

November 29, 2017

The Honorable Thad Cochran
Chairman
Senate Committee on Appropriations
S-128 Capitol Building
Washington, DC 20510

The Honorable Patrick Leahy
Ranking Member
Senate Committee on Appropriations
S-146A Capitol Building
Washington, DC 20510

The Honorable Rodney Frelinghuysen
Chairman
House Committee on Appropriations
H-305 Capitol Building
Washington, DC 20515

The Honorable Nita Lowey
Ranking Member
House Committee on Appropriations
1016 Longworth House Office Building
Washington, DC 20515

RE: FY 2018 Homeland Security Appropriations Bill

Dear Chairmen Cochran and Frelinghuysen and Ranking Members Leahy and Lowey:

The American Association of Port Authorities (AAPA) is the unified and collective voice of the seaport industry. On behalf of our U.S. members, we thank you for moving forward on your respective FY 2018 Homeland Security Appropriations bills. As the end of the calendar year approaches and the House and Senate begin to conference these two appropriations bills, we wanted to provide feedback on how these bills will impact the security of our nation's ports and communities. We are particularly focused on the Port Security Grant Program (PSGP) and ensuring that adequate U.S. Customs and Border Protection (CBP) staffing is available at port and maritime facilities.

The PSGP is a top AAPA priority for our members, as it provides a lifeline of security that impacts the nation's entire trade supply chain. Established after 9/11, the intent of the program is to protect the U.S. homeland from dangerous materials and acts of terrorism. At a time when international terrorism continues to be a great threat, lowering our maritime defenses is a risky action.

Today, international trade through seaports accounts for over a quarter of the U.S. GDP. At the center of trade and transportation are America's seaports, which handle approximately \$6 billion worth of import and export goods daily, generate over 23 million jobs, and provide more than \$320 billion annually in federal, state and local tax revenues. Seaports also are projected to handle nearly 12 million cruise passengers. PSGP has been an essential funding source for ports to harden these maritime borders and protect the movement of people and goods through seaports.

AAPA strongly supports the House funding level of \$100 million for the PSGP.

CBP staffing at port and maritime facilities is also a top AAPA priority. For America's international gateways to function more effectively and safely, CBP must be adequately funded and staffed. These functions have historically been considered as inherently governmental. In FY 2015, when CBP was funded to hire 2,000 additional staff, fewer than 20 agents were assigned to seaports, and those were only for passenger terminals. This inequity of CBP resources cannot continue. Further complicating this process, CBP loses on average 700 officers a year, mainly due to retirement.

AAPA supports the Senate language that requests CBP to provide a staffing plan for ports and maritime facilities and to brief Congress within 120 days of enactment of the FY 2018 Homeland Security Appropriations bill.

In recent years, there has been considerable cause for confusion and contention between ports/terminals and CBP in what is CBP's inherent responsibility regarding operations and services. What concerns ports and terminal operators alike, when confronted on reimbursable issues, the CBP regional office and headquarters provide different answers and refer ports back to the other CBP office. This delay in resolving issues inevitably results in ports paying more due to loss of time and the pay-out amount for services and items that were not originally budgeted, such as constructing cruise terminals.

CBP should be required to establish a framework in which the differences in marine port operations are considered and the costs of non-funded services or equipment are established. Only Congress can ensure CBP provides such a framework and exercise oversight of CBP's use of the authority. AAPA supports including language that requires CBP to brief Congress on what a potential framework would look like within 120 days of enactment.

Thank you for your consideration of these vital issues as you finalize the FY 2018 appropriations bill for the Department of Homeland Security. As partners with DHS on securing international borders at seaports from acts of terrorism, AAPA and its members urge you to continue to fund and support a federally controlled PSGP, and encourage more open discussion on CBP staffing of our ports.

Sincerely,



Kurt J. Nagle
President & CEO

cc: The Honorable Mitch McConnell, Senate Majority Leader
The Honorable Charles Schumer, Senate Minority Leader
The Honorable Paul Ryan, Speaker of the House
The Honorable Nancy Pelosi, House Minority Leader
The Honorable John Boozman, Chairman, Senate Committee on Appropriations,
Subcommittee on Homeland Security
The Honorable John Carter, Chairman, House Committee on Appropriations,
Subcommittee on Homeland Security
The Honorable Jon Tester, Ranking Member, Senate Committee on Appropriations,
Subcommittee on Homeland Security
The Honorable Lucille Roybal-Allard, Ranking Member, House Committee on
Appropriations, Subcommittee on Homeland Security