

## AMERICAN ASSOCIATION OF PORT AUTHORITIES

1010 Duke Street • Alexandria, VA 22314 Phone: (703) 684-5700 • Fax: (703) 684-6321

## **Testimony of Joseph Lawless**

Director of Maritime Security at Massachusetts Port Authority On Behalf of the American Association of Port Authorities

Before the The United States House of Representatives Committee on Transportation & Infrastructure 2167 Rayburn House Office Building Washington, D.C. 20515

Hearing: "A Review of the Delays and Problems Associated With TSA's Transportation Worker Identification Credentials"

> June 28, 2012 10:00 a.m.

Good morning. I am Joe Lawless, Director of Maritime Security at the Massachusetts Port Authority. I am testifying today on behalf of the American Association of Port Authorities (AAPA), where I serve as Chairman of the AAPA Security Committee. The testimony today is on behalf of AAPA's 81 U.S. members. AAPA port members are public entities, divisions or agents of State and local government mandated by law to serve public purposes. Essentially, we are public agencies charged with developing port facilities and facilities of commerce.

We are pleased to see that House Homeland Security Committee approved H.R. 4251, the SMART (Securing Maritime Activities through Risk-based Targeting) Port Security Act. Transportation Worker Identification Credential (TWIC) immediate reform is needed. The reform provides that not more than one in-person visit to an enrollment center will be necessary to obtain a TWIC, and expiration of TWIC cards shall not occur until full implementation of a final rule for electronic readers, or on June 30, 2014.

We are also pleased to see that TSA has taken action to address TWICs expiring before the end of 2014. U.S. citizens who have a TWIC that expires before the end of 2014 will have the option of paying \$60 to acquire a three-year Extended Expiration Date (EED) card, instead of a new standard five-year TWIC card. Additionally, workers who opt for the EED will only have to make one trip to the enrollment center – to pick up and activate their card.

However, our member ports are concerned that there will not be a new threat assessment (i.e., criminal background check) conducted for the EED. We feel the lack of an additional criminal background check could dilute the security of our facilities.

All AAPA U.S. member maritime port facilities are impacted by the Transportation Worker Identification Credentials (TWIC) requirements. Five years ago, TSA rolled out the requirement that individuals who need unescorted access to Maritime Transportation Security Act-regulated facilities must obtain a Transportation Worker Identification Credential (TWIC). AAPA members worked closely with TSA and its contractors to educate the maritime workforce about the legal requirement to obtain a TWIC and encouraged a registration process that was convenient and run efficiently. We hope the renewal or extension phases of the card, which will begin later this year, will go smoothly. TSA does have a new contractor to handle the issuance of TWICs and EEDs. With a new contractor involved, we urge this Committee to keep a close eye on the TWIC and EED process. TSA should again work closely with stakeholders in the maritime environment to educate the workforce regarding these renewal deadlines and requirements.

TWIC mandates have changed the way port facilities are run. In addition to the cost of the card, port facilities must now ensure that all gates and entrance points have a way to check TWICs. Prior to this requirement, port facilities varied in their level of security and the type of identification needed. Some facilities had unmanned gates, but now all facilities have some type of physical access control system to check TWICs. Massport staffs all of the access points into its facilities with security personnel to verify that all entrants have a TWIC.

The TWIC card includes a biometric security feature that has yet to be used at most facilities due to the lack of a reader rule. Therefore, the security features in the card are not being utilized, with falsified I.D.s harder to identify. Instead, the TWIC is currently being used as a flash pass where the individual simply shows the TWIC to the guard who visually checks the picture on the card against the individual seeking access. Without readers, there is no way to automatically check a "Hot List" of revoked or suspended TWICs.

The next phase of TWIC will be the reader rule, and there are concerns about who will be covered, the cost and whether readers will work efficiently. Originally, all port facilities thought they would need a reader and many port facilities applied for Port Security Grants for this purpose. Subsequently, Coast Guard proposed only requiring facilities that handle hazardous and dangerous cargo use readers. While AAPA was happy to learn of a more modest proposal, this caused some confusion in the industry, as the final regulations were put on hold for several years. Ports with grants were unsure what to do with the money. Some reprogrammed the

money and others decided to install the infrastructure, without knowing what the final requirements would be. AAPA is also concerned that the TWIC reader pilot identified the biometric reader as having some problems, and we do not know the full impact on facility operations.

The delay in the reader rule has had a large impact on the Port Security Grants. Congress appropriated \$400 million based in part on the need to help pay for the mandate that port facilities purchase readers. To aide grantees, TSA did publish technical specifications for TWICs in order for grantees to begin to buy readers, but these specifications could change. In the meantime, ports with grants are installing system that may require costly changes or are unnecessary once the final rule is issued. In anticipation of the final reader rule being published several years ago, Massport was awarded a port security grant to install readers at our facilities. We are still awaiting the final rule and have not moved to install these readers. The deadline for the expiration of this grant award is fast approaching.

AAPA supports congressional proposals to extend the five-year deadline for when TWIC grants must be spent in order to allow these funds to be based on the final rule. AAPA is also concerned that the delay in the reader rule comes at a time when port security grant funding is decreasing and the burden of the reader rule will fall on port facilities. While the program saw a high of \$400 million, its FY 2012 level is \$97.5 million. What funding will be available when the rule goes into effect?

In relation to the final reader rule, it is not known yet if all facilities will be required to have readers. AAPA has stated in public comments that the Coast Guard should not require readers at all facilities, rather the requirement should be performance- and risk-based. A facility's risk and associated reader requirements should be based on a variety of risk factors, not just what type of vessels call on it or the type of cargo that it handles. Coast Guard should first aggregate risks to the port area, followed by a second layer of risk at the facility level, including an evaluation of what other facilities are in close proximity. Therefore, low-risk facilities next to high-risk ones may need readers.

In conclusion, AAPA and its members have worked closely with TSA and Coast Guard on implementation of the TWIC requirements. For facilities, the next phase, the reader rule, will be the most expensive. We encourage Coast Guard to continue their proposed rulemaking process so ports can take advantage of the port security grant funds provided for reader implementation. Further delay will result in transferring the bulk of this federal mandate to the facilities rather than the shared process envisioned when the Port Security Grant program was established.