A large container ship is docked at a port. The ship is dark blue with a red hull and is loaded with colorful shipping containers. A large gantry crane is positioned over the ship. The water is calm, and the sky is overcast. In the background, there are hills and another smaller ship in the distance.

# The Security War

**AAPA Security Meeting  
Jul 18, 2007**

**Jay Grant, Director  
Port Security Council**

# Port Security Council

## Mission

- + The Council brings public port authorities and commercial partners together to assemble public affairs programs that forge effective security public policy; insuring funding and economic issues critical to our Nation's ports security are addressed and implemented.

# PSC Making a Difference

## Milestones

- + Stopped reprogramming of \$105M of grant funds & obtained \$85M in additional DHS funding
- + Increased PSGP appropriations by 25% each year to over \$1billion and growing
- + Established high profile visibility with Congress and DHS
- + Invited to participate in several intergovernmental meeting
- + High level DHS discussions on TWIC to have it move forward
- + Cited by DHS in significantly assisting with PSGP
- + Near day to day interaction with DHS
- + Nearly 2+ years of behind the scene work in preparation and passage of SAFE Port Act
- + Working to allow PSGP funds to be eligible for GSA schedules
- + Established Equipment evaluation SAVER program with DHS/SPAWAR for ports

# Members

- American Association of Port Authorities
- U.S. Airport and Seaport Police
- Chambers of Shipping of America

# Partners

- IBM , Honeywell, Washington Group International, Telephonics, Kollsman, System Planning Corporation, Smiths Detection and Blue View Technologies ...

# Port Security Journal

## Port Security Journal

- + Congress
  - + Administration
  - + Ports
  - + Industry
- 
- Primary revenue method
  - Participation programs
    - Advertising program
    - Policy Council
    - Executive Council



**Next Issue: US Coast Guard – Adm Thad Allen**

# The War

# The Opponent



/// Congress

/// DHS

/// Interest Groups

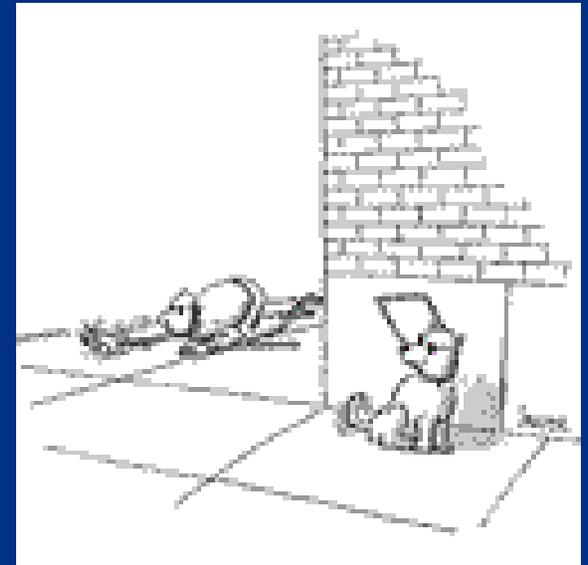
- Ignoring does not work
- When you have a law, regulation will follow
- Security, it will never stop

# The Defender

## America's Port Authorities

- If you ignore it; they will come
- If you build it; you have a chance
- As you succeed; they will come after you

Finding our way



## /// Critical Infrastructure Protection Trends

- Airports and air travel continue to be ‘over-targeted’
- Seaports continue to be ‘under-targeted’ and remain vulnerable
- Telecoms, utilities, finance, bridges and tunnels ‘under-targeted’
- Mass transit and energy infrastructure still vulnerable, but receiving attention equal to seaports

# The Big Picture

- *///* Funding
- *///* Security Objectives
- *///* Security Challenges
- *///* Executing the Plan
- *///* Policy and Policymakers

# /// Security Objectives

- Enable uninterrupted trade and travel
- Ensure the safety of passengers, staff and cargo
- Achieve industry standards
- Training & Exercises; are we prepared
- Quick Recovery
- Enhanced intelligence

# /// Security Challenges

- Physical Threats
- Access to Expertise
- Standards
- Operations
- Local authorities
- Policymakers
- Public

# /// Executing the plan

- Risk assessments
- Strategic planning
- Qualified Personnel /Recruitment
- Training, mentoring, capacity building
- Processes and procedures
- Technology deployment
- Communications infrastructure
- Intelligence
- Contingency planning
- Recovery
- Public education
- Compliance



in-Depth Security

# /// Policy and Policymakers

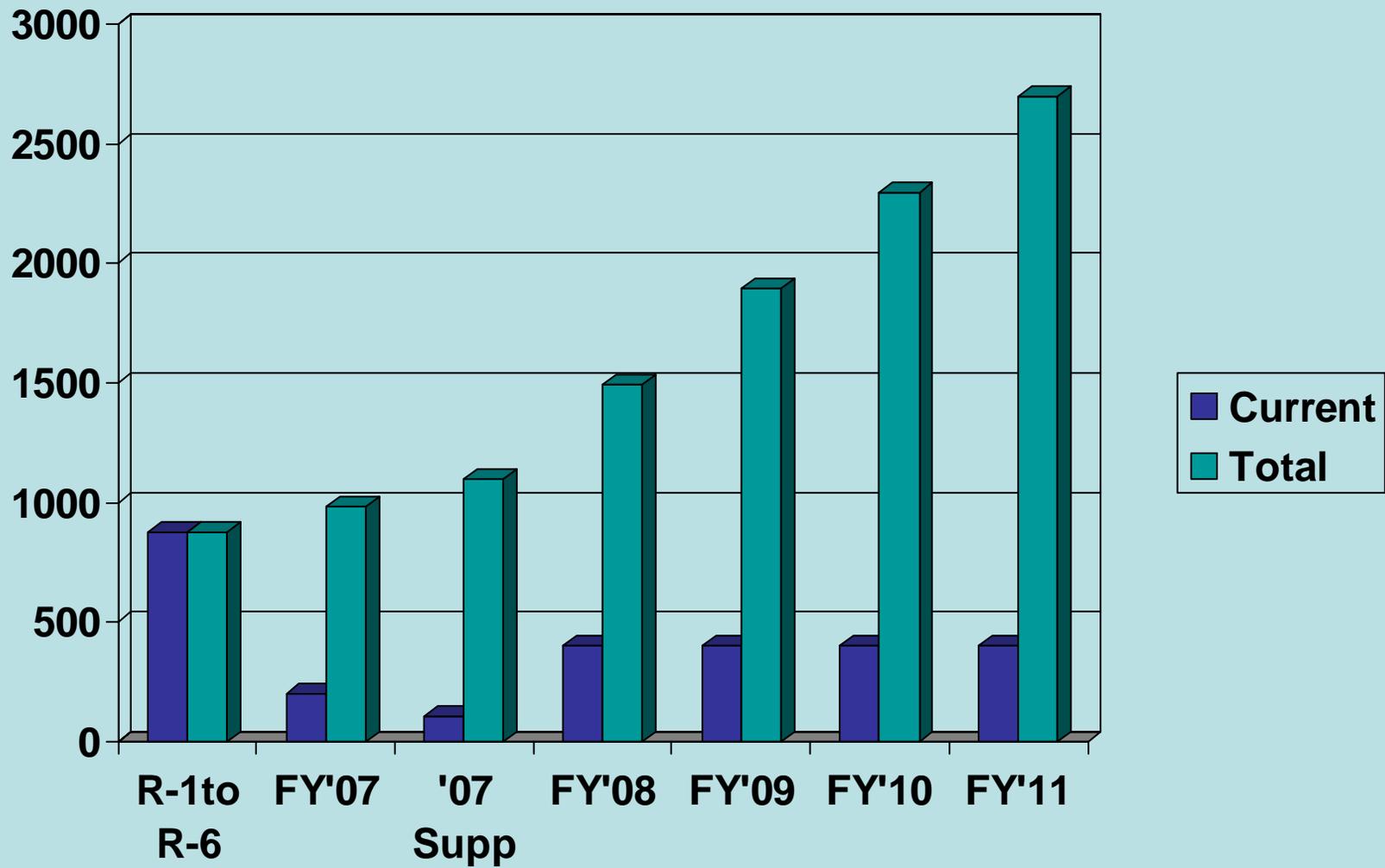
- Funding Requirements
- What will we do with the money
- How are funds justified
- When are the strings too much
- Who is going to establish standards
- How do we deal with the government
- What changes are needed
- What laws and regulation are on the horizon

# /// Changes in the Wind

- Moving forward
- New Legislation
- Public Law
- Regulation
- Funding
- The Tough Questions

Congress and the Administration





## ///Port Security Grant Funding

# /// Moving Forward, Building a Plan

- No port is an island -
  - + The port authority
  - + Terminal operators
  - + Local law enforcement
  - + Other local first responders
- Area Maritime Security Committee
  - + In the plan; eligible for funds
- Solutions must offer a coordinated plan

# /// Public Law

- MTSA – Maritime Transportation Security Act
  - + Guns, guards and gates
- SAFE Port Act - Security and Accountability for Every Port Act
  - + Authorizes \$3.4 billion annually for port security and \$400 million a year over five years for risk-based grants for training and exercises at ports;
  - + Establishes numerous timelines for standards & pilots
    - + Requires the nation's 22 largest ports, which handle 98 percent of all cargo coming into the U.S., to scan all containers through the use of radiation detectors by the end of 2007.
    - + Requires DHS to establish pilot programs at three foreign ports to test technology for nonintrusive cargo inspections
    - + TWIC will be required for workers at the nation's ports by 2009
    - + DHS will be required to set up protocols for resuming operations after an attack or incident
    - + New benefits for trusted shippers, such as fewer customs inspections, that are known as GreenLane benefits.

# /// New Legislation

- 9/11 Bill – In conference
  - + Container Scanning
  - + Risk-Based Allocation of Homeland Security Grants
  - + Interoperability Grants
  - + Strengthening Use of a Unified Incident Command During Emergencies
  - + Improving Intelligence & Information Sharing With Local Law Enforcement and First Responders
  - + Improving Critical Infrastructure Security
  - + Transportation Security Planning and Information sharing
  - + Preventing Weapons of Mass Destruction Proliferation and Terrorism

# /// Regulation

- Access Control
- Scanning
- Standards

# **/// THE SAFE PORT ACT: Significant Dates**

- On October 13, 2006, the President signed The SAFE Port Act (P.L. 109-347) into law.
- This important legislation, which was passed almost unanimously, authorizes nearly \$4 billion annually for port security over the next five years and otherwise seeks to enhance the security of our ports and nation.

# More...

- By January 11, 2007 (90 days of enactment), the Secretary is required to develop a strategy for the deployment of radiation detection capabilities and submit the strategy to the appropriate Congressional committees; By July 10, 2007 (180 days of the report's submission), the Secretary must provide a more complete evaluation.
- By January 11, 2007 (90 days of enactment), the Secretary shall implement a threat assessment screening, including name-based checks against terrorist watch lists and immigration status check, for all port truck drivers with access to secure areas of a port who have a commercial driver's license but do not have a current and valid hazardous materials endorsement.
- By January 11, 2007 (90 days of enactment), the Secretary shall initiate a rulemaking proceeding to establish minimum standards and procedures for securing containers in transit to the U.S. Within two years after the date the container security standards are established, all containers bound for U.S. ports of entry must meet those standards.
- By January 11, 2007 (90 days of enactment), the Secretary shall designate 3 foreign seaports through which containers pass or are transshipped to the U.S. for the establishment of pilot integrated scanning systems that couple nonintrusive imaging equipment and radiation detection equipment.
- By February 10, 2007 (120 days), the Secretary shall seek to develop a plan for the inspection of passengers and vehicles on ferries bound for the U.S.
- By April 11, 2007 (180 days of enactment), the Secretary must update the Tier I and Tier II C-TPAT guidelines.

# More...

- By April 11, 2007 (180 days of enactment), the Secretary must issue an interim final rule for container security.
- By October 13, 2007 (1 year), the Secretary shall develop and implement a plan to conduct random searches of containers.
- By July 10, 2007 (270 days), the Secretary is required to submit a strategic plan to enhance the security of the international supply chain to the appropriate Congressional committees.
- By October 13, 2007 (1 year of enactment), the Secretary shall fully implement the foreign port integrated scanning systems pilot program.
- By October 13, 2007 (1 year of enactment), the Secretary, Secretary of Energy, Secretary of Defense, and Director of National Intelligence must submit to Congress a research and development investment strategy for nuclear and radiological detection.
- By April 10, 2008 (180 days after the foreign port integrated scanning systems pilot program is implemented), the Secretary shall submit a report to Congress.
- By October 13, 2008, the Secretary is required to establish, and provide benefits under, a Tier III for C-TPAT.
- By December 31, 2007, the nation's 22 largest ports must scan all containers through the use of radiation detectors.

# More...

- By December 31, 2008, the Secretary is required to expand the strategy to provide for the deployment of radiation detection capabilities at all other U.S. ports of entry and determine how to best mitigate the risks to those ports of entry.
- By October 13, 2009 (3 years of enactment), the strategy for the deployment of radiation detection capabilities must be implemented.
- By January 1, 2009 (811 days or 2 years, 2 months and 19 days from enactment), the head of the Transportation Security Administration (TSA), in cooperation with the Commandant of the Coast Guard, must implement a program to provide for a Transportation Security Card, which may not be issued to persons convicted of certain felonies.
- By October 13, 2009 (3 years), the Secretary shall submit an update of the international supply chain strategic security plan to the appropriate Congressional committees.
- By October 13, 2009 (3 years or 1,096 days from enactment), the Coast Guard must establish interagency operational centers for port security at all high-priority ports

# Yes there is more...

- **Requirements Without Date Specific (Uncertain) Deadlines**
- The government shall verify the effectiveness of facility security plans periodically, but not less than 2 times per year, at least 1 of which shall be an inspection without notice.
- The U.S. Comptroller General must undertake a study of background checks to identify redundant checks and submit a report to Congress.
- The Secretary is required to establish Port Security Training Programs and Port Security Exercise Programs.
- The Secretary is to require high risk facilities to conduct full scale exercises at least every two years in accordance with the facility security plan.
- The Secretary must establish an Intermodal Rail Radiation Detection Test Center through which the Secretary is to conduct multiple, concurrent projects to rapidly identify and test concepts specific to the challenges posed by on-dock rail.
- The Secretary is required to establish a university-based Center for Excellence for Maritime Domain Awareness.
- The Secretary is required to develop protocols or guidelines for the resumption of trade in the event of a transportation disruption or a transportation security incident.

# Still more...

- The Secretary is required to identify and seek the submission of data related to the movement of a shipment of cargo through the international fuel supply chain and analyze data to identify high risk cargo for inspection.
- The Secretary must require additional data elements for improved high-risk targeting to be electronically transmitted to DHS before cargo destined for the U.S. is loaded on vessels at foreign seaports.
- The Secretary is required to develop a plan to implement a 1-year voluntary pilot program to test and assess the reliability, costs, and benefits of using third party entities to conduct validations of C-TPAT participants.
- The Secretary must develop and implement a revalidation process for Tier II and Tier III C-TPAT participants.
- The Secretary must consider the potential for importers of noncontainerized cargoes to participate in C-TPAT.
- The Secretary is required to establish sufficient internal quality controls and record management to support the management systems of C-TPAT.
- The Secretary shall ensure that 100% of cargo containers originating outside the U.S. and unloaded at U.S. seaports are screened to identify high risk containers and scan or search 100% of those high-risk containers before they leave a U.S. seaport.

# Almost done...

- The Secretary must consult with the Secretary of Transportation, the Secretary of State, and the Secretary of Energy to identify assistance programs that could facilitate implementation of port security antiterrorism measures in foreign countries and U.S. territories.
- The Secretary must establish a program to utilize the programs that are capable of implementing port security antiterrorism measures at ports in foreign countries and U.S. territories that lack effective antiterrorism measures, with particular emphasis on the Caribbean basin.
- The Secretary, acting through the Coast Guard Commandant, must reassess the effectiveness of port antiterrorism measures at least once every 3 years.
- The Secretary must conduct a 1-year pilot program to assess the risk posed by and improve the security of empty containers at U.S. seaports.
- Within 90 days of the empty container pilot's completion, the Secretary must submit a report to Congress.
- The Secretary must develop a system to collect and share supply chain risk information from and with the appropriate private sector entities.

# Done.

- An Office of Cargo Security Policy must be established to coordinate all DHS cargo security policies, coordinate with other federal agencies, and consult with stakeholders.
- The Commissioner of Customs and Border Protection must establish an International Trade Committee.
- The Commissioner must prepare a report on optimal staffing levels for commercial operations of U.S. Customs and Border Protection and submit it to the Senate Finance and House Ways and Means Committees.
- The Secretary of Treasury must oversee the establishment of an electronic trade data interchange system to be known as the International Trade Data System (ITDS), which must be implemented not later than the date that the Automated Commercial Environment (ACE) is fully implemented.
- An office of Domestic Nuclear Detection must be established within DHS.
- Within 180 days after the date on which the Commercial Mobile Service Alert Advisory Committee transmits recommendations to the FCC, the Commission shall complete a proceeding to adopt relevant technical standards, procedures, protocols, and technical requirements to enable commercial mobile service alerting capability for commercial mobile service providers.

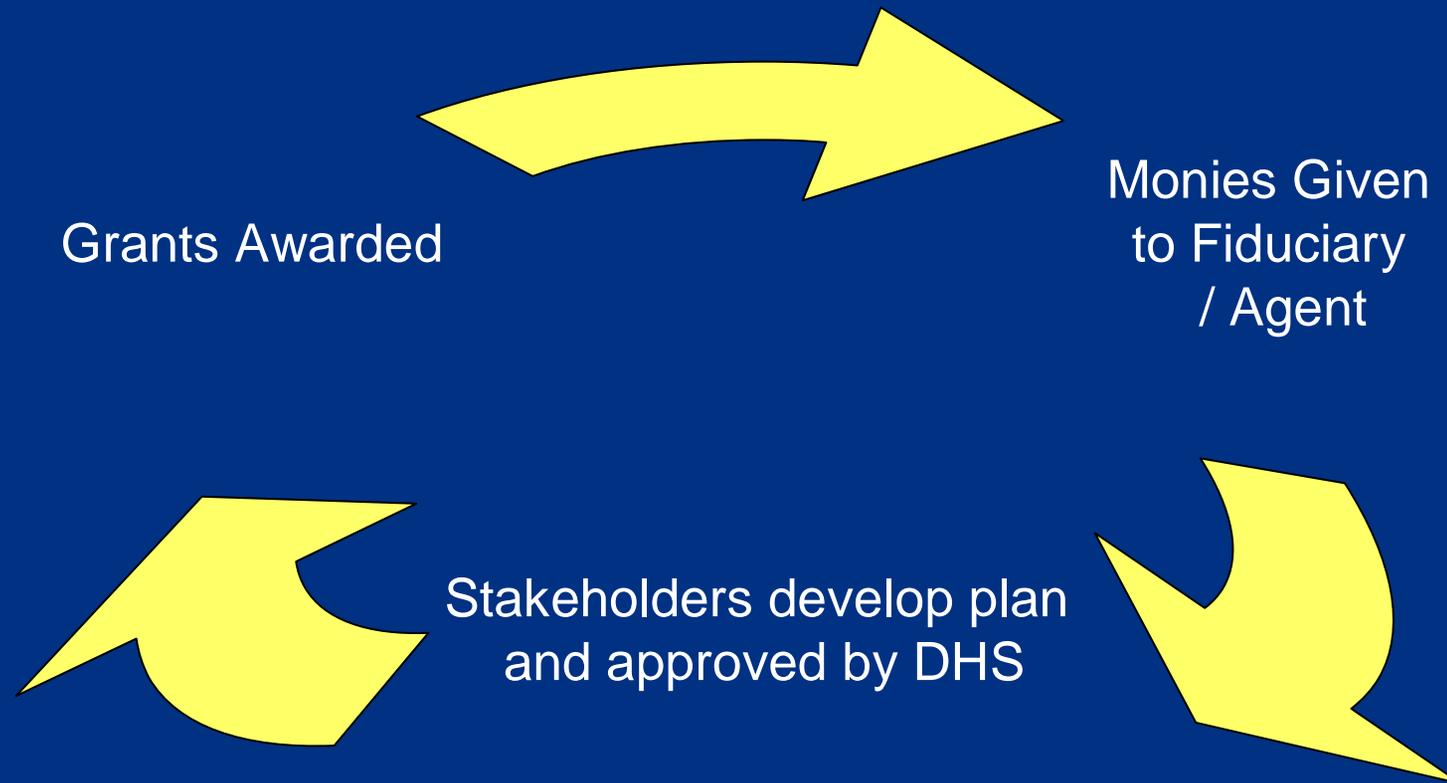
## **/// PSGP Funding**

- FY' 07 Round 7
- FY' 07 Supplemental
- FY'08 Appropriations

# FY'07 Round 7

- Funding Letters

# /// Supplemental Funding



Trial program for FY'07 supplemental

## **/// Tier 1**

- **Funds will be distributed to a fiduciary / Agent as agreed upon by the Area Maritime Security Committees (AMSC) to develop regional port risk strategic plans, focused contingency and continuity of operations plans. Up to 20% of the funding allocated to the port region can be used to develop the plans and the remaining funds will be used to carry out specific projects in the plan.**

## **/// Tier II and Tier III**

- **Funds will be distributed directly to worthy projects submitted in the last round of grants that didn't receive funding due to lack of funds. No new applications will be solicited for this round from Tier II and III port areas.**

## /// Tier IV

- **New applications will be solicited and there may be a focus on TWIC**

# /// The tough questions

- Who is the fiduciary
- How do you come up with a plan
- Who is included
- What are the priorities
- What models should be followed

# /// FY'08

- House \$400 million passed
- Senate \$400 million – July floor timeline

# /// Tomorrows Challenges

- Being involved
  - + Effectively working with policymakers
  - + Establishing standards and best practices
  - + Stay a step ahead; preparing for the worse
  - + Managing the recovery

# /// Questions?

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