

**MARITIME SECURITY OPERATIONS WITHIN
THE DEPARTMENT OF HOMELAND SECURITY**

HEARING
BEFORE THE
**SUBCOMMITTEE ON INFRASTRUCTURE
AND BORDER SECURITY**
OF THE
**SELECT COMMITTEE ON HOMELAND
SECURITY**
HOUSE OF REPRESENTATIVES
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**DEPARTMENT OF HOMELAND SECURITY
MARITIME SECURITY OPERATIONS**

Wednesday, May 5, 2004

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON INFRASTRUCTURE
AND BORDER SECURITY,
SELECT COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The subcommittee met, pursuant to call, at 2:40 p.m., in Room 210, Cannon House Office Building, Hon. Dave Camp [chairman of the subcommittee] and Hon. Kay Granger [acting chairwoman of the subcommittee] presiding.

Present: Representatives Camp, Granger, Goodlatte, Shadegg, Souder, Cox, Sanchez, Markey, Dicks, Slaughter, DeFazio, Jackson-Lee, and Turner.

Ms. GRANGER. [Presiding.] The Subcommittee on Infrastructure and Border Security hearing will come to order. Today's hearing is on maritime security operations within the Department of Homeland Security.

The purpose of today's hearing is to examine maritime security operations within the Department of Homeland Security, with a focus on how DHS agencies—including the U.S. Coast Guard, Bureau of Customs and Border Protection, Bureau of Immigration and Customs Enforcement and the Transportation Security Administration—are working together to avoid duplicative efforts and create greater efficiencies in providing maritime and port security.

The subcommittee will hear from: Rear Admiral David H. Belz, the assistant commandant for operations with the U.S. Coast Guard; Mr. Jayson Ahern, the director of field operations with the Bureau of Customs and Border Protection; Mr. Charles Stallworth, the director of the Office of Air and Marine Operations for the Bureau of Immigration and Customs Enforcement; and Mr. Tom Blank, the assistant administrator for policy at the Transportation Security Administration.

I thank you all for your participation. The chair would like to remind members that we have a full panel of qualified witnesses. And in order to allow sufficient time for their testimony and questions, the chair will urge members to waive opening statements or to give short statements and to submit their full opening statements for the record.

The record will remain open for 10 days after the close of the hearing. And members are advised that they will receive an additional three minutes during the question time if they waive their opening statement.

The chair will begin with a short opening statement.

The maritime arena encompasses over 95,000 miles of shoreline and navigable waterways, 3.4 million square miles of exclusive economic zones, over 350 seaports, 3,700 cargo and passenger terminals and over 6 million cargo containers which enter U.S. ports each year. Over 95 percent of overseas freight enters through U.S. seaports. The loss of a strategic port could be disastrous to the U.S. economy.

The Department of Homeland Security released its strategic plan on February 24, 2004, which identifies broad objectives to guide the development of the department in the coming years. The DHS strategic approach is to identify and intercept threats before they reach U.S. shores by conducting layered, multi-agency maritime security operations.

Under the strategy, a key component for maritime security is developing better maritime domain awareness. The Coast Guard, CBP, ICE and TSA each have unique intelligence and targeting capabilities. But currently, it is not clear how information is shared or utilized in a complementary manner.

While progress has been made to improve maritime security coordination, reports before Congress by the General Accounting Office last September highlighted the fact that the Coast Guard and TSA in particular may be duplicating their efforts in collecting intelligence on incoming vessels. Integration and coordination of the maritime security mission will help DHS operational agencies mature into a cohesive organization that effectively enhances homeland security while reducing overlap and duplication of effort.

Specifically, DHS should focus on the integration and coordination of the surveillance and interdiction functions among ICE, CBP and Coast Guard, develop a consolidated acquisition and maintenance program for air and marine assets that includes the modernization needs of each service and integrate access to date and targeting information. This hearing will provide an opportunity for the committee to seriously look for ways to improve maritime security by strengthening the relationship between the Coast Guard, ICE, CBP and TSA.

Again, I would like to thank our witnesses for being here. And I will conclude my remarks and enter my full statement for the record.

The chair now recognizes Ms. Sanchez, the ranking member of the Subcommittee on Infrastructure and Border Security, for any statement she may wish to make.

Ms. SANCHEZ. Thank you, Madam Chairman. And I would like to thank our witnesses for appearing before us today.

I am going to apologize ahead of time because I have a markup going on in one of my half committees. And I probably will be running in and out. But we have various members—seasoned members—here who can successfully question, I am sure, our witnesses.

In my estimation, there is not one part of our nation's critical infrastructure that is more important than our nation's ports—important to our economy and also very vulnerable. My district is very close to the Port of Los Angeles/Long Beach, the third largest port in the entire world.

And we had a lockout about a year-and-a-half ago now at Christmas which cost us about \$2 billion a day for about 10 days. That was \$20 billion. A significant portion obviously of that commercial activity in California, but extended all the way across the United States.

And it really taught us that our ports are really made to try to move cargo as quickly as possible, but that we have a lot of security vulnerabilities at our ports. With that in mind, Ranking Member Turner, myself and several other members of this committee will introduce a comprehensive port security bill next week.

The ideas in that bill will be from low tech to high tech for our United States ports and also for our cargo that is coming from international ports to our land. Also, the Coast Guard is our lead agency in port and maritime security. And I have a lot of questions to ask about that today.

Our bill authorizes many Coast Guard programs, including port security grants, a long-range vessel tracking program, faster implementation of deep water programs, the automated identification system and upping the end strength of the Coast Guard to 50,000 people. I am very proud of that piece of legislation. And I know that if it becomes law, it will greatly increase the security of our ports and, by extension, our national security.

Each of the agencies represented here are important. They have an important role to play in our ports and in our national waters. A lot of our ports are still lacking the most basic security measures: personnel access restrictions, identification cards, et cetera.

We also need to secure the cargo that is coming within our system. We have to improve the Container Security Initiative. I think it is a good idea, but unless we devote the resources, especially to personnel, we probably will not get the job done right.

We also intend to strengthen Customs–Trade Partnership Against Terrorism, or C–TPAT. And currently, there are 3,100 companies benefiting from that. But only 248 of those have gone through the real on-site, hands-on verification inspections to ensure that security is as good as it says it is on paper. I think that is an unacceptable level.

There are many, many concerns I have. So I am really looking forward to this hearing. And I will put the rest of my comments into the record, Madam Chairman, so that we can move on.

Ms. GRANGER. Thank you very much.

Representative Souder, do you have an opening statement? Seeing no requests for time, we will proceed.

I would again like to thank our witnesses for being here. The Department of Homeland Security submitted one written statement to describe the maritime missions of the four agencies represented. Each witness will present an oral statement further detailing their role in maritime security and highlighting key initiatives.

Rear Admiral Belz, we will begin with your opening statement. We will ask you to briefly summarize in five minutes your statement.

PREPARED OPENING STATEMENT OF THE HONORABLE LORETTA SANCHEZ

Thank you, Mr. Chairman, and I'd like to thank our witnesses for appearing here today. In my estimation, there is not one part of our nation's critical infrastructure

that is as vital to our economy, and at the same time so vulnerable, as our nation's ports.

A successful attack on a U.S. port could not only cause immediate loss of life, but also severe economic damage. My district is very close to the port of LA—Long Beach. The lockout of the longshoremen that occurred in the fall of 2002 shut down that port and 28 other ports on the West Coast for 11 days. It cost the U.S. economy over \$1 billion per day. The port system in this country was built with maximum openness to ensure efficient moving of cargo, but there was virtually no security. We have a long way to go and we need to get there fast.

With that in mind, Ranking Member Turner, myself, and several other members of the Committee will introduce a comprehensive port security bill next week. The ideas presented in the bill range from the low-tech to high-tech, from U.S. ports to those overseas.

Of course, the Coast Guard is our lead agency in port and maritime security, and I have many questions for them today too. Our bill authorizes many Coast Guard programs, including port security grants, a long-range vessel tracking system, faster implementation of the Deepwater Program, the Automated Identification System, and upping the end strength to 50,000 people.

I am very proud of this legislation. I know that if it becomes law, it will greatly increase the security of our ports, and by extension, the security of the entire country. Each of the agencies represented here has an important role to play in securing our ports, and our national waters. Many of our ports are still lacking the most basic security measures, such as the installation of fencing and personnel access restrictions at the ports themselves.

Next, we must secure cargo within the shipping system. We must improve the Container Security Initiative, a program designed to identify and inspect high-risk cargo while it is still at a foreign port. This program might be a good idea, but it will be ineffective unless we provide the resources, especially personnel, to do the job right.

We also intend to strengthen the Customs Trade Partnership Against Terrorism by requiring full inspections of the security practices of the participants. Currently, there are 3100 companies benefiting from CTPAT. Only 248 of those have gone through real onsite, hands-on verification inspections to insure their security is as good as it says it is on paper. This is unacceptable.

Another area of concern is that we still have not completed the Maritime Intelligence Plan or the National Maritime Transportation Security Plan required by the Maritime Transportation Security Act. I would like to know who is responsible within the agency for development of these plans. One aspect of the Maritime Transportation Security Plan that I find extremely important is a plan to re-establish cargo flows in the event of an attack or other disaster at a US port.

Re-routing cargo will be an extremely difficult task, and it is important that DHS develops a robust contingency plan in advance. We cannot afford to be caught flat-footed. A "shut everything down" response similar to what happened to aviation and our borders after 9-11 would be economically devastating.

Besides port security, another purpose of the hearing is to examine the various maritime assets of the agencies here before us. We want to make sure that these agencies are complimenting each other are not duplicating efforts. I would also like to talk about what kind of coordination you have with local law enforcement agencies.

We have a lot of ground to cover here. I thank you all for being here and I look forward to hearing from all of you on these issues.

Thank you, Mr. Chairman.

PREPARED OPENING STATE OF THE HONORABLE CHRISTOPHER COX

Let me begin by commending Chairman Camp for holding this hearing on maritime security operations, a high-priority issue in the Department of Homeland Security. I also would like to welcome and thank this distinguished panel for appearing before us today. You represent the many operators within the Department of Homeland Security, who courageously defend our nation everyday at great personal risk. This point was highlighted in Iraq last week by the death of Coast Guard Petty Officer Nathan Bruckenthal, who was deployed with Coast Guard Forces to the Persian Gulf. Petty Officer Bruckenthal was killed in an explosion, along with two U.S. Navy Sailors, when they intercepted a terrorist suicide boat heading for an oil terminal in the Northern Arabian Gulf. We honor these brave young men today, along with all the men and women of the Department of Homeland Security who are on the front lines in the Global War on Terror.

Today, we examine one of DHS's critical missions—maritime security. Specifically, we will examine how the maritime security operations are being performed by the different agencies within DHS. The Coast Guard, the Bureau of Customs and Border Protection (CBP), the Bureau of Immigration and Customs Enforcement (ICE), and the Transportation Security Administration (TSA) each have critical roles to play to ensure that America's 95,000 miles of coastline and 361 major ports are secure from terrorism. The Department has made significant progress in improving maritime security since September 11th. But, we all know, much remains to be done.

When the Coast Guard, the U.S. Customs Service, and the U.S. Border Patrol were transferred to the Department of Homeland Security on March 1, 2003, they brought with them three distinct cultures, each with a rich history of securing our borders and ports against such threats as contraband smuggling and illegal narcotics and immigration. These agencies must now work together in the new mission to our ports and waterways against terrorism. Each of these agencies brings invaluable experience and expertise to the Department, and the Department must harness this unique expertise as it implements a cohesive, integrated maritime security strategy. In moving forward, the Department must ensure that it is breaking down—not creating any new—stovepipes. The tragic events of September 11th highlighted the overriding need to “connect the dots” to detect and deter terrorism in maritime security. Terrorists, as we know from painful experience, will look to exploit any gaps in our systems of defense. Our needs an integrated and coordinated maritime security effort, which is precisely why the Homeland Security Act transferred the agencies represented here today to the new Department.

Currently, the Coast Guard, CBP, and ICE maintain and operate three separate fleets of ships, boats, and aircraft. Today, these fleets operate and perform the maritime security mission as separate entities within the Department and maintain distinct chains-of-command, operational planning, and performance measures.

In addition, the Coast Guard, CBP's Border Patrol, and ICE Air and Marine Operations maintain three separate modernization, acquisition and maintenance plans for their air and marine assets. The Department should examine the separate air and marine asset modernization needs and plans of the Coast Guard, CBP, and ICE, and consider ways to consolidate efforts where missions and needs overlap. An integrated modernization program could result in cost-savings to the government as well as sharper focus on the security mission. It also could enable Coast Guard, ICE, and CBP air, surveillance and maritime asset operators to achieve other advantages and efficiencies, such as joint training of employees, shared repair and maintenance facilities, and increased communications interoperability.

Mr. Stallworth: Should ICE aircraft be able to land at a Coast Guard Air Station for repair? Ahern: should the ICE Air and Marine Operations Center be able to tell where all CBP aircraft are operating? A Coast Guard aircraft should be able to engage in secure communications with the ICE patrol boat on the waters below.

Another critical component of the overall maritime security mission is port security. The U.S. has an \$11 trillion economy and much of that is driven by legitimate commerce traveling through U.S. ports. A terrorist attack against a U.S. port would have far reaching impact. Currently, there are three primary Federal agencies active in providing security and enforcing Federal law at ports around the Nation—Coast Guard, CBP and TSA. The Federal responsibilities include securing the water and land perimeters of the port, targeting and inspection of passengers and cargo entering the port, and intelligence gathering and information sharing among Federal, state and local authorities. It is imperative, in the event of an attack, that there be seamless coordination of efforts among these agencies.

In the Fiscal Year 2005 budget, the President has requested nearly \$1.9 billion for DHS-wide port security efforts. That is on top of the more than \$500 million that we have distributed through the Port Security Grant Program to assist the private sector with securing its own facilities and infrastructures. But the private sector, too, needs to share in the responsibility of securing our Nation's seaports, because the Federal government cannot and should not bear this enormous burden on its own.

I look forward to hearing from our witnesses today and, again, thanks them for taking the time to be with us this afternoon.

PREPARED STATEMENT OF THE HONORABLE JIM TURNER

Thank you, Chairman Camp.

I welcome our witnesses. Thank you for appearing before us today.

Since September 11, 2001 many positive steps have been taken to improve port and cargo security. For example, to address the security weaknesses within our

maritime transportation system, Congress passed the Maritime Transportation Security Act. This comprehensive legislation requires the development of various security measures to reduce the vulnerability of our ports to terrorist attack. Implementation of the legislation is underway.

In addition, the Department of Homeland Security has taken steps to improve the security of vessels and cargo that arrive at our ports every day. The Coast Guard requires vessels to submit cargo and crew information 96 hours before arrival at a U.S. port, and escorts high risk vessels as they transit our harbors. Customs and Border Protection officers are stationed at overseas ports to identify high risk cargo before it is shipped to the United States. The Transportation Security Administration is testing various technologies with the goal of developing “best practices for cargo containers.

Nonetheless, we are still facing serious security gaps in port and cargo security. Democrats on this Committee will issue a report which details these security gaps, and plan to introduce legislation shortly to better secure our maritime transportation system.

Right now cargo containers do not have strong tamper proof locks and seals. Terrorists could exploit security this weakness to bring a weapon of mass destruction into the country in a container. Yet, no security standards for container locks or seals exist. The Department of Homeland Security, however, has not set security standards for container locks and seals. Our bill will intend to require the Department to set security standards for cargo containers.

Containers are also vulnerable to sabotage as they are shipped through the global supply chain. The Bureau of Customs and Border Protection has partnered with industry through the “C-TPAT” (pronounced C-TEE-PAT) program to improve security. However—given the way the program is currently being implemented—the majority of participating companies are enjoying the benefits of reduced security inspections without any assurance that security has actually been improved. The security practices of these companies must be verified to ensure that industry is keeping its end of the bargain. Our legislation will require a deadline for DHS to complete such the security verifications of C-TPAT companies.

Our national security requires that we screen every cargo containers that comes into the United States for nuclear or radiological materials. This is not happening today. Radiation portal monitors are being deployed at our ports far too slowly. I have called on the Department to expedite this program and would like to hear what the current status is on the deployment of portal monitors at ports. Our bill will set a deadline for the installation of portal monitors at our seaports.

Many ports are in the process of complying with the security measures required by the Maritime Transportation Security Act. These measures will enhance security at our nation’s 361 seaports. However, they are costly to industry, and represent an unfunded mandate on the private sector. The Coast Guard estimates that ports will spend about \$1.1 billion in the first year alone to comply with MTSA regulations. Our bill will authorize a total of \$537 million for port security grants for next fiscal year, \$491 million over the Administration’s request, to ensure port operators receive the support they need to improve their security.

The security of our nation’s ports also rests, in part, on the ability of the U.S. Coast Guard to operate modern ships and aircraft that can share critical information with each other, and other offices of the Department. The “Deepwater” program aims to modernize the Coast Guard’s fleet, and improve its ability to share maritime security information. However, at the current rate, it will take another 22 years to complete the program. Our legislation would accelerate the completion to 10 years, giving the Coast Guard the tools it needs to conduct its vital maritime homeland security missions.

Overall, Mr. Chairman, while steps have been taken to improve our maritime security, more must be done. I look forward to hearing from our witnesses how Congress can help them do this job of protecting our seaports from a possible terrorist attack.

Thank you.

**STATEMENT OF REAR ADMIRAL DAVID S. BELZ, ASSISTANT
COMMANDANT FOR OPERATIONS, U.S. COAST GUARD**

Admiral BELZ. Thank you, Madam Chairman.

Good afternoon. And I appreciate the opportunity to be here, distinguished members of the committee.

I would like to thank you for the opportunity to discuss maritime security operations within the Department of Homeland Security. I am pleased to be joined here by my colleagues: Jay Ahern at the CBP, Charlie Stallworth of ICE and Mr. Tom Blank of TSA. It is a pleasure to be up here testifying with them.

The Coast Guard strongly engages in the department's "one team, one fight" concept. We have many partnerships with other government agencies in the performance of our 11th statutory mission. Integration of all agencies involved in protecting the homeland to promote operational efficiencies and improve operational effectiveness is a basic tenet describing why the Department of Homeland Security was established.

These partnerships act as a force multiplier so that together we can achieve more than we could as disparate components. We will continue to be committed to working closely with our partner agencies. And we truly believe that the standup of one department responsible for homeland security has made America more secure today.

Events erupting in Haiti a few months ago provide a solid example of the leaps forward all of our DHS agencies are taking with regard to interagency cooperation. Under the direction of Secretary Ridge, the Homeland Security Task Force Southeast was stood up as part of Operation Able Sentry.

The team was comprised of many DHS agencies, including: Immigration and Customs Enforcement, Customs and Border Protection, the Federal Emergency Management Agency, as well as our own service. The task force was chartered by the secretary to plan, prepare and conduct migrant interdiction operations in the vicinity of Haiti due to the escalation of violence in that country and the threat of a mass exodus of undocumented migrants to the United States.

With America's awareness, prevention, protection, response and recovery capabilities now under one roof in one department, the level of communication and cooperation among the agencies within our department is stronger than ever, even though many of us had previously worked together before there was a DHS.

However, with a new department as our home, the component agencies are moving swiftly together in a variety of venues. Under the department's leadership, TSA, Customs and Border Protection and the Coast Guard are working together to support efforts to implement the Maritime Transportation Security Act through interagency working groups addressing cargo security standards, port security assessment, international port security and the development of the National Maritime Transportation Security Plan.

Given our unique blend of authorities, capabilities, competencies and partnerships, both domestic and international, the Coast Guard, in partnership with CBP, ICE and TSA, is working on the development and implementation of the National Maritime Transportation Security Plan as a feed into the overarching, national plan being developed by TSA.

The Coast Guard's maritime strategy for homeland security supports the President's national security strategy, the national strategy for homeland security and the Homeland Security Presidential Directive 7 and is responsive to near-term needs, while maintain-

ing a strategic outlook on the threats and opportunities of the future.

This maritime strategy is built upon a layered defense, a time-honored means to enhance security in the U.S. ports and waterways, while concurrently facilitating the smooth flow of commerce. The collective result of the component agencies' of DHS efforts is aimed at managing and reducing maritime security risk.

Today, there is a developing interagency and joint surface effort to develop a comprehensive national maritime domain awareness or MDA plan and system architecture. The core of our collective MDA efforts revolve around the development and dissemination of accurate information, intelligence and the targeting of vessels, cargoes, crews and passengers, extending this well beyond our traditional maritime boundaries.

All DHS components are working hard to provide an effective layered defense through collaborative efforts with international partners to counter and manage security risks long before they reach a U.S. port.

In regards to law enforcement, the Coast Guard has longstanding successful working relationships with all federal law enforcement agencies and additionally is now a member of the national intelligence community. The Coast Guard coordinates closely with Customs and Border Protection, Immigration and Customs Enforcement, the Drug Enforcement Agency and the joint interagency task forces in planning and the conduct of counter-drug law enforcement operations.

One recent example highlights this heightened cooperation. Just 2 weeks ago, a Customs and Border Protection-ICE maritime patrol aircraft spotted a go-fast in the vicinity of Nicaragua. After receiving word from the aircraft, two Coast Guard cutters pursued the boat into Nicaraguan waters under the U.S.-Nicaraguan bilateral drug law enforcement agreement.

The Coast Guard armed helicopter was embarked on one of the cutters, disabled the vessel and the Coast Guard recovered over 2,000 pounds of cocaine. That could easily have been a different kind of target.

Within the intelligence community, the Coast Guard is working closely with the interagencies sitting here today to ensure that intelligence products generated by the Coast Guard are shared rapidly and accurately throughout the federal government. That movement is crisp today. But we need to work additionally to make the process flawless.

Furthermore, beyond sharing, the Coast Guard gets guidance and direction from the Information, Analysis and Infrastructure Protection Directorate at DHS. And we work closely with the National Response Center to share threat information and receive reports of suspicious activities from the maritime industry and other maritime stakeholders.

U.S. Coast Guard and Customs and Border Protection have exchanged liaison officers at the National Targeting Center and the National Maritime Intelligence Center. This exchange has significantly enhanced information sharing as it relates to cargo tracking and high-interest vessel tracking.

Additionally, the Coast Guard functions as the information sharing and analysis center for the commercial maritime industry in accordance with PDD 63 and has been doing so since February 2003. Certain economies of scale and enhanced operational effectiveness can and are being achieved through the identification of overlapping DHS missionaries and coordinated acquisition and/or application of operational assets.

While the state of integration we have achieved to date clearly cannot be characterized as complete, the ongoing efforts to identify and exploit opportunities for integration are diligent and promising. Some current initiatives include: the Department of Homeland Security's Aviation Management Council; the department's Boat Commodities Council; and the Joint Requirements Council.

Benefits of an integrated DHS acquisition strategy have already been realized. For example, CDP recently acquired some response boats—small—through a larger Coast Guard purchase. Additionally, DHS has recently decided to utilize the Coast Guard's aviation logistics management information system departmentwide in order to provide a framework to gather, represent, process and distribute aviation information.

We have also learned from our partners here at the table. As we speak, the Coast Guard is examining certain boat maintenance concepts my colleagues here at the table have instituted at Customs Air and Marine.

And we are examining relocation of certain national response center activities through TSA's Transportation Security Operations Center. All of us at this table have participated in a DHS-led examination of our individual use of force policies for synchronization. And the Coast Guard itself is making some adjustments where appropriate.

Madam Chairman, I can truly report to you that the Coast Guard is fully aligned with the department's maritime goals and objectives. The Coast Guard will continue to work with our partners at this table and with others outside DHS to strengthen already solid agency partnerships, providing increased effectiveness and efficiencies in accomplishing DHS operations and the President's national strategy for homeland security.

No single maritime stakeholder—whether it is government, our government, industry or the private sector—can do this alone. We clearly understand that.

We must continue to work together to improve the security for our nation, for the maritime sector that is its economic lifeblood and for the citizens of our country who deserve and desire protection from terrorism without unreasonable infringement on their freedoms guaranteed in the Constitution.

Thank you very much for this opportunity to provide testimony. I would be pleased to answer any questions you may have.

PREPARED STATEMENT OF REAR ADMIRAL DAVID S. BELZ, JAYSON AHERN, CHARLES E. STALLWORTH, AND TOM BLANK

Good afternoon Mr. Chairman and distinguished Members of the Committee. It is our pleasure to be here today to testify on maritime security operations within the Department of Homeland Security.

Prior to the attacks of September 11, 2001, the primary focus within the maritime domain had been on safety, the environment, vessel traffic management, and law

enforcement. Most national and international efforts revolved around the safe and efficient movement of waterborne commerce, the interdiction of narcotics and illegal migrants, and trade compliance. In the post September 11, 2001 era, we recognize that any maritime conveyance could transport or constitute a security threat. In this new environment, components of DHS involved in maritime security have added to their existing efforts by deploying resources to identify such threats, deter and/or prevent attacks, respond, and recover from any maritime security incidents.

The challenge is significant:

- Over 95% of overseas trade enters through U.S. seaports;
 - Our seaports account for 2 billion tons and \$800 billion of domestic and international freight each year;
 - Each year approximately 9 million sea containers enter the U.S. via our seaports;
 - 26,000 miles of commercially navigable waterways serving 361 U.S. ports;
 - Strategic military value of many ports and waterways;
 - Seaborne shipment of approximately 3.3 billion barrels of oil each year;
 - 6 million cruise ship passengers travel each year from U.S. ports;
 - Ferry systems transport 180 million passengers annually;
 - Waterways support 110,000 commercial fishing vessels, contributing \$111 billion to state economies;
 - 78 million Americans engaged in recreational boating;
 - Some 8,100 foreign vessels making 50,000 U.S. port calls each year; and
 - Domestic and international trade is expected to double in next 20 years.
- Existing maritime smuggling networks can facilitate the illicit movement of people and equipment into the U.S., particularly as legal points of entry are hardened.

While this Committee certainly needs no reminder, it is plainly evident that a terrorist incident against our marine transportation system could have a disastrous impact on global shipping, international trade, and the world economy.

The world's oceans are global thoroughfares. A cooperative international approach involving partnerships of navies, coast guards, law-enforcement agencies, and commercial shipping interests is essential—with all parties acting collaboratively to confront broadly defined threats to our common and interdependent maritime security. The Department of Homeland Security (DHS) recently marked its first anniversary and we are happy to report that operating with other federal agencies sharing a common DHS mission perspective provides new benefits to our nation's security daily.

We are committed to working with our partner agencies as one team engaged in one fight, and truly believe having one Department responsible for homeland security has made America more secure today. Events in Haiti a few months ago provide an example of the leaps forward we are taking with regard to interagency cooperation. Under the direction of the Secretary of Homeland Security, the Homeland Security Task Force—Southeast was stood-up as part of OPERATION ABLE SENTRY. The Coast Guard (CG) led task force was comprised of many agencies chartered to plan, prepare, and conduct migrant interdiction operations in the vicinity of Haiti due to the escalation of violence in that country and the threat of a mass exodus of undocumented migrants. Within the first days of interdiction operations, the task force demonstrated impressive agility and synergy:

- CG cutters, with Citizenship and Immigration Service (CIS) asylum pre-screening officers and interpreters aboard, interdicted 18 Haitian vessels with 1,076 undocumented migrants;
- CG and Immigration and Customs Enforcement (ICE) Air and Marine Operations (AMO) aircraft patrolled the skies throughout the operating area; and CG, ICE, and Customs and Border Protection (CBP) conducted coordinated patrols off the Florida coast;
- CG and ICE conducted a coordinated boarding of a boat suspected of being hijacked off the coast of Miami; and
- Federal Emergency Management Agency (FEMA) also deployed three Information and Planning Specialists to the task force in support of contingency planning.

With our federal government's Awareness, Prevention, Protection, Response and Recovery capabilities now under one roof, in one department, the level of communication and cooperation among the sister agencies of CG, TSA, ICE and CBP is stronger than ever. Under DHS and BTS leadership, CBP, TSA and CG are working together to support efforts to implement the Maritime Transportation Security Act (MTSA) through interagency working groups addressing cargo security standards,

port security assessments, international port security and the development of the National Maritime Security Plan.

Additionally, the sister agencies within DHS are forging strong relationships in regards to acquisition management. DHS has established a Strategic Sourcing Group and a series of commodity councils. The purpose of the Strategic Sourcing Group is to assist in the successful development, deployment and maintenance of sourcing strategies to enhance DHS acquisition system and ensure commodities are acquired in the most efficient and effective manner. The purpose of each council is to develop long-term strategies for acquiring a commodity across the department. Some councils that exist include Weapons & Ammunition, Boats, Aviation, Training, Facilities, and Information Technology.

Maritime Strategy for Homeland Security

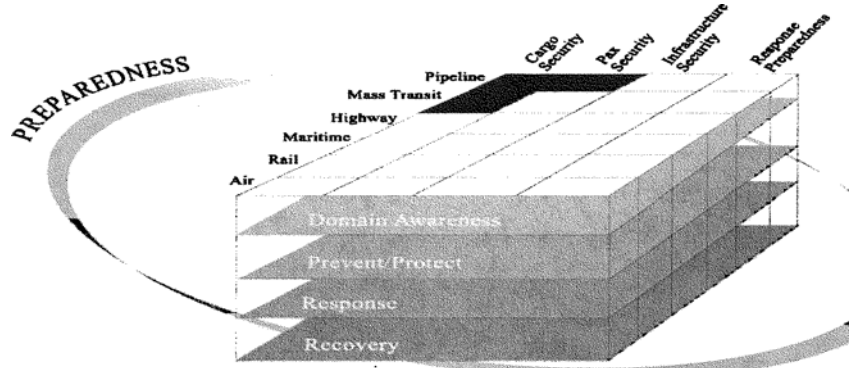
Since 9/11, Secretary Ridge and all DHS components have worked hard to achieve DHS's strategic goals of Awareness, Prevention, Protection, Response and Recovery. These strategy elements guide all that we do and likewise represent key pillars of the maritime homeland security strategy:

DHS Strategic Goal	Maritime Strategy for Homeland Security
• Awareness	Enhance Maritime Domain Awareness (MDA)
• Prevention	Build and administer an effective maritime security regime—both domestically and internationally
• Protection	Increase military and civil operational presence in ports, coastal areas, and beyond—leverage State, Local and Private Sector assets as well
• Response	Improve our response posture in the event a security incident occurs
• Recovery	Lead efforts to restore services after acts of terrorism, natural disasters or other emergencies

DHS, pursuant to HSPD-7, is in the process of developing a National Critical Infrastructure Plan that will identify and prioritize United States critical infrastructure and key resources and to protect them from terrorist attacks. This plan will be comprised of Sector Specific Plans (SSPs), and TSA has been assigned primary responsibility for developing the transportation specific SSP. The Transportation SSP will discuss how federal and private-sector stakeholders will communicate and work together; how important assets in the transportation sector will be identified, assessed, and prioritized; how protective programs will be developed; how progress in reducing risk will be measured; and how R&D will be prioritized in the sector. In the Transportation Sector, the SSP will further these efforts currently underway and help ensure that they are systematic, complete, and consistent with the efforts in the other 12 sectors.

In developing the transportation SSP, TSA is working under BTS guidance and with partners in the U.S. Coast Guard, other BTS component agencies and the Department of Transportation (DOT) and its modal administrations. DHS will build on the foundation of the SSP to provide overall operational planning guidance on transportation security. The expanded SSP will ensure that modal security plans are integrated into an effective concept of operations for management of the transportation sector's security.

Given its unique blend of authorities, capabilities, competencies and partnerships (domestic and international), the CG has been charged with taking the lead on the development and implementation of a comprehensive Maritime Strategy for Homeland Security. The CG's *Maritime Strategy for Homeland Security* supports the President's *National Security Strategy of the United States of America*, the *National Strategy for Homeland Security*, and the *Homeland Security Presidential Directive 7 (HSPD-7)* and is responsive to near-term needs while maintaining a strategic outlook on the threats and opportunities of the future. The maritime strategy is built upon a layered defense; a time-proven means to enhance security in U.S. ports and waterways while concurrently facilitating the smooth flow of commerce. The collective result of our efforts is aimed at managing and reducing maritime security risks.



Below is an update on the Department's recent accomplishments in pursuit of each element of the maritime strategy with a particular focus on the joint and individual efforts of the CG, TSA ICE/AMO and CBP.

Awareness—Enhance Maritime Domain Awareness (MDA)

The core of our MDA efforts revolve around the development and employment of accurate information, intelligence, and targeting of vessels, cargo, crews and passengers—and extending this well beyond our traditional maritime boundaries. All DHS components are working hard to provide an effectively layered defense through collaborative efforts with our international partners to counter and manage security risks long before they reach a U.S. port—when effectively deploying countermeasures becomes more difficult.

The goal is to know the difference between friend and foe, so that legitimate commerce can move through our coastal and port areas unimpeded while we interdict contraband cargo and illegal activities of all types at sea before it becomes a threat on our shores. The key to achieving this comprehensive domain awareness is our ability as a department to obtain, synthesize and analyze the context around the movement of goods and people. We are taking an interagency approach, leveraging information technology, multiple information sources and actively involving the private sector. Our ability to achieve better MDA will allow us to better focus our protection and response efforts on those trade transactions, individuals, and activities of interest. A synopsis of our collective efforts is provided below:

- The CG is leading the interagency and joint Service effort to develop a comprehensive national MDA plan and system architecture.
- As directed by MTSA, the CG established an International Port Security Program (IPSP) that is currently working in concert with CBP, TSA and other Federal agencies to identify foreign ports identified as posing a potential security risk to international maritime transportation. TSA and CBP have provided extensive assistance in developing this program by sharing lessons learned and best practices from TSA's Civil Aviation Security Liaison Officer (CASLO) program and CBP's Container Security Initiative. The IPSP will begin visiting selected foreign ports in July 2004 to measure the degree of rigor with which foreign countries are administering the International Maritime Organization's (IMO) International Ship & Port Facility Security Code (ISPS).
- The CG is researching technologies and systems that are able to track vessels entering, departing or transiting U.S. waters and track vessels bound for the U.S. from overseas locations. The CG is currently working with IMO to develop functional and technical requirements for long-range tracking out to 2,000 nautical miles (approximate distance from shore a vessel owner must transmit their 96-hour notice of arrival, based on typical speed of advance). The U.S. will discuss and attempt to forward an amendment that has been proposed to IMO for this initiative in committee meetings over the next two months.
- The CG is establishing a network for receiving and distributing Automatic Identification System (AIS) reports (position, course, speed, cargo, etc.) from ships using existing Vessel Traffic Services in nine of our nation's ports, waterways, and coastal areas. This initiative will progress to the other strategically significant U.S. seaports, and ultimately extend to nationwide coverage.
- The CG Intelligence Coordination Center, co-located with the Office of Naval Intelligence at the National Maritime Intelligence Center in Suitland, Maryland, established COASTWATCH. Through this process, notice of arrival re-

ports from the National Vessel Movement Center are analyzed using law enforcement and intelligence information and vessels of interest are identified so that Coast Guard and other agencies can appropriately respond to board those vessels before they reach port, if necessary. The Coast Guard and CBP have exchanged personnel to enhance data sharing between the CG Intelligence Coordination Center's COASTWATCH (which gathers and analyzes information on ship notice of arrival reports on vessels, people, and certain dangerous cargoes approaching U.S. ports) and CBP's National Targeting Center (cargo tracking) process.

- CBP's National Targeting Center (NTC) is a 24x7 operation that supports the enforcement and regulatory missions of various agencies through a network of liaisons, which includes the TSA, CG, Department of Energy, and members of the intelligence community. CBP Officers and Field Analysis Specialists that are experts in passenger and cargo targeting for air, sea, and land operations in the inbound and outbound environments primarily staff NTC. The NTC staff develops tactical targets from raw intelligence in support of the CBP mission to detect and prevent terrorists and terrorist weapons from entering the United States. NTC also supports CBP field elements, including Container Security Initiative personnel stationed in countries throughout the world, with additional research assets for passenger and cargo examinations. NTC personnel are also currently engaged in the support of intradepartmental and interagency anti-terrorist operations, while simultaneously providing support to CBP targeting programs, policies, and initiatives. One example of CBP's commitment to collaborative targeting efforts is the Food and Drug Administration Prior Notice Center located at the NTC and operational since December 11, 2003. There, CBP and Food and Drug Administration personnel conduct joint targeting on a round the clock basis in support of the Bio-Terrorism Act.

- CBP is conducting national targeting and using automated targeting tools to screen advance information and other data to identify high-risk shipments. As a key component of the DHS maritime security strategy, CBP's Automated Targeting System (ATS) is a critical tool for performing transactional risk assessments and evaluating potential national security risks posed by sea, air, truck, and rail cargo.

- ICE/AMO is reviewing an upgrade to the Tethered Aerostat Radar System (TARS) to provide an ocean surface track capability along the Southern coast. Airspace data gathered by TARS is integrated within the national surveillance picture at the Air and Marine Operations Center in Riverside, California which provides that data to NORAD, the U.S. Secret Service Operations Center and the National Capital Region Coordination Center.

- ICE/AMO P-3 aircraft have provided the ability to conduct hull-checks on incoming commercial vessels 200 nautical miles from the ports to assist CG prioritization and identification of in-bound targets.

- A key component of AMO's integration capabilities, the Air and Marine Operations Center (AMOC) at March, Air Reserve Base in Riverside, California, integrates military and civilian radar tracking data to provide actionable real-time intelligence to AMO aircraft and vessels throughout the Western Hemisphere. Other customers include the National Capital Region Coordination Center (NCRCC), NORAD, the U.S. Secret Service operations center and the Transportation Security Operations Center. The establishment of an additional center with like capabilities on the east coast is being investigated.

- CG is using a risk management system to identify High Interest Vessels for follow-up security boardings and when necessary, due to risk, vessel escorts and positive control boardings to ensure the safety of vessels during their transit into U.S. ports.

- In partnership with the Chief of Naval Operations (CNO), the CG is establishing interagency prototype joint harbor operations centers in select Navy homeports improving both port security and force protection capabilities. Such prototypes are underway in San Diego, California and Hampton Roads, Virginia.

- TSA will soon begin the prototype phase in developing the Transportation Worker Identification Credential (TWIC), aimed at mitigating the threat of attacks to the national transportation infrastructure. The TWIC prototype and supporting measures will test how best to assess the risks of transportation workers entering secure area of our national transportation system. The President's FY 2005 request includes spending authority to begin implementing the TWIC concept within parameters that will be defined by the Administration after completion of the prototype assessment.

- Complementing the TWIC, the CG will continue aggressive implementation of a Merchant Mariner Documentation (MMD) Task Force plan, which ensures positive identity of merchant mariners sailing on U.S. flag vessels and performs appropriate security/background screening. In 2004, the CG will provide for additional personnel support at Regional Examination Centers, centralized security screening and electronic fingerprinting capability.
- The CG has established additional Maritime Intelligence Fusion Centers on the east and west coasts for both military intelligence and law enforcement sensitive information. In addition, the CG established subordinate Field Intelligence Support Teams (FISTs) in key ports. These teams are actively engaged in Intel collection and first order analysis in coordination with federal, state, and local enforcement and Intel agencies. They are “joint” in the broadest sense providing a critical top-down and bottom-up information and intelligence.
- In recognition that the threat in the post-September 11, 2001 strategic environment may seek to avoid hardened legal points of entry by exploiting existing smuggling routes, ICE/AMO marine personnel working closing with ICE Office of Investigations conduct unique undercover and intelligence gathering within high-threat, non-commercial maritime communities and transit areas as well as commercial points of entry.

Aside from the important initiatives above, we are seeing consistent and steady improvements in our ability to integrate and correlate information in the field such that we can effectively respond. For example, on March 13, 2004 the Coast Guard Pacific Area Maritime Intelligence Fusion Center advised CG Marine Safety Office (MSO)/Group Los Angeles/Long Beach that a 728-foot foreign flagged motor vessel with a cargo of crude oil was due into Los Angeles but failed to file an Advance Notice of Arrival properly. The MSO/Group responded and conducted a positive control boarding alongside ICE personnel while the vessel was at anchor. The crew was detained onboard due to improper visas. While we have much more work to do, our maritime domain awareness is improving every day.

Prevention—Create and Oversee Maritime Security Regime

This element of our strategy focuses on both domestic and international efforts and includes initiatives related to MTSA implementation, IMO regulations such as the ISPS Code, as well as improving supply chain security and identity security processes. Recent accomplishments and future plans include:

- The CG has established Area Maritime Security Committees (AMSC), which assist in the development of Area Maritime Security Plans nationwide, as required by the MTSA. AMSCs will enhance maritime situational awareness and ensure integrated maritime prevention and response operations among the entire maritime community. CBP and TSA have designated representatives assigned to the Area Maritime Security Committees to assist CG Captains of the Port in addressing cargo security issues.
- The CG has completed Port Security Assessments (PSA) at 19 of the 55 most significant military and economic ports in the U.S. and will complete the assessments of all 55 strategic ports by the end of calendar year 2004.
- Final CG MTSA implementation Rules, drafted in cooperation with TSA, CBP and the Maritime Administration (MARAD), were published in October 2003 and security plans from approximately 9,500 vessels and 3,500 facilities were due on December 31, 2003. To date, approximately 99% have been received. The CG will continue to aggressively pursue 100% compliance, and has instituted a phased implementation of penalties to ensure that all regulated facilities have implemented approved security plans by the July 1, 2004 deadline.
- The Coast Guard is actively involved with MARAD in the development of maritime security competency standards and security training curricula under Section 109 of MTSA.
- The CG has met with approximately 60 countries representing the vast majority of all shippers to the U.S., reinforcing a commitment to the ISPS code. For vessels subject to MTSA, the Safety of Life at Sea (SOLAS) amendments and the ISPS Code, the CG is implementing strong Port State Control measures to aggressively ensure foreign vessels have approved plans and have implemented adequate security standards. The measures include tracking performance of all owners, operators, flag administrations, recognized security organizations, charterers, and port facilities. Noncompliance will subject the vessel to a range of control measures, which could include denial of entry into port or significant delay. This aggressive Port State Control regime will be coupled with the CG's inter-agency IPSP, comprised of representatives from the Department of State, Department of Defense, CBP, TSA, and MARAD, that will assess both the effectiveness of anti-terrorism measures in foreign ports and the foreign flag

administration's implementation of the SOLAS amendments and the ISPS Code.

- CBP's Container Security Initiative (CSI) enhances the security of ocean-borne container traffic by placing multi-disciplinary CSI teams alongside host government customs officers to ensure that all shipments that pose a potential risk for terrorism are identified and inspected at foreign ports before they are placed on vessels destined for the United States. CSI is currently operational at 18 foreign seaports and the program will expand to 17 additional foreign ports in calendar year 2004. Once CSI is fully implemented, nearly 80 percent of all cargo containers headed for the United States will be prescreened prior to lading before they depart from abroad.
- In December 2003, DHS promulgated final regulations implementing the Trade Act of 2002, requiring advance, electronic manifest information for all modes of transportation. This information will augment that received and analyzed already at the National Targeting Center.
 - o For vessel operations CBP receives cargo declaration information for all container vessels and non-approved break bulk shipments 24-hours prior to loading the vessel at the foreign port. With the implementation of the Trade Act, CBP now requires this cargo information in an electronic format via the Sea Automated Manifest System (AMS). On March 4, 2004 all container vessels must submit their cargo declaration information to CBP electronically.
 - o The Trade Act also provides for all modes of transportation, inbound and outbound, to require cargo information electronically and in advance of arrival. CBP is currently requiring the data electronically inbound for vessel and is expanding the requirement to the inbound air and land modes of transport over the remaining months of 2004. CBP anticipates requiring reporting of electronic outbound data in the beginning of 2005 in cooperation with Census.
- CBP's Customs-Trade Partnership Against Terrorism (C-TPAT). C-TPAT is an innovative government/private sector partnership program that covers all sectors of the international supply chain. The program calls upon the trade community to systematically establish procedures to enhance their existing security practices and those of their business partners involved in their supply chains. C-TPAT strengthens U.S. borders against acts of terrorism while facilitating the legitimate flow of compliant cargo, conveyances and persons. Currently, over 6,200 members of the international community have demonstrated their commitment to security by partnering with CBP through this program.
- Finally, the Border and Transportation Security Directorate is leading a multi-agency working group in efforts both to augment the Department's current cargo supply chain security programs and meet specific requirements under the MTSA to develop a "Secure Systems of Transportation (SST)" and appropriate performance standards for cargo containers. Under this initiative, involved agencies, including TSA, CBP, CG and the DHS S&T and IAIP Directorates, are reviewing cargo programs, analytic tools, and other relevant resources within the department in order to identify remaining supply chain vulnerabilities and develop strategies to mitigate these vulnerabilities.
- To advance this initiative, BTS expects to be able to harness the results of ongoing test-bed programs that are examining currently available and new technologies and processes to enhance security for global intermodal supply chains and facilitate the flow of commerce. One of these is the Operation Safe Commerce program, an initiative in which DHS, DOT and the Departments of Justice, Commerce and State, are working with business interests, the largest U.S. container load centers and the maritime industry to develop and share best practices for the safe and expeditious movement of containerized cargo. Test results from OSC will also be joined with those obtained by CBP in its testing of various Smart Box technologies within C-TPAT supply chains, and technologies and processes identified by the Science and Technology Directorate's under its recently published Broad Agency Announcement designed to solicit and test new technologies to be applied to container tracking and intrusion detection.

Protection—Increase Operational Presence/Enhance Deterrence

Our collective efforts to increase operational presence in ports and coastal zones will continue to build upon the layered security posture established by the maritime security strategy. These efforts focus not only on adding more people, boats and ships to force structures but making the employment of those resources more effec-

tive through the application of technology, information sharing and intelligence support. Recent accomplishments and future plans include:

- CG's Deepwater Program: A multi-year, performance-based acquisition that will replace or modernize 90 Coast Guard cutters, 200 fixed wing aircraft and multi-mission helicopters and the communications equipment, sensors, and logistics systems required to maintain and operate them. Deepwater will greatly improve the Coast Guard's maritime presence starting at America's ports, waterways, and coasts and extending seaward to *wherever* the Coast Guard needs to be present or to take appropriate maritime action. Deepwater provides the capability to identify, interdict, board, and where warranted seize vessels or people engaged in illegal/terrorist activity at sea or on the ports, waterways, or coast of America. In FY04, the Deepwater Program:
 - Commences urgent re-engining of Coast Guard's fleet of short-range helicopters to ensure safe and reliable operations;
 - Accelerates the development of the Fast Response Cutter;
 - Begins construction of the first National Security Cutter (frigate-size vessel about 425 feet long);
 - Acquires an additional Maritime Patrol Aircraft (MPA);
 - Completes design and shipboard integration of Vertical Unmanned Aerial Vehicles (VUAV);
 - Commences conceptual development of the Offshore Patrol Cutter; and Delivers 4 Short Range Prosecutors (cutter small boats) for use on the 123' Patrol Boat.
- CBP is employing Non-Intrusive Inspection (NII) technology to screen shipments rapidly for anomalies. Deploying NII technology to our land borders and seaports has increased CBP's ability to detect conventional explosives, nuclear weapons, and other terrorist weapons. NII equipment includes large scale x-ray or gamma-ray imaging systems, portal radiation monitors, and a mixture of portable and handheld technologies to include personal radiation detection devices that greatly reduce the need for costly, time-consuming physical inspection of containers and vehicles.
- CBP currently has 599 Personal Radiation Detectors (PRD) and 60 Radiation Isotope Identifier Devices (RIID) deployed at Border Patrol checkpoints nationwide. Radiation detection equipment is being incorporated into our routine roving patrol duties, marine operations and transportation check assignments, which include airports and train check operations.
- DHS's priority undertaking is preventing weapons of mass destruction from entering this country. The DHS goal is to screen 100% of all arriving containers, trucks, trains, cars, mailbags and express consignment packages with radiation detection equipment. To achieve this goal, CBP has developed a comprehensive risk management strategy for the deployment of radiation portal monitors (RPM) throughout the country.
- As of April 29, 2004, 269 RPMs have been deployed. The vast majority of the deployed RPMs are at International Mail Branches, Express Consignment Courier facilities and along major Northern Border ports of entry. Presently, CBP has begun deployment to our seaports. CBP has also deployed a large number of handheld radiation detection technologies. Currently, CBP has 321 radiation isotope identifier devices and over 9,418 personal radiation detectors to the field.
- Prior to the attacks of 9/11, the CG had committed less than 2% of its assets to active port security duty. Immediately after 9/11, the CG surged nearly 60% of its assets in immediate support of port security. Since then, the CG has re-balanced asset deployments to provide roughly 28% of its assets in coverage of port security a significant and steady increase in operational presence.
- CG Maritime Safety & Security Teams (MSSTs) provide immediately deployable multiple-boat, law enforcement capability that can be sustained over an extended period. Teams are equipped to deploy (via land or air) to any location within 12 hours of notification. To date, eight of thirteen MSSTs have been commissioned and the remainder will be operational by the end of CY 2004.
- CG is equipping helicopters with Airborne Use of Force (AUF) and Vertical Insertion (VI) capability. This will enhance the Coast Guard's ability to secure our oceans, ports, waterways, and coastal areas against illegal drug, migrant, and terrorist activity by providing capability to fire warning shots and disabling fire and rapidly/covertly deploying boarding teams aboard vessels at sea. The Coast Guard currently has 8-armed MH-68 helicopters operating out of Jacksonville, FL and will equip four HH-60J armed helicopters by April 2004.
- TSA is implementing the "synergy Project," to test the long-term feasibility of screening and transferring passenger baggage from seaport to airport, reduc-

ing the congestion at airport security checkpoints caused by the influx of large number of passengers disembarking from cruise ships. This program is currently underway at the ports of Miami and Vancouver.

- Responding to threat assessments in and in support of the Maritime Homeland Security Strategy, CG Stations Boston and Washington, D.C. were created in Fiscal Year 2004.

Response and Recovery—Improve Response and Recovery Posture

Understanding the challenge of defending 26,000 miles of navigable waterways and 361 ports against every conceivable threat at every possible time, we are also aggressively working to improve our response capabilities and readiness. While the above increases in operational presence necessarily augment our collective response posture, additional accomplishments and future plans include:

- The Secretary announced on March 1, 2004 the approval of the National Incident Management System (NIMS). It is the Nation's first standardized management approach that will provide a consistent nationwide template to enable federal, state, local, and tribal governments as well as private-sector organizations to work together effectively to prepare for, prevent, respond to, and recover from a terrorist attack or other major disaster. NIMS will ensure that all of our nation's responders are working in support of "one plan, one team, one fight." For the first time, there will be standardized procedures for responding to emergencies across the nation. A NIMS Integration Center will also be established to identify and share best practices on preparedness with state and local authorities, provide consistent training to first responders across the country, and conduct exercises involving many different localities.
- Continue deployment of Rescue 21—the CG's maritime 911 command, control and communications system in our ports, waterways, and coastal areas. Nationwide implementation continues during 2004. This system provides Federal, state and local first responders with interoperable maritime communications capability, greater area coverage, enhanced system reliability, voice recorder replay functionality, and direction finding capability. Rescue 21 represents a quantum leap forward in communications technology.
- ICE AMO has been developing and exercising the capability to deliver via fast rope, incident response teams. This capability will provide AMO the capability to deliver ICE Office of Investigations and Federal Protective Service Critical Response Teams to the scene of incidents with a much shorter response time.
- DHS agencies, including Emergency Preparedness & Response, TSA CG, CBP, and the Office of Domestic Preparedness are working closely with DOT's Maritime Administration (MARAD) and other modal administrations to develop standards and policies to enhance coordination of the recovery of the transportation system in the event of a transportation security incident. For example, TSA is working with MARAD to study the impacts and lessons learned from the recent four-day closing of the Mississippi River caused when a barge sank from hitting the Greenville Bridge linking Mississippi and Arkansas.
- DHS agencies routinely lead or participate in national intermodal terrorism exercises, such as Operation Heartland, United Defense and TOPOFF2, designed to enhance our ability to prevent, mitigate, and respond to potential transportation security incidents.

DHS's response and recovery organization was further strengthened at the "California Spill of National Significance 2004" exercise (CAL SONS 04), which was held 20–24 April 2004. CAL SONS 04 was a CG-sponsored full-scale national exercise that posed two major marine incidents off the coast of Southern California and required a coordinated response by local, state and federal agencies, the government of Mexico, industry partners and volunteer organizations. CAL SONS 04 was guided by the Initial National Response Plan and National Oil and Hazardous Substance Pollution Contingency Plan. It involved the broad range of response and recovery functions including rescue, mobilization of people and resources, multi-level incident management, tactical operations and testing of industry and agency contingency plans. The CG's National Strike Teams, which have been trained for Chemical, Biological and Radiological responses and were instrumental in the response and recovery operations at the recent Ricin incident in the Senate Office Building, were also deployed. This exercise successfully showed the integration among the various command centers including the Homeland Security Operations Center, the Interagency Incident Management Group, the National Response Team, the Coast Guard Headquarters Crisis Action Center and the local incident command center.

In summary, DHS is taking a comprehensive approach to the needs of maritime security. It cannot start and end at our maritime borders. Rather, it will take an integrated and coordinated approach that stretches from ports such as Miami and Los Angeles to Singapore and Rotterdam.

Service to the Public—Effect on Commerce

In addition to Awareness, Prevention, Protection, Response and Recovery a sixth strategic goal of the Department of Homeland Security is *Service*. In this, we will strive to serve the public effectively by facilitating lawful trade, travel and immigration.

The Department is sensitive to the impact that increased security may have on commerce. The wide variety of security measures implemented to date has had no significant adverse impacts on the flow of maritime commerce. That said, we note that the cost to industry to comply with MTSA regulations is estimated to be \$1.5 billion in the first year and \$7.3 billion over the next 10 years. While we clearly understand that the cost of these security regulations to the maritime industry is not insignificant, a terrorist incident against our marine transportation system could have a devastating and long-lasting impact on global shipping, international trade, and the world economy. A terrorist act that closed a major port could cost up to \$2 billion per day in economic loss to the United States.

The Department understands there will be short-term costs, particularly for many smaller ports or companies with less existing security. Nonetheless, as the industry owns the infrastructure that is being protected, and benefits from that ownership, they should rightly be involved in protecting their infrastructure. We are engaged with the maritime industry to provide information on any available federal funding. Thus far, the Department has awarded or made available a total of nearly \$500 million in port security grants over two years. There is also a shared cost burden by the government. The Department of Homeland Security, and its associated agencies, has spent hundreds of millions of dollars to improve our capability to protect the Marine Transportation System. However, the cost of securing America cannot be left exclusively to the American taxpayer.

In addition, we are continuously seeking out technology and procedural changes that will make our efforts not only more effective and efficient but also less onerous on the vast majority of maritime stakeholders who pose no threat to maritime security. As an example, the CG is incorporating an option in the 96-hour vessel notice of arrival (NOA) requirements to permit electronic submission of information. This e-NOA submission method will allow for importation of data into the CG's National Vessel Movement Center (NVMC) database, the Ship Arrival Notification System (SANS), eliminating all but minimal manual data entry. This will significantly enhance the processing and identification of security and safety risks posed by vessels entering our ports and move information to the field much more rapidly. By merging CBP and CG vessel and people information requirements into the e-NOA, the reporting burden on the maritime industry will be reduced. When the e-NOA system is fully developed, vessel owners and operators will have the option to use the e-NOA to satisfy CBP's Advance Passenger Information Service (APIS) requirements as well as the CG's NOA requirements.

The security requirements of the MTSA were developed with the full cooperation of the private sector. We have developed the security regulations to be performance-based, providing the majority of owners and operators with the flexibility to implement the most cost-effective operational controls, rather than more costly physical improvement alternatives. By establishing consistent national and international security requirements we will also be helping businesses by leveling the playing field. Consistency helps business—consistency amongst companies, states and countries. The Department will be vigilant in its Maritime Homeland Security mission and will remain sensitive to the impact of security measures on maritime commerce.

Conclusion

Our maritime security is first and foremost about awareness—gathering and synthesizing large amounts of information and specific data from many disparate sources to gain knowledge of the entire domain. Maritime Domain Awareness and the knowledge it imparts will allow maritime law enforcement and regulatory agencies to respond with measured and appropriate action to meet any threat. However, it will require the continued growth and development of strong partnerships not the least of which is among the CG, TSA, ICE and CBP, state and local agencies and our collective maritime stakeholders. No single maritime stakeholder whether it is government, industry, or private sector can do this alone. We must continue to work together to improve security. This is never more important than now in our collective national imperative to defend our nation and win the war against terrorism.

The men and women of DHS have accomplished a great deal in the past year and we are each very proud of them. In the end, no amount of planning or strategizing is worth the paper it is written on without the dedicated effort of committed men and women who wake up every day with the safety and security of their nation on

their minds. Thank you for the opportunity to testify before you today. We will be happy to answer any questions you may have.

JAYSON AHERN, ASSISTANT COMMISSIONER, FIELD OPERATIONS, BUREAU OF CUSTOMS AND BORDER PROTECTION

Mr. AHERN. Good afternoon, Madam Chairman and members of the committee. Thank you very much for the opportunity to testify on maritime security and the progress United States Customs and Border Protection continues to make in working in concert with our partners: United States Coast Guard, Immigration and Customs Enforcement and the Transportation Security Administration.

I am also very pleased to be here with my colleagues: Admiral Belz, Mr. Blank and Mr. Stallworth. With our federal government's prevention, preparedness and response capabilities now under one roof in one department of government, and with that department under the outstanding leadership of Secretary Ridge, agencies charged with securing our borders are positioned to meet this challenge with a unity of purpose and combined resources.

CBP's primary mission is homeland security. This means detecting and preventing terrorists and terrorist weapons from entering the United States.

However, we are mindful of the fact that we must secure America's borders in a way that does not stifle the legitimate flow of travel and trade that is vital to the American economy. For this reason, CBP is fully committed to supporting the department's implementation of the Maritime Transportation Security Act.

I would like to highlight a few of CBP's contributions in this area. We have shared the responsibility for the implementation of the act.

We support the Coast Guard in the port security vulnerability assessments, both here at home and abroad, to include the Coast Guard representatives joining with CBP in a partnership to do the assessments overseas at our CSI ports; assisting the Coast Guard in drafting guidance and sanctions for non-compliant ports under the International Port Security Program; and partnering with the Coast Guard and TSA to develop a single set of regulations regarding the advance report of crew member and electronic passenger manifests.

Speaking about the United States Border Patrol as part of Customs and Border Protection, Border Patrol is responsible for the interdiction enforcement and operations between our nation's ports of entry. Their mission is to prevent the entry of terrorists and implements of terrorism from illegally entering the United States between our designated ports of entry.

In direct support of that mission, CBP maintains a fleet of 102 boats located at 16 of the 21 Border Patrol sectors nationwide. CBP Border Patrol agents routinely conduct drug enforcement operations with the Coast Guard and Immigration and Customs Enforcement marine units.

These interagency operations maximize each agency's unique mission-specific capabilities in support of the common goal of securing the homeland.

Examples include: joint maritime operations in the Great Lake areas; participation with Coast Guard-led training exercises for

cold water survival and boat handling skills. As mentioned by Admiral Belz, we are modernizing our fleet by adding six new 25-foot response boats built on an existing Coast Guard contract.

And lastly, CBP is part of the DHS Commodity Council, tasked with developing processes and procedures to optimize resources.

Protecting our seaports also places a great importance on knowing what is in the sea containers prior to arriving in our country. And I would like to talk about a few of those measures.

It begins with the National Targeting Center, which is the hub of our targeting efforts and sets the standards and defines the processes for which containers we will look at coming into this country. The NTC has established a range of liaisons with other agencies responsible for securing the U.S. borders and commerce, including the Coast Guard, TSA, Department of Energy, Food and Drug Administration, the FBI and members of the intelligence community.

The NTC also is fundamentally surrounded by an automated targeting system, which gives us a very key component for analyzing information and focusing our inspection efforts on the potentially high-risk transactions and sorting through the universe of 9 million containers that come into this country.

The Container Security Initiative certainly is an effort by CBP to secure the ocean-borne container traffic by placing multidisciplinary CSI teams alongside host country nation customs officers to ensure that all shipments that pose a potential risk for terrorism are identified and inspected at the foreign ports before they are placed on a vessel destined for the United States.

CSI currently is operational in 18 foreign ports and will expand to 17 by the end of this calendar year, which will account for about 80 percent of the container traffic destined for this country.

The Customs-Trade Partnership Against Terrorism currently is focused with the trade community to identify security standards to ensure the integrity of the entire supply chain. We currently have members numbering over 6,200, including U.S. importers, fair sea and rail carriers, trucking companies, U.S. port authorities. And we recently began to add Mexican foreign-based manufacturers.

These partners are also fulfilling their commitments to us by now allowing us to have our validation teams go overseas and actually begin to assess their protocols they have put in place to ensure supply chain integrity. C-TPAT is also working with five members of the partnership to go ahead and test the container security devices so we can have smarter containers and tamper-evident containers coming into this country.

And I would like to conclude by updating the status of our non-intrusive inspection and radiation detection programs. Used in combination with our other enforcement strategies, these tools provide us with significant capacity to detect and deter nuclear or radiological materials coming into this country.

Technologies deployed to our nation's sea, air and land ports of entry include large-scale x-ray and gamma imaging devices, as well as a variety of portable and hand-held technologies. To date, CBP has deployed 148 large-scale imaging systems nationwide, with 51 of those being positioned on both coasts at our seaports.

To date, we are also deploying very quickly our nuclear and radiological detection equipment at our ports of entry. To date, we have

269 radiation portal monitors at sea ports, land border ports and airports and air cargo environments.

And I think I will conclude at this point and be happy to take any questions you might have later.

STATEMENT OF CHARLES STALLWORTH, II, DIRECTOR, AIR AND MARINE OPERATIONS, BUREAU OF IMMIGRATIONS AND CUSTOMS ENFORCEMENT, DEPARTMENT OF HOMELAND SECURITY

Mr. STALLWORTH. Good afternoon, Madam Chairman and distinguished members of the subcommittee. Thank you for the opportunity to testify on behalf of the men and women of the Immigration and Customs Enforcement Office of Air and Marine Operations about the work we are performing to enhance the maritime security mission.

The primary mission of ICE and the Department of Homeland Security is to direct and address vulnerabilities in our national security whether those vulnerabilities expose our financial systems to exploitation or our borders to infiltration. In close coordination with our counterparts at Customs and Border Protection, the United States Coast Guard and the Transportation Security Administration, ICE Air and Marine Operations is uniquely situated to maximize our vast jurisdictional and statutory authorities to continue to protect our homeland.

ICE is the primary investigative arm of the Department of Homeland Security. And the Office of Air and Marine Operations has a longstanding history of protecting the borders of this nation, including our maritime borders.

Air and Marine Operations enhances the capabilities of ICE and the department with core competencies in air and marine law enforcement, air and marine interdiction and airspace security. As this hearing convenes, the men and women of ICE and Air and Marine Operations are applying these core competencies to secure our cities, borders and nation.

This mission is being accomplished both nationally and internationally in partnership with other agencies within the department. The Office of Air and Marine Operations has, for many years, successfully performed these duties at the tip of the spear, alongside the United States Coast Guard and the Border Patrol.

Going beyond simply interdicting illicit cargo and arresting criminals involved, ICE investigations in Air and Marine Operations lend an enhanced ability to interdict and investigate immigration and customs violations. For example, our ability to target human smuggling alongside of narcotics and weapons and other forms of smuggling and follow the illicit money trail wherever it may lead places ICE in a unique position to enforce our homeland security mission in ways never before foreseen.

In the post-September 11, 2001, strategic environment, illegal penetration of our borders and sensitive airspace could be linked to or constitute the next actual attack. My esteemed colleagues within DHS that are here with me today are partners that we work with to counter these numerous threats to our way of life.

However, we recognize that simply continuing the fight, as our legacy agencies did, will not achieve the level of protection we owe

the American people. That is why Air and Marine Operations, in coordination with the other agencies of DHS, is continuing to work towards improving its capability to deter, interdict and prevent airspace and border intrusion.

We created a national capital region branch that provides 24/7 airspace security coverage over the Washington, D.C. area. Less than three miles away from where we sit now, at Ronald Reagan Airport, Air and Marine Operations crews and their jet interceptors and Black Hawk helicopters are on the ramp, ready to launch at a moment's notice, to help secure the airspace, in partnership with the U.S. Air Force units in this region.

In addition, Air and Marine Operations provided airspace security coverage when the threat level is raised to orange during events such as the State of the Union Address and the Super Bowl and in support of Operation Liberty Shield. Simultaneously working with ICE Investigations Division, the men and women of Air and Marine Operations are continuing to provide a deterrent force against the importation of weapons of mass destruction and other instruments of terror into the United States, disrupting narcotics smuggling and money laundering organizations and enforcing embargos, trade agreements and sanctions imposed by the United States government against other entities.

Air and Marine Operations brings to the table capabilities that enhance the investigative capabilities of ICE, while supporting and acting as a force multiplier for other DHS agencies.

Our air and marine capabilities are a critical and integral part of the Department of Homeland Security's efforts to conduct effective counter-terrorism, law enforcement and counter-smuggling operations against seaborne threats. With their unique law enforcement authority, our personnel, operating aircraft and vessels, extend the department's maritime domain awareness capability, while also providing an unmatched capability for airspace domain awareness.

Employing a defensive strategy to push threats far from our shores, we use our long-range P-3s to interdict, identify and deter maritime and air threats as far from our borders as possible.

At this time, I would like to conclude my comments and reserve the time for your questions and my colleagues.

Thank you.

Ms. GRANGER. Thank you very much.

Mr. Blank?

**STATEMENT OF TOM BLANK, ASSISTANT ADMINISTRATOR
FOR POLICY, TRANSPORTATION SECURITY ADMINISTRATION**

Mr. BLANK. Good afternoon, Madam Chairman, Chairman Cox, Representative Turner and distinguished members of the subcommittee. It is an honor to appear here on behalf of TSA this afternoon to discuss maritime security operations within the Department of Homeland Security.

As my colleagues have already stated, the Department of Homeland Security agencies are working closely together to maximize government resources, ensure consistency among agency initiatives and programs and avoid potential overlap in carrying out our maritime security mission.

DHS, pursuant to Homeland Security Presidential Directive 7, is in the process of developing a national critical infrastructure plan that will identify and prioritize United States critical infrastructure and key resources and to protect them from terrorist attack. This plan will be comprised of Sector Specific Plans. And TSA has been assigned primary responsibility for developing the transportation-specific SSP.

The transportation SSP will discuss how federal and private sector stakeholders will communicate and work together, how important assets in the transportation sector will be identified, assessed and prioritized, how protective programs will be developed, how progress in reducing risk will be measured and how R&D will be prioritized in the sector. In the transportation sector, the SSP will further these efforts currently underway and help ensure that they are systematic, complete and consistent with the efforts in the other 12 sectors.

In developing the transportation SSP, TSA is working under Border and Transportation Security Directorate guidance and with partners in the U.S. Coast Guard, U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement and the Department of Transportation and its Modal Administration. DHS will build on the foundation of the SSP to provide overall operational planning guidance on transportation security.

The expanded SSP will ensure that modal security plans are integrated into an effective concept of operations for management of the transportation sector security. For example, the Coast Guard, who is the lead DHS agency for maritime security, is developing a national maritime transportation security plan. That will become a critical component of the transportation Sector Specific Plan.

As to TSA actions beyond the Sector Specific Plan, these include development of a web-based, no-cost maritime vulnerability assessment tool that is assisting port, vessel and facility owners to complete vulnerability assessments required by the Maritime Transportation Security Act. And to date, TSA has received over 1,200 requests to use this tool.

TSA has implemented a synergy project designed to examine the feasibility of implementing a cost-effective, functional and secure system to screen and transfer cruise ship passenger baggage from seaport to airport and reduce congestion at airport security checkpoints caused by the influx of large numbers of passengers disembarking from cruise ships. We are testing this program currently in Miami and Vancouver.

TSA will soon begin the prototype phase of the transportation worker identification credential, or TWIC. The prototype will test the feasibility of bringing greater uniformity to procedures for granting access to those who work in the most sensitive and secure areas of our national transportation system.

TSA personnel are assisting the Coast Guard in developing the policies and procedures that will be used for the international port security program and, to that end, have provided the Coast Guard with examples and lessons learned from the foreign airports audit program. Key TSA federal security directors from around the country, as well as TSA headquarters staff, serve on the Coast Guard's Area Maritime Security Advisory Committee.

Working together under the leadership of VTS, we are developing a more comprehensive framework for securing the maritime cargo supply chain. This initiative will also assist in meeting the missive requirements for secure systems of transportation, emphasizing intermodal aspects of maritime and cargo transportation.

We are reviewing cargo programs, analytical tools and other relevant resources in order to identify remaining supply chain vulnerabilities. The department expects the results of Operation Safe Commerce will also help shape this framework.

Operation Safe Commerce is a pilot program at the largest U.S. container load centers—Los Angeles/Long Beach, Seattle/Tacoma and New York/New Jersey—that brings together private business, ports, local, state and federal representatives to analyze current security procedures for cargo entering this country.

The program has functioned like a venture capital fund to promote research and development for emerging technology and business practice changes to monitor the movement and integrity of containers through the supply chain. The OSC program provided resources to find innovative ways to track and protect cargo entering the United States from all over the world.

OSC will complete its work next year. Secretary Ridge has awarded \$58 million in OSC grants this year. And we expect to fund an additional \$17 million in OSC technology deployments later this year.

With that, Madam Chairman, I will suspend.

Ms. GRANGER. I will recognize members for the questioning. The five-minute rule will apply. It will be extended to eight minutes for those who did not make opening remarks.

And as chair, I have a couple of questions.

Admiral Belz, first. The Coast Guard's Deepwater program includes funding for unmanned aerial vehicles. Are there any plans to expand the maritime mission of UAVs departmentwide?

Admiral BELZ. Madam Chairman, the Coast Guard's program with regard to maritime UAVS include both vertical UAVS and kind of fixed-wing UAVs. Specifically with regard to Deepwater, those assets are set out over time in a phased implementation right now that would include primarily utilization within our own deep water acquisition.

With regard to the other modal agencies, there is indeed interest on the part of the UAVs. And I think there is, in fact, a subgroup, a UAV subgroup at the department, to which I believe all of us are partners that operate aircraft.

And I think there has been both testing on both the maritime and land borders right now separately by the agencies. But we are learning from each other.

Particularly in some cases, you actually have different concerns in terms of that particular operating environment. So although we are anxious to learn from each other, we are also learning from the Department of Defense and others with regard to the utilization of UAVs.

Clearly it is the way of the future. And particularly for routine and persistent surveillance, this offers exciting and promising opportunities for us.

I would perhaps also ask my colleagues to comment on that with regard to their specific endeavors going on.

Ms. GRANGER. Mr. Ahern?

Mr. AHERN. Thank you. Currently, the Border Patrol is actually employed a test that is in the Western Desert Initiative as part of the Arizona Border Control Initiative that is going on in Arizona currently.

Beginning June 1 and through the end of this year, we actually—through the end of this fiscal year—we actually will be doing a test between the ports of entry for the UAV project just over land at this point in time. And we will be evaluating that and feeding that into the departmental working group that will be stood up.

But it is for land at this point. And they will be operating about eight hours a day.

Ms. GRANGER. Thank you.

Mr. Stallworth?

Mr. STALLWORTH. The Office of Air and Marine Operations conducted a 15-day test last November in Arizona, utilizing DOD assets under our operational control under the Air and Marine Operations Center control. And that 15-day test, resulted in 2,400 pounds of marijuana, three vehicles, 18 unaided detections of violations and eight arrests of suspects and the detention of 22 undocumented aliens. So we have utilized it, tested it and found it to be operationally feasible and are looking at ways to partner with our sister agencies and take advantage of the technology.

Ms. GRANGER. Thank you.

Mr. Blank?

Mr. BLANK. I have nothing to add, Madam Chairman.

Ms. GRANGER. Thank you very much.

Now I call on Representative Turner.

Mr. TURNER. Thank you, Madam Chairman. I want to thank all of our witnesses for being here today.

One question that comes to my mind, Mr. Blank. The Transportation Security Agency had a whole lot of work to do around aviation security. The only thing I have noticed from my notes that you are doing at the ports is trying to implement this new transportation worker identification card.

And I understand there has been some confusion about it. And people are wondering when it is going to be implemented to try to improve security of those who work at the ports.

What would you think if the Congress just decided to get you out of the business of worrying about port security and put it in the hands of the Coast Guard, that handles 90 percent of it right now?

Mr. BLANK. I think every agency represented here brings a certain subject matter expertise to achieving the overall mission in the maritime sector that DHS was charged with carrying out. TSA has a great deal of credentialing expertise.

We think the TWIC is going to make a significant contribution to assuring that unescorted access to secure areas of the transportation system, whether they be ports or other maritime terminals or rail infrastructure, that we do not have people getting in there that we do not want, want to get in there.

We think our role in the big picture of developing the plan under HSTD 7 is a significant contribution. And we think what we have

to do is make sure that we are focusing on the intermodal nexus so that we do not have modal isolationism. That is a TSA job, to look at how the whole program fits together.

We think we have some responsibility and a contribution to make in the area of supply chain security. Because, again, if we were removed from having some responsibility in the maritime sector, it might affect our capability to look at how the maritime cargo supply chain links up with the rail supply chain, links up with the surface trucking supply chain.

And so as we get the information and learning from Operation Safe Commerce, we think the role that has been designed for us is something that can make an effective contribution. But we do recognize that the lead in the maritime sector belongs to the Coast Guard. And we support that.

Mr. TURNER. Thank you.

I sometimes wonder if we would not do a more effective job if we did not have several people with their different programs being run by different folks. Obviously, we attempted, in creating the Department of Homeland Security, to provide some focus here.

But you have a little piece of it. Customs and Border does. Coast Guard is. And I agree with it. Coast Guard traditionally has had the lead role and should have.

Mr. DICKS. Will the gentleman yield just for an observation? I am told that TSA has taken no steps to begin the background check process which is required before a TWIC can be issued to an individual or develop a distribution plan. Is that, in fact, true?

Mr. BLANK. We have the capability to do background checks and will do so at the time the TWIC program is initiated. We envision the background check. We are experienced in doing it in the aviation sector.

We are currently beginning to do a background check that will become more fulsome on hazmat truck drivers. But we would not be taking steps to do background checks before we have our technical infrastructure relative to the TWIC and get through our prototyping of the technology phase.

Mr. DICKS. Thank you for yielding.

Mr. TURNER. Thank you.

Mr. Ahern, you mentioned you have 269 radiation portal monitors in place. But the reality is that less than 10 percent of those are at our seaports.

The President's budget requested \$43 million for purchase of additional radiation portals so we can check these containers as they come into our country for radiological or nuclear material. By my estimate, in order to complete the task of installing radiation portals, it would take something in the neighborhood of \$250 million more than the President requested in his budget.

Am I in the ballpark?

Mr. AHERN. Those numbers are accurate. And I have previously testified to those numbers before another committee.

Mr. TURNER. If we could persuade the President and the Congress to make our ports safe in the next fiscal year from the fear of some radiological device getting in our country, would you be able to implement that program with the additional \$250 million?

Is there anything standing in your way, other than funding, is what I am asking you?

Mr. AHERN. We have developed a project execution plan that shows what we feel we need to execute the radiation detection strategy throughout our ports of entry.

Mr. TURNER. No, that is not what I asked you. I said: is there anything standing in your way of doing it now except the fact that the President has not asked for—I know the Congress has yet to appropriate—the additional \$250 million that would allow you to get the task done? I know you have a plan and I know it is over years. I am saying: could you do it next year if we could persuade the Congress to fund it?

Mr. AHERN. We would have to go back and take a look at the project execution plan to see if we could reconfigure the plan to see if we could get it done by the end of 2005. But it really would be funding-dependent. But we clearly do need the additional funding to complete this plan as prepared.

Mr. TURNER. So I think I am hearing you say that if we could persuade the Congress and the President to ask for and to appropriate the money, you could get the job done.

Mr. AHERN. We have a plan that could be executed.

Mr. TURNER. Thank you, sir. One other inquiry, Mr. Ahern. We are relying on this C-TPAT program—Customs-Trade Partnership Against Terrorism program—to be sure that we have containers coming into our country that we think are safe. And there are 6,200 companies that have signed up with you to participate in that program.

And yet, my information is that to date, we have only 248 of those companies' security measures validated. So that leaves almost 6,000 that we have yet to verify that they are actually complying with any kind of security standards.

What is it going to take to get that job done quicker? Will the appropriations that you have requested allow those verifications to be completed by the end of this next fiscal year if you get the funds that the President has requested of the Congress? Can you do it in this fiscal year?

Mr. AHERN. Out of the 6,200 C-TPAT we currently have in the program, there are 3,100 that are certified. And out of the universe of applications, we have a 15 percent rejection rate. So 15 percent are not allowed in to be participants.

There are 3,100 that are certified. We have 700 validations that are initiated, with 248 that are completed.

In the authorization or actually, in the initiative we put forth for this year, we did actually receive funding for 157 positions for C-TPAT. At this point in the year, I have 41 of those actually brought on board. And we are continuing to move forward with bringing the additional validation specialists on board, so that we can fulfill our responsibility to do the overseas validations, as well as the domestic validations, of the companies that are involved with C-TPAT.

Mr. TURNER. So I am not sure I got an answer to my question. If you get the appropriations that the President asked for, can you complete the verification of these 6,200 companies by the end of the fiscal year 2005?

Mr. AHERN. I think it would be careless for me to give you a number. I would have to process it out, congressman, to make sure, as far as once we get our people on board, the capacity to do those.

We believe that we have an adequate number with the initiative money we have for this year bringing 157 on board. Once we get them staffed up, I believe that would give us the capacity to do what we need to do.

Mr. TURNER. Thank you.

Ms. GRANGER. Thank you.

The chair now recognizes Chairman Cox for eight minutes.

Mr. COX. I thank the chairwoman. And also, welcome to the witnesses. Thank you for your forbearance during our floor vote and for your outstanding testimony.

I also want to say, since most of our opening statements were interdicted by the floor vote, that we recognize the enormous contributions that the many operators within the Department of Homeland Security that you represent are making in the war on terrorism every day. The people that you represent are defending our nation at great personal risk.

And I do not think there is any more eloquent testimony to that fact than the death last week in Iraq of Coast Guard Petty Officer Nathan Bruckenthal. He was, of course, deployed with the Coast Guard forces to the Persian Gulf and was killed in an explosion, along with two sailors, U.S. Navy sailors, when they intercepted a terrorist suicide boat that was heading for an oil terminal in the northern Arabian Gulf.

So we want to honor all of these men and women that you represent today as we conduct this hearing on how we can make constant progress in the effort.

I want to begin by asking how we can foster more jointness in the mission that you have all taken from the legacy agencies that you represent into this new Department of Homeland Security.

I want to start, Mr. Stallworth, by asking you: should ICE aircraft be able to land at a Coast Guard air station for repairs?

Mr. STALLWORTH. Yes, sir. I believe they should be able to and can land there. The question of repairs on aircraft is whether or not the mechanics and others that are present are certified to work on it.

And the main objective there would be to make sure that we are all flying aircraft that are similar if they have the same mission.

Mr. COX. And are we building towards that? Are we building towards shared repair and maintenance facilities?

Mr. STALLWORTH. We are in those places where we can. We are looking at that right now.

We are looking at an air logistics or aviation logistics management system right now that the Coast Guard operates called ALMIS. We are going to have a test that actually starts later on this month down in Corpus Christi, Texas, where we have collocated organizations near the same facility.

And obviously, with us being legacy organizations which were not joined at the hip, so to speak, for the past several years, we have about—I think the number is 58 different types of aircraft in the Department of Homeland Security, out of the number being something in the neighborhood of 450 or so aircraft total.

So we have some ways to go. But on the good side of that, where we are looking at multi-role or maritime patrol aircraft, we are looking at the same aircraft. The same thing for our medium-lift helicopter; our Joint Requirements Council is bringing those requirements together so that where it is possible, where it meets our mission requirement and where we can save on logistics and maintenance interoperability, we will do those things and take those steps so that we have aircraft that meet the multiple mission requirements of the agencies where possible.

Mr. COX. To pursue this jointness notion a bit further, Mr. Ahern, should the ICE Air and Marine Operations Center be able to tell where all CBP aircraft are operating?

Mr. AHERN. I think certainly as far as we need to make certain that all aviation is coordinated so that we do not have any mishaps or aviation safety concerns or a potential for assets to be mustered to go ahead and respond to something that really is a friendly aircraft in the area.

I believe that the Aviation Operations Management Council is looking at this issue and should come to some resolution so that there is a more efficient system for us. There has been FAA transponders that have been put out for our Border Patrol aircraft, that operate in the proximity of the border areas, that provide the support to our interdiction operations in our homeland security mission between the ports of entry.

But there certainly needs to be coordination for safety and also for efficiency.

Mr. COX. And Admiral Belz, should a Coast Guard aircraft be able to engage in secure communications with an ICE patrol boat in the water below?

Admiral BELZ. Certainly, that is an outstanding capability we do not have now. With our Deepwater acquisition, as we have looked to examine our requirements on that particular major acquisition, we are looking at how we are ensuring—you know, we have that connectivity among our sister agencies here.

In many cases, we have that serendipitously. But we do not have it as an organized effort.

And that certainly again was the genesis behind the department-wide initiative to stand up an Aviation Operations Management Council. It has been going on now about six months.

And it is, I think, right about on pace in terms of the issues that they are looking at, sir, which is some of the very issues that you have raised here today.

Mr. COX. And finally, Mr. Blank, to focus on possible greater opportunities for jointness between TSA and the Coast Guard, on the intelligence side, we have this recent report issued by the GAO that found that Coast Guard and TSA may be duplicating efforts in collecting intelligence information about vessels and cargo. They recommended that we pursue that opportunity.

According to the report, while the Secretary has delegated primary responsibility to TSA for the new integrated maritime information system, the Coast Guard's efforts in this area are more extensive and better funded at the moment. And furthermore, the integrated maritime information system is very similar to the Coast Guard's Intelligence Information Center Coast Watch Program that

is already in place and has considerable intelligence analysis capabilities.

Finally, GAO tells us that, to the extent there is duplication, there is also an opportunity to create gaps because the resources that are focused on duplicated efforts are of course not focused on making sure that everything is covered. What can we do to prevent either Coast Guard or TSA from having these overlaps and to help the Department of Homeland Security have a complete intelligence picture to detect potential threats?

Mr. BLANK. Mr. Chairman, we recognize what the GAO has found. We recognize that the Coast Guard is the lead in maritime intelligence. And the tool, the intelligence gathering tool that you mentioned, we believe that what we have invested in it may have some value applied to other modes of transportation. And we are evaluating that at this time.

But we are no longer using that IMIS tool in the maritime sector. We believe that we are probably a significant customer for maritime intelligence, in that we need to have it so that we can evaluate and analyze what it means across the broader transportation sector, what it means at the nexus of various other modes.

So we need it from an analysis perspective. But we have recognized that there was overlap and there was a need to have efficiencies. And so that IMIS product is no longer going forward.

Mr. COX. Madam Chairman, my time is expired. I would extend to the panel members who have not addressed themselves to any aspect of this question—for example, on this last question which involved the Coast Guard—if any of you wishes to add the other half or the rest of the picture or add more, I think that is more than welcome. But otherwise, Madam Chairman, I yield back.

Ms. GRANGER. Thank you.

Representative Dicks?

Mr. DICKS. Thank you. And I appreciate the testimony here today. I had a chance—a sneak preview, Madam Chairman—beforehand with some of the witnesses.

Mr. Ahern, I want to just ask you again on the record.

You know I have been concerned about Operation Safe Commerce, which will be complete in August of 2004. And I want you to say here on the record—give me the same assurances—that you are going to use the findings of this as effectively as you can when your agency takes this responsibility over.

Can you comment on that?

Mr. AHERN. Yeah, I would be happy to repeat what I stated to you back in the preparation room. Certainly, Operation Safe Commerce is very important to the Department of Homeland Security. As I mentioned, I am one of the three co-chairs of the executive steering committee.

TSA has the lead for the overseeing of the grants. One of the things that clearly we want to do is make sure that beyond just the management of the grant, that we get some operation utility at the end of the test. We have \$58 million invested in this program. There are going to be 1,000 to 1,200 containers that are actually going to be run through the Operation Safe Commerce trade lanes. I believe there are 18 trade lanes overall between the three load

ports of Los Angeles/Long Beach, Seattle/Tacoma, Congressman, and Newark.

It would make absolutely no sense for the Department of Homeland Security to put \$58 million out there and not do operation and evaluation to be able to take some of this technology or the procedures or the secure trade lane understandings that we gain from this to employ them. We will be doing the evaluation in partnership with—

Mr. DICKS. So you do not see any conflict between that and Commissioner Bonner when he announced the Smart Box initiative request for information on technologies that can improve container integrity. There is not going to be duplication here, is there?

Mr. AHERN. I do not believe there is going to be a duplication. And I would add, beyond just Safe Commerce, Commissioner Bonner's comment about Smart Box and also the Container Working Group. I think the department and the Border and Transportation Security Directorate is taking an oversight role to make sure there is not that redundancy and to make sure that there is the appropriate level of coordination as we make decisions for standardizing safe and secure trade lines.

Mr. DICKS. Admiral Belz, where are we on the national maritime transportation security plan required by MTSA? When will that be out?

Admiral BELZ. The national transportation security plan, sir?

Mr. DICKS. Yeah.

Admiral BELZ. Sir, the effort, in terms of developing that plan, is ongoing with a variety of pieces. And we are all partners on that together.

I would have to provide a specific update on that for the record, sir.

The initial timeline for the development of the National Maritime Transportation Security Plan (NMTSP) spans two years with development of the final plan by the end of CY 2005. The Coast Guard is using an inter-agency development team, similar to the approach taken for developing MTSA regulations. The initial national plan inter-agency coordination meeting was held on February 11, 2004, and regular inter-agency working group meetings commenced on April 22, 2004.

Mr. DICKS. All right. I hope the plan is going better. And I think it is important that we have an overall strategy.

One of the concerns that I have—and I wanted to say this here for the committee—is how are we going to pay for this? We have decided that we would take care of the problems of the airports pretty comprehensively. But there is a big question mark about who is going to pay for port security.

And the ports obviously feel that the U.S. government should pay for this. I believe that we cannot leave it unfunded somehow.

We were talking earlier about the lockout on the West Coast just for a week. And all of a sudden, the economic implications of not being able to get these containers into the major ports on the West Coast and then to Chicago and to the East Coast.

And if we do not have a program, if we do not have a funded program that is credible, I think this becomes a major concern. Now does somebody want to address that? How are we going to pay for this?

Mr. BLANK. Well, since TSA administers port security grants, I will take a stab, but I know my other colleagues want to as well.

Mr. DICKS. And the only monies come from Congress. The Coast Guard, I believe, said there is a \$7.5 billion requirement; \$1.5 billion each year. There is no money in the budget for this. And every year, Congress has added the money because this is such a gaping hole in our strategy.

Mr. BLANK. There has been over \$500 million appropriated. You are quite right.

There is \$46 or so million for fiscal year 2005. In fact, the Federal Register today carries an announcement of the request for proposals with regard to that money.

Mr. DICKS. I would just point out that the \$46 million is the first time anything has been requested by the administration for port security. Is that not correct? And it is not very much when you consider the \$7.5 billion that the Coast Guard says is required for port security.

Mr. BLANK. I think what we have to recognize, congressman, is that port security is clearly a shared responsibility between the federal government, the state governments, local governments and private businesses.

Mr. DICKS. But the other people are not stepping up to take this responsibility on. They do not have the money either.

And if nobody funds it, that is what I am worried about. If the ports do not do it, if the private sector does not do it and if here at the federal level we can only do it minimally because it is hard to keep adding money above the President's budget request, this is going to be a gaping hole in our overall security strategy.

If one bad container comes in on the West Coast in Los Angeles, this thing goes off, you have a major disaster and then the people say you cannot bring these containers in, the economy in this country is going to be directly threatened. And so I do not see how we can just let this go on without coming up with some kind of a funding strategy.

Mr. BLANK. We recognize what you are saying. But when I am talking about the port security funds that TSA has administered, until handing it off to another department, to look at the whole resource level, you have to not only consider the appropriated funds, but you have to put some total on the resources that have come from federal, state, local and private. And then you have to look at what is in various parts of the Coast Guard and CBP budget and get a whole picture, which is considerably more than what has just been put out as port security grants.

Mr. DICKS. What about this? Are the Coast Guard numbers solid, Admiral Belz? For port security, we need \$1.5 billion the first year and I think it is \$7.5 billion over the next 5 years? 10 years?

Admiral BELZ. We stand by those numbers. But I would agree with my colleague, Tom Blank, that in many ways, some of the benefits of this effort do, indeed-it has to be a shared partnership between the private sector and the federal and the state government.

Mr. DICKS. But if it does not get funded, are you concerned personally that this is a major problem for us? If nothing happens, if it is not picked up at the local level and the federal government does not do it, are you concerned that this is a major hole in our effort at homeland security?

Admiral BELZ. If we do not get compliance, I would be concerned because it is a balanced program. And we are requiring that partnership. We think we are laying out the standards.

So far, we are seeing that kind of evidence of compliance. So I think over time, we have to continue to educate and push for it, do our part and try to get industry to do their part, educate, do the initiatives that make smart and efficient utilization of federal assets. And then hopefully, we will see some benefits accruing by the—

Mr. DICKS. Can you make real progress without money?

Admiral BELZ. No, sir. We cannot.

Mr. DICKS. Thank you. Thank you very much.

Ms. GRANGER. Thank you.

Representative Souder?

Mr. SOUDER. I have a number of narcotics questions, which will not surprise any of you. The first question I have on the container security initiative in Rotterdam. And when we visited there, they were not checking for narcotics. And I wondered if we have any, in this initiative, any requirement as we set this up that there will be a checking for narcotics at Antwerp, at Rotterdam and other ports as well, in the free clearance.

Mr. AHERN. I assume that question is directed to me, congressman.

Mr. SOUDER. Yes.

Mr. AHERN. As far as the container security initiative, the principal focus of it is to make sure that there is not a weapon of mass destruction, explosive device, something that could create devastating harm to this country, that could come into one of our ports adjacent to a major city and be exploded or remotely detonated. That is the principal of CSI.

As we are targeting, using our targeting systems, and it is the same systems we use to target domestically, we are looking for anomalies. We are looking for anomalies that would drive us for doing our non-intrusive examination using the gamma imaging device.

So as we are then looking for the anomalies inside the containers, certainly the principal focus and will continue to be the national security examination. But as they identify an anomaly, they will continue to pursue that to determine what it is.

And if that happens to be narcotics, that is fantastic. And that is something that we then have the ability to start to make a good enforcement decision for control delivery to continue to explore much earlier in the transportation process, versus being able to identify it at the point of discharge here in the United States.

But the principal focus—I do not want to mislead anyone here—the principal focus of CSI is for national security examinations. But as we are targeting for anomalies, both in the systems and the use of the technology, any anomaly could be anything. And we pursue that to determine what it is, sir.

Mr. SOUDER. So they understand that an anomaly, if it does not lead to a weapon of mass destruction, still is to be pursued?

Mr. AHERN. I would say that is true.

Mr. SOUDER. And the Dutch understand that as well at Rotterdam, which is our biggest port? Because it seemed to be in the

early stages, sometimes yes, sometimes no, as far as willingness to cooperate. But the fact is if something is precleared and it is moving in and once it is there, the odds of it being checked again are less.

And as Elijah Cummings, the ranking member on my subcommittee, points out, we have 30,000 deaths a year because of narcotics versus the possibility of one from terrorism. And if we push this offshore, we have to make sure we are checking other things as well in that process and the anomalies in the purchase orders and bill of lading and so on.

Mr. AHERN. I would tell you with absolute certainty, if we were not comfortable that the examination was done to the level of satisfaction by us overseas through the host country nation customs authority, we would make that examination upon arrival.

Mr. SOUDER. Admiral Belz, we had some concerns early on, as we went up to level orange, that boats were being pulled back to the harbors because we had a shortage of people to protect the maritime security of the United States. Are you to the point yet—this somewhat is like the last question—how, if a boat is in active drug interdiction in the Caribbean or in the Eastern Pacific and San Diego or Houston or New Orleans or Miami goes to code orange, does the boat abandon what they are doing to be pulled back into port? How do you make those kind of decisions?

Admiral BELZ. Sir, we have come a long way since 9/11 with regard to how we deal with that particular issue. I think the department itself and all of us as partners have in fact learned how to apply our resources better together to deal with this full array of threats.

And particularly early on when we were early on looking at the situation, we certainly used a different approach regarding some operational tactics than we do today. And so over time, even through our standup of code orange over several times now, we have evolved both our strategy and our tactics in executing that.

So as you will see concurrently, with regard to the drug effort, the intelligence there has continued to develop very well. I do not want to say we are lucky rather than good, but we have seen concurrently some maturation of the effort with regard to maritime intelligence, partnering with regard to assets, again with colleagues sitting here at the table, specifically with ICE and CBP on the land border. And our integrated effort, largely working through the joint interagency task forces, have allowed us to invest individually less and achieve considerably more as a U.S. government.

So we have two things going on there. We have in fact been supported by the Congress. And we have been supported through the President's budget in building up the necessary assets more in line with dealing with the homeland security issues—or as we would call it, waterways and coastal security; less so at the expense.

But at the end of the day, it is an issue of capacity. And where we have to put those, oftentimes is a risk analysis of where to best place those. But I think you would see it less today than you did 2 years ago.

Mr. SOUDER. Thank you. I would also ask—for the record, because I have one additional question, but this can just be for the record, because what you just said also was in a number of the tes-

timony, written testimony—would you provide the committee with the narcotics drug seizures from the year before the creation of the department from March 2002 to February 2003 and then what we have seized from March 2003 to February 2004; basically March to March. There are lots of variables with this. But I would like to be able to compare it as much as possible and then look for the explanations for any deviation.

Mr. Stallworth, I had one question for you yet. There has been a lot of discussion and in fact today, I have been confused on the border. I remain somewhat confused today precisely how the air and marine operations are—not to mention the land operations—with the border patrol, what is the legacy border patrol and legacy customs—and how you are structured.

Do you believe by putting you in one department that has altered your function some, in particular its relationships with narcotics and immigration?

Mr. STALLWORTH. One thing that it has done, it has altered, it has given us the responsibility under Title 8 to handle and see the immigration issue, even though we never turned around or turned down immigration—illegal immigrations or undocumented aliens. We always turn those over to border patrol.

We have exactly the same procedure now, in that we call them in to do that because they are the ground force that is in place. The integration of our air and marine assets, most of that comes through the integration of operations through the Air and Marine Operations Center that essentially has interagency people there focused on domestic, for the most part, and arrival zones.

Mr. SOUDER. Can I interrupt you just a second? Did you say you have had an increase in your assignments to immigration? But you did not have it before? DO you mean you have had a reduction in the drug interdiction mission?

Mr. STALLWORTH. No, sir. In fact, what we have had—and we will provide you the same figures in the same time period you just asked for from others. We will provide you that.

And I think what you will see is with the increased emphasis on border sovereignty under U.S. sovereignty has been an increase in all types of interdictions.

Immigrations or undocumented alien numbers have gone up. And drug interdiction numbers have gone up, both from our arrival zone or U.S. arrival zone and from our activities outside of the U.S.

Mr. SOUDER. Thank you.

Ms. GRANGER. Representative DeFazio?

Mr. DEFazio. Thank you, Madam Chair.

A question to the Coast Guard about the automatic identification system. I have been an advocate of this for some time, essentially having a way of tracking vessels approaching U.S. ports and critical areas. But my understanding is, although we have a mandate in place now that we are going to have AIS on all vessels over 65 feet by December 31, that it will be transmitting data into many of our ports, that half of our ports will not have a capability of receiving those signals and actually tracking those, except at the ports where we have the system that is called VTS.

Period	Cocaine Seized in Pounds	Marijuana Seized in Pounds
March 2002-Feb 2003	95,507	30,447
March 2003-Feb 2004	174,107	20,456

Can you comment on that and explain to me how we are going to better utilize that information? Because I think it is key that we be able to constantly track vessels of any size and be able to use that data.

Admiral BELZ. Certainly, the VAIS system, when fully mature, will be able to provide us additional information beyond the ports that we now have targeted—you know, the VTS ports. But over time, that is just one piece of the puzzle.

There are other capabilities that, until we can build out the fully built out system, we will be able to use other sources of information.

There is no silver bullet with regard to any of these particular pieces of intelligence or monitoring data that alone, given the classes they apply to, given the state of the international agreements and cooperation, given the state of the implementation of other monitoring systems, that is the entire point, sir, of the intelligence fusion that we bring together.

So we have opportunities with partnering about sailing dates, notice of arrivals, maritime surveillance, other assets, even outside our own department, that bring together a comprehensive picture of what is actually out there moving.

At the end of the day, we will continue to improve that system.

Mr. DEFAZIO. What is the timeline we are looking at where we will be able to utilize the data that will be available off of these vessels in all our major ports, other than the VTS? Do we have a plan if we have some money? Are we building out the system?

Admiral BELZ. We are working on a plan. And we are building a plan; again, looking at constraints and needs, with regard to—

Mr. DEFAZIO. Meaning not having the funds to go forward.

Admiral BELZ. Well, sir, there are many aspects to doling out a secure safety regime. And I think our approach—again, working within our department—has been to try to build out a system consistent with growth and overlap so that we do not, as has already been pointed out, leave some glaring gaps in some areas while we entirely focus on building out a system somewhere else that, in some cases, maybe does make the best business case for ourselves.

So we think we are putting forth a balanced effort, taking into account things that were in play already and things that make sense within regards to support of both the international community and ourselves, sir.

Mr. DEFAZIO. You mentioned the documentation of the vessels, of foreign vessels in particular. I am not quite certain where we are at in terms of piercing the veil of obscure ownership.

Right now, Osama bin Laden could own quite a few freighters. We would not know it because of the way the international mari-

time industry is structured and the way we allow it to go forward. Have we successfully negotiated a change so we are going to actually know who owns these ships as opposed to the post office box of some lawyer somewhere?

Admiral BELZ. Well, sir, again, as you know, with regard to foreign vessels arriving in our port, we are relying on international cooperation. We have worked hard there for 2 or 3 years to gain that cooperation.

It is certainly necessary that we use this approach for the larger body of commerce moving through. Most of the folks out there are trying to be engaged in legitimate business.

Mr. DEFAZIO. Right. But the bottom line is we still have not really pierced that veil of ownership.

Admiral BELZ. Well, sir, I would not say that the veil has not been pierced. We may not have it fully down. But I think we are making good progress with regard to information sharing.

Mr. DEFAZIO. Well, I hope the Coast Guard will, as our representative to the IMO, continue to push most aggressively on that issue.

To Mr. Blank, on the Customs–Trade Partnership Against Terrorism, I just wanted to follow up on the questions that I believe the ranking member was asking, which is we have 6,200 companies out there that want to get validated, is that right?

Mr. BLANK. That is not TSA.

Mr. DEFAZIO. Oh, I am sorry. Okay. Right, okay. I am confused. So there are 6,200 out there?

Mr. AHERN. There are 6,200 C–TPAT participants at this point.

Mr. DEFAZIO. Okay. So are we extending privileges to those who have not yet been verified at this point in time, since we have only verified somewhere around five percent of them?

Mr. AHERN. 3,100 get some level of privilege.

Mr. DEFAZIO. Without having been formally inspected?

Mr. AHERN. They have formally submitted a security assessment, which we have reviewed in great detail. But we have not gone and done the validations.

Mr. DEFAZIO. Right. They have given you a paperwork plan. And you have not been on the ground to validate whether or not they have actually implemented it. But it looks good on paper.

Do they all look kind of alike, like some consultant provided them?

Mr. AHERN. No, we have not seen that.

Mr. DEFAZIO. Okay. All right.

And again, following up on the ranking member's question, it is not clear what the date objective is to have physically inspected all 6,200. What date do we have in mind? By when will we have inspected all of them—got the plan, looked at the plan, gone out and verified the plan is in place and then also be doing some sort of periodic follow up?

Mr. AHERN. As I stated, the answer is the same at this point. We will have to go ahead and factor it out what the plan will be once we get all 157 on board for the validations, how long would it take us to get the universe of 6,200 participants.

Mr. DEFAZIO. So you are hiring 157 people. Where are you in that process?

Mr. AHERN. Forty-one on board.

Mr. DEFAZIO. Okay. Are all the others chosen and just undergoing screening? You have the budget and we are well into the budget year. Where are we at?

Mr. AHERN. We are very aggressively moving forward with bringing the others on board. We want to make certain also that as we bring them on that we have the plan rolled out to do the validations and not just move to an aggressive move just to get them on board. We want to make sure that we have the plan to roll them out to do the validations in a very efficient way.

Mr. DEFAZIO. It is really critical that we are assured that these are legitimate chain of custody situations with very little opportunity for anything being interjected into the system if we are going to essentially lower the probability that they will undergo inspection.

I am just concerned at this point that some are operating without even having had their paperwork verified. And I do not know what led us to that conclusion.

But that causes me some concern. Perhaps maybe outside of the public session, you could tell me why that is and what assessments we have that just having the paperwork on those is adequate to allow them to know that it is less likely that they will be inspected.

Mr. AHERN. I would be happy to even answer that in the open session, sir.

Mr. DEFAZIO. If you can answer quickly because my time is expired here.

Mr. AHERN. I think one of the things that is very critical, beyond just the security assessments that were submitted, they went through all the law enforcement agencies we checked for their histories. We also looked at their compliance history for their importation record that they had over a number of years with Customs.

So we made a lot of various determinations. We also had a regulatory audit division that goes out and looks at their corporate records as well, that is part of more of the regulatory aspects and the financial aspects of the company for commercial purposes.

So we took the totality of all those factors, as well as now overlaying our layered enforcement systems with our targeting. They still go through the same national targeting system. They still can be subject to the enforcement screens that we do, the non-intrusive gamma imaging technology as well. And there still is a random factor to make sure that we are not fooled by some of the assumptions we make with these companies we put into these trusted carrier programs.

Mr. DEFAZIO. Okay, thank you. Thank you, Madam Chair.

Ms. GRANGER. Thank you. The chair now recognizes Representative Slaughter.

Ms. SLAUGHTER. How are we doing? All right, there we are.

Thank you, Madam Chairman. And I want to thank you gentlemen for coming today. I know it is terribly important for us to be able to hear from you. And I know that things are going so slowly at the agency and you need to be there. So we are very appreciative of your time.

I do have a question I would like to ask for Mr. Blank. This is something that has been brought up to me, Mr. Blank, about the

TWIC card. I know that there are two pilot projects going on—one in Los Angeles and one in Philadelphia.

Understanding how you can evaluate how the programs are going to go, but unfortunately, TSA has not taken any steps to begin the background process. And that is going to be required before you can issue any cards to any individual or even to develop a distribution plan.

Ports are worried about the pace of the program because their concern is it could be a conflict with the Coast Guard port security regulations that require access control for personnel. The ports do not want to spend thousands of dollars on a TWIC card only to find it is in conflict with what the Coast Guard does.

Could you give us some comfort on that?

Mr. BLANK. We will be fully partnered with the Coast Guard going forward. It is certainly not our intention to drive the port authorities or other stakeholders at the ports to any unnecessary expenditures.

For instance, as we envision the TWIC card, we have completed our technology evaluation phase. We do have one of the technologies that we think performed very well and is well suited to access control.

But port authorities and others out there have invested in some other technologies. And we are going to make sure that the TWIC card accommodates those. So you may have a TWIC card that will accommodate investments that have already been made.

And so we recognize that we have an obligation to not waste people's money and investment. And we recognize that we have an obligation to partner with the Coast Guard so that their efforts mesh nicely with ours, not only in the area that you mentioned in the port, but also with the Coast Guard's responsibility for merchant seamen IDs as well.

Ms. SLAUGHTER. Do you have any dates? Certainly, you are going to begin background checks. Do you have some idea when your cards are going to be issued?

Mr. BLANK. AT this point, our primary focus is getting into this prototype phase where we are going to make the system work. We have to make some determinations yet as to what the disqualifying crimes might be or the disqualifying background information might be.

So we will have to go through a process to make that determination. We will have to make that public and take comment on it.

But in terms of an overall system to do background checks, while we will have to work on that, it is something that TSA is gaining experience with almost every day, whether it is the hazmat truckers that we are getting to work on and people in the aviation industry.

So it is not a new process.

Ms. SLAUGHTER. I understand. It is just taking an inordinately long time. And people are concerned.

Admiral Belz, I have a couple of questions for you, if I may. I have been very much interested. I represent Niagara Falls. And we are very concerned there about the falls and national security.

We started talking to the Coast Guard in 2003, I believe, about the feasibility of stationing Coast Guard HH-65A Dolphin Heli-

copters there in the Niagara Falls region. As you know, Governor Pataki is very interested in this. He has put money in the budget to provide a facility for the Coast Guard.

And many of my colleagues and I have written to you recently asking where we are with that, hoping that we have made a good enough case because it is very important to us. And we have not yet heard from you. I have a copy of the letter if you would like to see it. If you do not have it, I can give you one.

Can you give me the status of that request?

Admiral BELZ. Ma'am, I have not specifically seen the letter. But I am aware of it. And I know that we also share your concern about the ability to place aviation assets throughout the country.

FOR THE RECORD
M. S. SLAUGHTER

Congress of the United States
Washington, DC 20515

April 6, 2004

Admiral Thomas H. Collins
Commandant
United States Coast Guard
400 Seventh Street, SW
Washington, DC 20590

Dear Admiral Collins:

We are writing to request the establishment of a permanent United States Coast Guard Air Facility at the Niagara Air Force Reserve Station in Niagara Falls, New York.

Since September 11, 2001, the Coast Guard has deployed HH-65A Short Range Recovery Helicopters to the Eastern Great Lakes area a total of 354 days. Of those, 230 days were spent stationed at the Niagara Falls Air Reserve Station. While in Niagara Falls, Coast Guard helicopters played a vital role in assisting other federal and local agencies in search and rescue, border patrol, and counter narcotics missions at and around the falls.

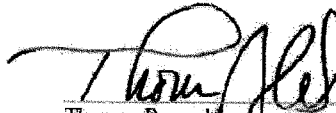
We acknowledge that the Coast Guard's mission has shifted in recent years, giving greater importance to homeland security endeavors. In the aftermath of September 11, continued Coast Guard presence at Niagara Falls would meet the increased demand for homeland security operations in the Eastern Great Lakes region, and the Niagara Falls area specifically, as one of the nations busiest border crossing locations. In addition, the Niagara Air Reserve Station's relative proximity to more Eastern points of the Coast Guard's 9th District, such as New York City and the St. Lawrence Seaway, confirms its strategic benefit.

As you may know, the Governor of New York is very supportive of this request and has proposed in his executive budget funding for the construction of a hangar at the Niagara Air Force Reserve Station for the purpose of housing a Coast Guard Air Facility. The Niagara Air Reserve Station is already a secure location offering necessary refueling capabilities, lodging, environmentally sound maintenance facilities, and any additional administrative space required by the Coast Guard.

We appreciate your consideration of this request for a permanent Coast Guard presence at the Niagara Air Force Reserve Station. Please feel free to contact Chris Wright with Rep. Slaughter at (202) 225-3615 or Mark Maier with Rep. Reynolds at (202) 225-5265 should you have any questions.

Sincerely,

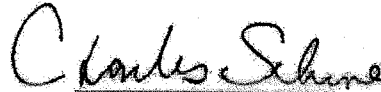

Louise M. Slaughter
Member of Congress


Thomas Reynolds
Member of Congress

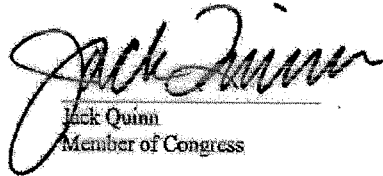
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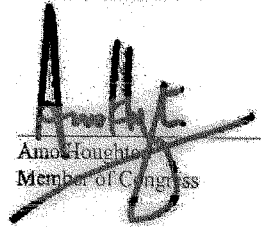
Hillary Rodham Clinton
United States Senator



Charles Schumer
United States Senator



Jack Quinn
Member of Congress



Amo Hough
Member of Congress



Sherwood Boehlert
Member of Congress

cc:
Governor George E. Pataki
Rear Admiral Ronald F. Silva

So we have looked at that. And I think our approach has been generally to try to deploy assets there on a temporary basis. And we certainly do that with regard to specific intelligence.

Ms. SLAUGHTER. We have had them on a temporary basis. We believe though that this is an important enough area of the country—a very busy entry port across to Canada—that we think that they should be there permanently, which is what our request is and why New York State is so interested in helping.

Admiral BELZ. Yes, ma'am.

Ms. SLAUGHTER. What can you tell me about that request?

Admiral BELZ. I can tell you that we are looking at it. We are looking at it, as we do in all manner of resource requests, it is a matter of balancing those requests, balancing those sources, understanding the risks, looking at some options, what really makes the most sense.

And I expect that we will provide an answer that will, at the correct time, assessing the risk with regard to the plan to continue to deploy on a temporary basis, I think is based on everything we can gather. And it is a difficult decision.

It is a difficult decision to deal with concerns of the Congress with regard to this issue because it is a significant issue. There is no question that we have had assets over there for a variety of reasons, beyond security.

Ms. SLAUGHTER. Well, the security is critically important. Without a threat assessment yet, to this day, it is very difficult to really concentrate on the parts of the country that obviously are pressure points.

And I think there is no question that that is one. So we would very much like to have that answer.

And I wonder, Madam Chairman, if you would hold the record open so we can get that response for me?

The Coast Guard has carefully assessed our aviation needs throughout the Great Lakes. In doing so, we considered organic Coast Guard surface and air forces and other public and even international partners. We have preliminarily determined that temporarily deploying to the Niagara region is sufficient in meeting projected mission requirements. I certainly appreciate the offer of State assistance to fund the construction of a hangar for a Coast Guard Air Facility. However, the cost for Coast Guard aircraft and personnel needed to support a permanent presence exceeds currently available Coast Guard funding. We are confident that “on demand” and as necessary deployments from regional Coast Guard air stations will continue to meet our mission needs.

Ms. GRANGER. Yes, I will.

Ms. SLAUGHTER. Thank you very much. Thank you, admiral. I look forward to a response that is favorable to that district.

Thank you very much.

Admiral BELZ. Thank you for the question.

Ms. GRANGER. Representative Sanchez?

Ms. SANCHEZ. Thank you, Madam Chairman.

Again, gentlemen, I am sorry for having left. I have several markups going on right now. And I hope that I am not reiterating questions that somebody may have asked in my absence.

I am interested in the fact that the TSA is the lead agency for the restoration of the maritime transportation system in the aftermath of a security incident at a port. The MTSAs requires, as part

of a national maritime transportation security plan, a plan to reestablish the flow of cargo.

When will DHS have a cargo contingency plan to ensure that cargo flow will be established quickly in the event a port suffers a terrorist attack, minimizing the economic damage? And I know that you have had some efforts with an outreach program to the private sector called Operation Restore. Can you tell me what that effort is about and where you are with that?

And I guess I also have the question: why was TSA designated the lead to do this task? And what role and what is the coordination going on with respect to the Coast Guard and the port on this issue of reestablishment of cargo lines once there has been an incident?

Mr. BLANK. I will begin and then I think Admiral Belz will have some comment.

If you look at TSA's role in this maritime sector, whether it is domain awareness, prevent, protect and so forth and restore, our responsibilities tend to be in development of plans, development of concepts of operations, looking at methods of conducting a certain thing, as opposed to being operational. These gentlemen's agencies are pretty much the operational element.

And a great deal of what you are talking about here is planning how to get the cargo lines established again. If a piece of critical infrastructure is not available for whatever reason, how do you re-route around that?

What is the plan? Where do you go? What will it take? What is required?

So those kinds of things are falling into TSA's realm of responsibility. But in terms of implementing that, we would be most likely looking at these gentlemen's agencies to do that.

But whether it is the Sector Specific Plan under the Homeland Security Presidential Directive 7 that will integrate the national maritime security plan, along with all the other modal plans; whether it is a national response plan, it will also become a part of that. Oftentimes, the subject matter and the content of the plans will come from these gentlemen's agencies and we will coordinate and put that together.

But I think that is the rationale for why you see TSA designated as the lead there.

Ms. SANCHEZ. Okay. That is a good answer to one of the parts. But then the question is: where are you along with having actual plans for ports to reinstate the flow of cargo?

Mr. BLANK. Every port is probably in a different state of play. We are in the process of working as quickly as we can on criticality assessments, doing the vulnerability assessments with our partners, particularly at the Coast Guard, and identifying what mitigation needs to be made on a port-by-port basis.

But I cannot really characterize, as a whole.

Ms. SANCHEZ. Do you have any information with respect, for example, Los Angeles/Long Beach, the largest port, the most important port to our nation, which is 15 minutes away from where I live?

Mr. BLANK. I would have to get you that, congresswoman.

Ms. SANCHEZ. What about the issue with respect to Operation Restore?

Mr. BLANK. That one I am going to have to defer to my colleagues, I believe.

Admiral BELZ. I would have to provide that for the record. I would like to make comment though with regard to facilitating the return of commerce.

Ms. SANCHEZ. I would not expect that you would comment on Operation Restore because that is a TSA program.

Admiral BELZ. Right.

Ms. SANCHEZ. Not a Coast Guard program. But that is okay.

Mr. BLANK. I would have to get you information for the record, congresswoman.

Ms. SANCHEZ. Okay. I see that my time is up. I will submit the rest of my questions for the record. They are pretty complicated.

Mr. CAMP. [Presiding.] All right. Mr. Markey may inquire.

Mr. MARKEY. Last month when Richard Clarke's new book came out, many in Boston were startled by a passage that appeared on page 15 of the book that discussed Clarke's fears that since terrorists had previously stowed away on LNG tankers entering the Port of Boston, that such LNG tankers could be targeted by Al-Qa'ida on September 11.

Since then, I have received a letter from DHS confirming that individuals with terrorist affiliations came into the country on LNG tankers or other Algerian flag ships. Both the Coast Guard and the FBI have since provided me with classified briefings on this matter.

While I cannot discuss the details of those briefings here, the FBI has said publicly that they had no evidence to support what DHS told me in the letter, in terms of their terrorist affiliations before they arrived in America. I can also say that there appears to be some significant discrepancies in the information and with DHS', the Coast Guard's and the FBI's assessment of the information.

Is there anything you can do here today to help clear up the confusion that this produces for people in Boston who read that the DHS says one thing and the FBI says another?

In other words, do you believe that Abdelghani Meskini and the other terrorists or those affiliated with terrorists who came off the boats in Boston were terrorists before they got to America? Or did they only become terrorists after they came to America? Could you tell us your conclusion on that subject?

Admiral BELZ. Good afternoon, sir. I believe we have provided essentially some of that information. I know it was an extensive briefing yesterday.

And without going into classified sources, it is our view that the latter was true, that this was an economic issue. We saw some evidence of direction and movement afterwards. But there was nothing specifically before.

And the reason I think some of this information continues to be developed in one case and not the other is because we are looking at the characteristic of building an intelligence baseline on populations in general, as opposed to a specific intelligence or investiga-

tion that may have an entirely different purpose at the time, with the time sequencing involved in that.

Mr. MARKEY. When that large a number of people all subsequently are identified as part of one plot, that perhaps it is more than coincidence than they did arrive with that in mind and with a plan to execute, rather than all being recruited individually after they got here, given the fact that they all came in on the same tankers, although at different times?

Admiral BELZ. Well, sir, I can almost, without getting into the specifics of this case, I can just say that you find a convenient methodology to do something. And oftentimes, in almost any venue you talk about, you use that until something happens about it.

And I think as focus has been drawn to those particular conveyances, we have seen a lot of change with regard to LNG flow into Boston.

Mr. MARKEY. I just mean from a statistical probability perspective, do you think it is likely, Admiral, that that many people getting randomly off tankers in Boston at an LNG facility would then all subsequently wind up being linked to the millennium bombing plot at LAX?

Admiral BELZ. I really had not had a chance to consider that. I would say that, again, we have to take a look at the broader perspective of the transits in and out of the port and the entire population and then maybe read some kind of a statistical analysis from that.

Mr. MARKEY. Director Stallworth and Admiral Belz, as you know, we have recently learned that Abdelghani Meskini, a terrorist arrested for his role in the millennium bombing, got to the U.S. by stowing away on the Algerian LNG tanker that was bringing LNG into my district in Everett, Massachusetts.

Another millennium bombing terrorist, Abdel Hakim Tizegha, also reportedly entered the country by stowing away on an Algerian flag ship. Over the past few days, I have had classified briefings with both the FBI and the Coast Guard. And there remain some answered questions.

While DistriGas has stopped using Algerian LNG because it was able to get a better deal on gas shipped from Trinidad, it turns out that numerous other Algerian flag ships entered the country in the past 5 years. Earlier today, the Coast Guard informed me that seven different Algerian vessels have called 34 times at 10 different U.S. ports.

We know from press reports that Abdelghani was arrested in 1999 and soon began cooperating with law enforcement authorities and presumably told them that he had gotten into the country on an Algerian LNG tanker. At what point were you made aware that Algerian LNG tankers or other vessels might be exploited by terrorists or non-terrorist stowaways trying to enter the country?

Admiral BELZ. Sir, you actually have better information than I have for this hearing. And I would have to find the specific date on that for the record.

In 1995, the Coast Guard first became aware of suspected involvement in illicit non-terrorist activities (drug and alien smuggling) aboard LNG tankers through Immigration Naturalization Service (INS) and Customs (USCS) officials. Prior to September 11, 2001, appropriate steps were taken to ensure the safety and security of LNG tankers during transit and operations into U.S. ports. This included joint

boardings with INS and USCS in response to law enforcement information about drug and alien smuggling.

After September 11, 2001, the Coast Guard refocused its efforts on potential terrorism vulnerabilities and immediate steps were taken to expand the required notification of arrival to 96 hours, to centralize notification and analysis of information, and to require submission of crew and passenger information. LNG tankers were provided security escort by Coast Guard vessels to enforce a safety zone around the tanker during transit into and out of U. S. ports. Also, under a larger security apparatus that was established, all LNG tankers were subjected to increased pre-arrival vetting and security measures.

If derogatory information is discovered during the vetting process, notifications are made to appropriate Department of Homeland Security (DHS) and interested law enforcement entities for appropriate action. This effort has detected and provided advance warning about numerous arriving crewmembers and other individuals identified in federal law enforcement and immigration databases as criminal or security concerns. In addition, several individuals wanted for questioning by federal agencies about possible extremist associations have been identified in advance notice of arrival and referred to the relevant agency for investigation, but none have had direct links to terrorism.

Mr. MARKEY. What steps did you take to ensure that the Algerian LNG tankers and other Algerian flag ships were searched prior to docking to ensure that no other stowaways were able to get into the U.S. using that route?

Admiral BELZ. Sir, which timeframe are we speaking about, sir?

Mr. MARKEY. After you were notified that Meskini or that terrorists were using—or potential terrorists were using—that as an avenue?

Admiral BELZ. Sir, again, without the specific date in front of me, as we have become aware of those specific events, not just characteristic of those specific tankers, but the targeting matrix that we have done since post-9/11 at the ITC and the National Maritime Intelligence Center sets up a matrix that includes a variety of things, specifically how many of those have called on ports with regard to that. That matrix alone, that would characterize it for a variety of different tools in boarding.

And I would have to answer specifically with each case with regard to that. It would be a standard protocol.

We work against a risk-driven matrix against that, but that would be a heavy driver that would have suggested close scrutiny and attention, not only by the Coast Guard, but with our partners seated actually here at the table. As the Coast Guard boards these vessels and gains control of them—because in some cases, you do not know if the issue is stowaways and moving people into the port or whether the issue becomes one of taking that tanker and making it a weapon of mass destruction.

So we have a variety of mechanisms that we will put in place with that. But I just do not happen to have the details in front of me.

Mr. MARKEY. I understand. Thank you, Mr. Chairman.

Mr. CAMP. The gentleman's time has expired. I have just a couple of questions.

The past couple of weeks, we have spent a lot of time in the subcommittee looking at the whole area of the ISAC—the information sharing and analysis centers. It is really a model for public-private partnership. And the maritime sector does not have an ISAC.

My question is: would the development of an ISAC help communication and coordination between the private sector and the agen-

cy? And if so, which should be the lead federal agency for the ISAC? And I would just like to get your thoughts on that.

Admiral BELZ. You want to start off?

Mr. BLANK. We think ISACs are very valuable. We do not have a real opinion as to who should be in the lead. But in this sector, DHS acknowledges that Coast Guard is in the lead.

TSA's overriding concern is that the information that an ISAC would produce be readily available to the surface ISAC that we operate out of the Transportation Security Coordination Center so that we have the opportunity to look at the intermodal aspects of the analysis that that would produce. At the current state of play with the Coast Guard in the lead for the maritime sector, I would think that it is entirely possible that the responsibility might go in that direction.

Mr. CAMP. Do you think there is any confusion about who the lead agency is in maritime, within DHS, for maritime and port security?

Mr. BLANK. I think that there is a full understanding inside DHS that Coast Guard is in the lead for maritime and port security.

Mr. CAMP. I was thinking within the private sector.

Mr. BLANK. I cannot really say. It is certainly possible that there is. But you have to understand that, DHS being barely a year old, consolidating 22 agencies, that there is a lot of anxiety and concern as to how we get ourselves organized, stand up, figure out our relationships.

But I do not think that any confusion out in the private sector has had any detrimental effects up to this point. And it is a priority for us to get those lines of communication open. And certainly you are correct in suggesting that ISACs are a good way to do that.

Mr. CAMP. Anyone else wish to comment on that point?

Mr. AHERN. I think one of the things that is very important is that we define the roles. I think it starts with a lot of coordination at the department level. We have information analysis infrastructure protection that begins the process for us and as we now take it down to field levels.

I think as we look at what the roles of Coast Guard are in Customs and Border Protection, there is a strong linkage, certainly with Coast Guard getting the vessel information 96 hours out. That is run through their intelligence center.

There is then a sorting process where we link with them if there is any concerns relative to the container traffic or the crew on board that are manifested. We then run that through our systems and collaborate with them and determine what joint operations plans need to be made when these vessels come on board—excuse me, come to ports of entry around this country.

I think it has come together in a very integrated fashion. I think it is one that we need to continue to work on. But I believe we are on the right track for having a well-integrated intelligence fusion process.

Admiral BELZ. Sir, I would like to just close with that. I think it is evolving. I think there is wide recognition of the role that each of us plays. And the Coast Guard has been oftentimes, working through our department, providing some of that very much detailed

information, sharing information through our routine contacts in the maritime industry.

So I think it has evolved nicely, particularly over the heightened security period that we have exercised really since the stand up of the department.

Mr. CAMP. Before we break for these votes and conclude the hearing, I have one last question. I do want to compliment you and applaud the efforts on the recent events in Haiti and the inter-agency coordination that went on there. I think that sort of task force was a success.

And I wondered if that was a model that you were looking at applying in other situations? And I think particularly the integration of the various agencies that you discussed earlier, if there is any comment on that particular point?

Admiral BELZ. I will start off with a comment and I think others may wish to contribute. But I think that particular effort was well articulated in terms of division by the Secretary. And I think in this particular case, with the kind of issues we were facing, that I think his choice of how it was organized and the competencies that we brought together and given the environment and the kinds of things that we did, the Coast Guard was in the lead of that, with strong support inside CBP. The deputy for the Coast Guard director down there, task force director, was in fact a border patrol officer, very well integrated.

I think it is a good model. And I think the lead that follows will be changing depending on the circumstances.

Mr. CAMP. Thank you. And I would like to recognize Ms. Jackson-Lee for her questioning.

Ms. JACKSON-LEE. Thank you very much, Mr. Chairman. I am here because I think of the committees that are in this House, this committee has one of the more important duties and responsibilities.

I would almost compare it to the idea of the metaphor, "While Rome burns, there are those who are playing music." And this is not condescending to suggest that America is not concerned about homeland security. But by the very nature of our community, the free democracy, most Americans are going about their daily work while not having the full responsibility of other things that you gentlemen have and that this Congress and this particular committee has.

So I am sorry that I did not hear the fullness of your testimony. I was in a meeting with the secretary of state. But my questions still are pointed on the comprehensiveness of what I believe your challenge is and where you are in completing it.

Coming from a community that houses one of the larger ports—the Port of Houston—and also coming from the Gulf Region, we are used to the vulnerabilities of water, if you will. Even the Port of Houston, which is a civilian port, is I believe vulnerable as to ingress and egress.

It is a man-made port that then leads into the Gulf. There are many other waterways that you are familiar with, whether it is New Orleans or whether it is the Pacific Coast, whether it is the port in New York; there are enormous vulnerabilities.

I just heard my colleague speak about the Algerian tanker. And as I have met with the international community, I have called repeatedly, as a member of this committee, for what I call an international homeland security strategy.

Because as I listened to some of your answers, I was concerned that we may be operating in a vacuum. Even though you have suggested a number of agreements—and I am talking to all four of you—and I know that the Coast Guard certainly has its international military relationships and I appreciate that.

But when we talk about 6,200—I believe these are either 6,200 vessels or 6,200 different ports—looking for verification. What is the 6,200 number again?

Mr. AHERN. The 6,200 are participants in the Customs–Trade Partnership Against Terrorism.

Ms. JACKSON-LEE. Right. And that is international.

Mr. AHERN. They are domestic companies as well as international companies.

Ms. JACKSON-LEE. And 3,100, as I understand, with paperwork and five percent that have been verified. In any event, it gives you the dauntingness of the challenge. The USS Cole gives us the dauntingness of the challenge.

So my question is—and I would like all of you to take a brief moment to answer it—what is the focus of having an international homeland security strategy on the issues you deal with, particularly with other ports? You do not have to go into the 6,200. I understand that. But let me leave that aside.

But particularly with the law enforcement aspects, the knowledge of what is going on at other ports as they depart and make departures into the United States, how comfortable are we that we have our hands around the magnificence or the magnitude of the problem?

Admiral why don't you start and then we will just go quickly to the others?

Admiral BELZ. Ma'am, I think you have exactly hit on the kind of a strategy that all of us have embarked on in terms of outreach with regard to the international to deal with this issue. I think that the standards that the Coast

Guard has attempted to and has, in fact, successfully implemented at IMO in trying to both lead by example and to negotiate what are perceived to be reasonable approaches to achieving the degree of security that we require on both vessels and with regard to the crew and the assessments of the foreign ports themselves, is actually a cooperative effort.

We have sought deliberately over the last 3 years to bring forth the kinds of initiatives that are being understood in the water community. And we have, in fact, been able to successfully steer a development of an international ship code that we will start to in fact enforce on our foreign carriers coming into this port starting this upcoming month.

Ms. JACKSON-LEE. Thank you.

Mr. Ahern?

Mr. AHERN. I think certainly it does start internationally. And we refer to a delayed approach. It does start overseas internation-

ally. And we are partnering with the Coast Guard, with the international port security program.

I think it is also very important to note just on April 22, Secretary Ridge signed an agreement with the European Union on a rapid expansion of the container security initiative program overseas to make sure that we do pick up the pace to get additional countries within the EU as part of the container security initiative program.

We have 18 operational ports. We want to get up to 35 by the end of the year.

We also need to make sure that the foreign manufacturers are doing their part to make sure that the supply chain is secure and it has integrity. So it begins there as well.

Mr. CAMP. I want to thank the gentleman for his testimony. The gentlewoman's time is expired. And I want to thank the witnesses for all of their testimony today.

And the Subcommittee on Infrastructure and Border Security is adjourned.

[Whereupon, at 4:32 p.m., the subcommittee was adjourned.]

