

Union Calendar No. 255

117TH CONGRESS
2^D SESSION

H. R. 6826

[Report No. 117-338]

To require a pilot program on the participation of third-party logistics providers in the Customs Trade Partnership Against Terrorism, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2022

Ms. SLOTKIN (for herself, Mrs. MILLER-MEEKS, Mr. WOMACK, and Mrs. LURIA) introduced the following bill; which was referred to the Committee on Homeland Security

MAY 24, 2022

Additional sponsor: Mr. GARBARINO

MAY 24, 2022

Reported from the Committee on Homeland Security; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To require a pilot program on the participation of third-party logistics providers in the Customs Trade Partnership Against Terrorism, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Customs Trade Part-
5 nership Against Terrorism Pilot Program Act of 2022”
6 or the “CTPAT Pilot Program Act of 2022”.

7 **SEC. 2. PILOT PROGRAM ON PARTICIPATION OF THIRD-**
8 **PARTY LOGISTICS PROVIDERS IN CTPAT.**

9 (a) ESTABLISHMENT.—

10 (1) IN GENERAL.—The Secretary of Homeland
11 Security shall carry out a pilot program to assess
12 whether allowing entities described in subsection (b)
13 to participate in CTPAT would enhance port secu-
14 rity, combat terrorism, prevent United States supply
15 chain security breaches, or otherwise satisfy the
16 goals of CTPAT.

17 (2) FEDERAL REGISTER NOTICE.—Not later
18 than one year after the date of the enactment of this
19 Act, the Secretary shall publish in the Federal Reg-
20 ister a notice for entities described in subsection (b)
21 to apply to participate in the pilot program required
22 under paragraph (1).

23 (b) ENTITIES DESCRIBED.—An entity described in
24 this subsection is—

1 (1) a non-asset-based third-party logistics pro-
2 vider that—

3 (A) arranges international transportation
4 of freight and is licensed or bonded by the Fed-
5 eral Maritime Commission, the Transportation
6 Security Administration, U.S. Customs and
7 Border Protection, or the Department of Trans-
8 portation; and

9 (B) satisfies such other requirements as
10 the Secretary of Homeland Security specifies in
11 the Federal Register notice required pursuant
12 to subsection (a)(2); or

13 (2) an asset-based third-party logistics provider
14 that—

15 (A) facilitates cross-border activity and is
16 licensed or bonded by the Federal Maritime
17 Commission, the Transportation Security Ad-
18 ministration, U.S. Customs and Border Protec-
19 tion, or the Department of Transportation;

20 (B) manages and executes logistics services
21 using its own warehousing assets and resources
22 on behalf of its customers; and

23 (C) satisfies such other requirements as
24 the Secretary of Homeland Security specifies in

1 the Federal Register notice required pursuant
2 to subsection (a)(2).

3 (c) APPLICATION.—An entity that wants to partici-
4 pate in the pilot program under subsection (a)(1) shall
5 submit to the Secretary of Homeland Security an applica-
6 tion at such time, in such manner, and containing such
7 information as the Secretary may require.

8 (d) REQUIREMENTS.—In carrying out the pilot pro-
9 gram under subsection (a)(1), the Secretary of Homeland
10 Security shall—

11 (1) ensure that—

12 (A) not more than ten entities described in
13 paragraph (1) of subsection (b) participate in
14 the pilot program; and

15 (B) not more than ten entities described in
16 paragraph (2) of such subsection participate in
17 the pilot program;

18 (2) provide for the participation of each of such
19 categories of entities on a voluntary basis; and

20 (3) continue the pilot program for a period of
21 not less than one and not more than five years after
22 the date on which the Secretary publishes the Fed-
23 eral Register notice required pursuant to subsection
24 (a)(2).

1 (e) REPORT REQUIRED.—Not later than 180 days
2 after the termination of the pilot program under sub-
3 section (d)(3), the Secretary of Homeland Security shall
4 submit to the appropriate congressional committees a re-
5 port on the findings of, and any recommendations arising
6 from, the pilot program relating to the participation in
7 CTPAT of entities described in subsection (b), including
8 an assessment of participation by such entities.

9 **SEC. 3. REPORT ON EFFECTIVENESS OF CTPAT.**

10 (a) IN GENERAL.—Not later than 18 months after
11 the date of the enactment of this Act, the Comptroller
12 General of the United States shall submit to the appro-
13 priate congressional committees a report assessing the ef-
14 fectiveness of CTPAT.

15 (b) ELEMENTS.—The report required by subsection
16 (a) shall include the following:

17 (1) An analysis of—

18 (A) security incidents in the United States
19 cargo supply chain during the five-year period
20 preceding submission of the report that involved
21 criminal activity, including drug trafficking,
22 human smuggling, or terrorist activity; and

23 (B) whether such incidents involved enti-
24 ties participating in CTPAT or entities not par-
25 ticipating in CTPAT.

1 (2) An analysis of causes for the suspension or
2 removal of entities from participating in CTPAT as
3 a result of security incidents during the five-year pe-
4 riod referred to in paragraph (1).

5 (3) An analysis of the number of active CTPAT
6 participants involved in one or more security inci-
7 dents while maintaining their status as participants.

8 (4) An analysis of CTPAT’s benefits for its
9 participants.

10 (5) Recommendations, as appropriate, to the
11 Commissioner of U.S. Customs and Border Protec-
12 tion for improvements to CTPAT, including with re-
13 spect to preventing security incidents in the United
14 States cargo supply chain and enhancing CTPAT
15 benefits for participants.

16 **SEC. 4. DEFINITIONS.**

17 In this Act:

18 (1) APPROPRIATE CONGRESSIONAL COMMIT-
19 TEES.—The term “appropriate congressional com-
20 mittees” means—

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

1 (B) the Committee on Homeland Security
2 and the Committee on Ways and Means of the
3 House of Representatives.

4 (2) CTPAT.—The term “CTPAT” means the
5 Customs Trade Partnership Against Terrorism es-
6 tablished under subtitle B of title II of the Security
7 and Accountability for Every Port Act of 2006 (6
8 U.S.C. 961 et seq.).

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