); and

19 (2) \$1,000,000 to carry out the provisions of
20 section 5(b).

21 (c) **CONTAINER SECURITY INITIATIVE.**—There are
22 authorized to be appropriated \$175,000,000 for each of
23 the fiscal years 2007 through 2012 to carry out the provi-
24 sions of section 8.

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

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

9 (f) INCIDENT RESPONSE.—

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

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

21 (A) the Committee on Homeland Security
22 and Governmental Affairs of the Senate;

23 (B) the Committee on Appropriations of
24 the Senate;

1 (C) the Committee on Homeland Security
2 of the House of Representatives; and

3 (D) the Committee on Appropriations of
4 the House of Representatives.

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

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

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

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