

American Association of Port Authorities

Alliance of the Ports of Canada, the Caribbean, Latin America and the United States

Seaports Prosperity

March 21, 2017

The Honorable Ron Johnson Chairman Committee on Homeland Security and Governmental Affairs United States Senate 340 Dirksen Senate Office Building Washington, DC, 20510 The Honorable Claire McCaskill Ranking Member Committee on Homeland Security and Governmental Affairs United States Senate 340 Dirksen Senate Office Building Washington, DC, 20510

Re: AAPA Comments re Perspectives from the DHS Frontline: Evaluating Staffing Resources and Requirements

Dear Chairman Johnson and Ranking Member McCaskill,

The American Association of Port Authorities (AAPA) is the unified and collective voice of the seaport industry in the Americas. AAPA empowers port authorities, maritime industry partners and service providers to serve their global customers and create economic and social value for their communities. Our activities, resources and partnerships connect, inform and unify seaport leaders and maritime professionals in all segments of the industry around the western hemisphere. These comments are on behalf of our U.S. members.

Today, international trade through seaports accounts for more than a quarter of the U.S. economy—and is projected to reach 60 percent by 2030. At the center of trade and transportation are America's seaports, which handle approximately \$6 billion worth of import and export goods daily, generate more than 23 million jobs, and provide more than \$320 billion in tax revenues. A key component, and often overlooked resource, to our national freight network is the U.S. Customs and Border Protection (CBP) staff that work with our maritime partners.

In order for America's international gateways to function more efficiently, effectively and safely, CBP must be adequately funded and staffed. In FY 2015, when CBP was funded to hire 2000 additional staff, fewer than 20 agents were assigned to seaports. This inequity of CBP resources cannot continue. Our nation's ports are in partnership with CBP in securing our supply chain and providing vital support in moving freight safely through our ports and out onto the national freight network. Currently, CBP estimates it is short 500 staff in the maritime environment.

Each year, roughly \$1.4 billion tons of foreign trade cargo, including more than 11 million maritime containers, arrive at our seaports. Additionally, over 11 million international passengers begin their cruises at U.S. seaports. CBP is on the front line when cargo and passengers enter our country. CBP officers meet the ships at all ports of entry to check the manifests, screen incoming cargo, operate non-intrusive inspection (NII) equipment (including radiation portal monitors), provide specialists to examine imported fruits, vegetables and flowers for potentially harmful diseases, and other missions at our busy gateways. CBP is also responsible for screening all foreign visitors and returning American citizens and passenger ships that enter U.S. seaports.

Oddly, money is an issue, even though revenues from inspection activity continue to grow. In the past year alone, we have seen the indexing of customs fees by Congress and the diversion of the revenue from CBP to fund the Highway Trust Fund in the FAST Act. Over a half billion dollars in user fees was imposed by the Animal and Plant Health Inspection Service (APHIS) with no guarantee that adequate inspection staffing will be available to administer these services when they are needed. Additionally, CBP is asking more and more of the industry to pay for traditional services through its reimbursable services program. This is not a sustainable program, as CBP officers can only work so much overtime. Calls for deployment of more CBP resources to land borders are frequently heard. We urge the Committee to also hear the call for more CBP resources for U.S. ports.

As Congress looks to expend resources for CBP officers, we ask that Congress and the Administration remember that seaports are international borders and must utilize and share the same CBP resources. As we move forward, we recommend that more CBP resources for maritime operations be made available that are in proportion to and meet the needs of our national economy.

Thank you for the opportunity to submit these comments to the record.

Sincerely,

Kunf Nage

Kurt J. Nagle President and CEO