

Chairman Doug Ose
Opening Statement
What Regulations are Needed to Ensure Port Security?
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The tragic events of September 11, 2001 shook the confidence of the U.S. government and its citizens in the nation's security. Immediately after September 11th, the President and Congress began to examine the existing system, including the laws, regulations, and actual practices governing the nation's security. Much was found lacking. Some changes were made immediately, others were made later, and more changes are still needed.

On November 19, 2001, the President signed the Aviation and Transportation Security Act. This law established "emergency procedures" for the Federal Government to issue interim final regulations without the usual opportunity for public notice and comment, as provided in the Administrative Procedure Act. To ensure Congressional and public input into the regulatory decisionmaking process, this Subcommittee held a November 27th hearing entitled "What Regulations are Needed to Ensure Air Security?"

During 2002, Congress passed the Maritime Transportation Security Act to address security of the nation's ports. On November 25, 2002, the President signed it into law. This law similarly provides for some interim final regulations without any public notice and comment. These include interim final rules on anti-terrorism plans for port security, facility security, and vessel security, and other rules to follow, such as for transportation security cards.

The U.S. maritime system includes more than 300 ports with more than 3,700 cargo and passenger terminals. The top 25 ports account for 98 percent of the more than 6 million container shipments entering U.S. ports yearly. The Port of Los Angeles is the busiest port in the U.S. and the seventh busiest in the world.

The vast maritime system is particularly susceptible to terrorist attempts to smuggle personnel, weapons of mass destruction, or other dangerous materials into the U.S. And, ships in U.S. ports could be attacked by terrorists. A large-scale terrorist attack at a U.S. port could not only cause widespread damage but also seriously affect our economy.

The Maritime Transportation Security Act raises questions about the right balance between: (a) increasing port security while not impeding the flow of commerce and trade, (b) standard versus port-specific security measures, and (c) the roles of governmental agencies and private industry. Two other key questions are: (d) how the United States should pursue higher standards for port security abroad, and (e) how to generate funds for improved port security here and abroad. Currently, there is insufficient Federal funding to fully ensure port security.

Many Federal departments and agencies have a role in port security. The two agencies with the most presence are the Coast Guard and the Customs Service. Since September 11, 2001, both have sought improved and timelier information so that they can better evaluate the terrorist risk of ships, cargo, passengers or crew destined for the U.S., and decide which to target for closer

inspection. Currently, the Customs Service only inspects about 2 to 5 percent of imports and 1 percent of exports.

The hearing will examine what Federal regulations are needed to ensure port security for various aspects, such as security of U.S. and foreign ports, facility security, vessel security, cargo identification and screening, and transportation security cards and background checks. Federal regulations govern the conduct of non-Federal parties and specify detailed procedures to ensure uniform implementation of laws. Key questions are whether the Federal government should require a core, minimum or baseline set of requirements (e.g., for training, drills, fencing, cameras, lighting, and guards) for non-Federal private parties or more prescriptive requirements and if the Federal government should allow self-certification by non-Federal private parties.

I recognize the difficulties of balancing the need for security with the demands of commerce. As a Republican, I am sensitive to the costs of excessive government regulation. But, as an American in a post-September 11th world, I realize that we must take additional precautions to protect our fellow citizens and our economic well-being.

I look forward to the testimony of our witnesses. They include: Larry Keller, Executive Director, Port of Los Angeles; Timothy Parker, Executive Secretary, Steamship Association of Southern California (comprised of vessel owners, agents, terminal operators, and stevedoring companies); John Ochs, Security Manager, Maersk Sealand, Ltd. (largest container shipper in the Port of Los Angeles); Rob Marshall-Johns, Director of Operations and Quality Control, The Oppenheimer Group (shipper of fresh produce); Stephanie Williams, Vice President, California Trucking Association (since large numbers of trucks move in and out of ports); and, Dr. Domenick Miretti, Senior Liaison, Ports of Los Angeles and Long Beach, International Longshore and Warehouse Union (ILWU).