

# **The Subcommittee on Coast Guard and Maritime Transportation**

## **Hearing on Port Security**

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### **PURPOSE**

The purpose of this hearing is to receive the recommendations of the Secretary of Transportation on the need to increase security in our nation's ports and waterways against terrorist attacks. The Subcommittee will discuss the Federal government's

current maritime security efforts and the Administration's suggestions on ways to further reduce the vulnerability of our ports and waterways to terrorist attacks.

## **BACKGROUND**

On September 24th, the bipartisan leadership of the House Transportation and Infrastructure Committee and the Senate Commerce, Science and Transportation Committee requested that the Secretary of Transportation establish a rapid response team to develop ways to reduce the vulnerability of our seaports to terrorist attacks. Specifically, the Committee leadership asked the Secretary to provide suggestions for immediate action that may be necessary to improve seaport security.

### Increased Coast Guard Security Measures Taken After September 11th

Since September 11th, the Coast Guard has increased its counterterrorism operations using existing personnel, vessels, and aircraft. This increase in maritime security operations has reduced the Coast Guard's capacity to perform other vital missions including counter-narcotics, migrant interdiction, and fisheries law enforcement activities. Without additional resources, the Coast Guard will not be able to maintain this increased port security posture and perform other vital Coast Guard missions.

Immediately following the events of September 11th, the Coast Guard launched the largest homeland port security operation since World War II. As part of Operation Noble Eagle and Enduring Freedom, the Coast Guard heightened security by establishing port and coastline patrols with 55 cutters, 42 aircraft and hundreds of small boats. Over 2,800 U.S. Coast Guard reservists were called to active duty to support maritime homeland security operations in 350 ports. Four of the six Port Security Units, which are self-contained rapid response units trained primarily in port and waterway security, were used to help patrol the Ports of New York and New Jersey, Boston, Seattle, and Long Beach in the weeks immediately following the September attacks. The Coast Guard enforced over 118 maritime

security zones around navy vessels, cruise ships, nuclear power plants, and other potentially hazard facilities.

Currently, the U.S. Coast Guard is enforcing a wide range of security measures on all ships entering U.S. ports. The Coast Guard has issued a temporary final rule changing the 24-hour Notice of Arrival requirement for ships entering U.S. ports to 96 hours before arrival at the first U.S. port. New special rules apply for all vessels carrying dangerous cargoes and additional information is also required in the Advance Notice of Arrival. The notice must now include a listing of all persons on board, crew and passengers, with date of birth, nationality, along with the appropriate passport or mariner's document number. The Notice must also include the vessel name, country of registry, call sign, official number, the registered owner of the vessel, the operator, the name of the classification society, a general description of the cargo, and date of departure from the last port along with that port's name.

The Coast Guard has created a pilot armed escort program, called the Sea Marshals program, in the Ports of San Francisco, Los Angeles, and San Diego. This program is designed to reduce the threat of using a commercial vessel as a terrorist instrument. The Sea Marshal concept employs preventive measures to neutralize tactics that could be employed by terrorists attempting to gain control of a large commercial carrier. The Sea Marshals armed escort provides security for the pilot, master, and the bridge navigation team on board a vessel during its transit in U.S. navigable waters. According to the Coast Guard, further expansion of this program will depend on the availability of resources, as well as future port-specific security needs.

The Coast Guard has also established Naval Vessel Protection Zones for a distance of 500 yards around all U.S. naval vessels in the navigable waters of the United States. These protection zones will remain in effect through June 15, 2002.

In addition, each Coast Guard Captain of the Port may employ any security measures that he deems necessary to ensure the safety and security of the port. For example, the Coast Guard has required several facilities handling dangerous cargo to provide additional security personnel and other security improvements. Facilities not addressing Coast Guard security concerns may have their operations suspended or be subjected to civil penalties.

Immediately following the September 11th attack, the Commandant directed Coast Guard Captains of the Ports to implement passenger vessel and passenger terminal security plans to the maximum extent possible at security level III. Level III is implemented when the Commandant determines that the threat of an unlawful act against a vessel or terminal is probable or imminent and intelligence indicates that terrorists have chosen specific targets. The Coast Guard is working closely with the operations and security personnel at the International Council of Cruise Lines which represents the bulk of large passenger vessels operating out of the United States. Level III passenger vessel and terminal security measures require restricted areas around the vessel which are enclosed with fences or walls and protected by intrusion detection systems and patrols. Other security measures include the screening of all baggage, cargo, and stores that are placed on the ship as well as the screening of passengers before they are allowed to board the ship.

### Current Coast Guard Authorities

The U.S. Coast Guard currently has primary responsibility for the promotion of safety of life and property at sea, the enforcement of all applicable Federal laws on, under, and over the high seas and United States waters. The agency also is charged with protecting the marine environment, conducting icebreaking activities, maintaining aids to navigation, and securing the safety of vessels, ports, waterways, and their related facilities.

Section 89 of title 14, United States Code, authorizes the Coast Guard to board any vessel subject to the jurisdiction, or operation of any law, of the United States in order to make inquiries, examinations, inspections, searches, seizures, and arrests for the violations of U.S. laws. The Coast Guard may order and force any vessel to stop and may engage in land, water, and air patrols. Federal law also authorizes the Coast Guard to control the anchorage and movement of vessels in the navigable waters of the U.S. in order to ensure the safety and security of U.S. naval vessels.

The Ports and Waterway Safety Act (PWSA) provides the Secretary of Transportation with broad authority to regulate the movement and operation of a vessel subject to the jurisdiction of the United States. Coast Guard Captains of the Port may order vessels to operate as directed, to anchor, as well as require pre-arrival notices. The PWSA also authorizes the Secretary to respond to acts of terrorism against vessels and waterfront facilities and to investigate any incident that causes damage to a waterfront facility or affects the safety of a U.S. port. The

Secretary of the Treasury is authorized to refuse or revoke a vessel's clearance when it may be liable to the U.S. for violation of the PWSA.

During times when the President determines that national security is endangered, the Coast Guard may seize any vessel that fails to follow its directions within U.S. territorial waters. Under the above conditions, the Coast Guard may also fine or imprison the master and crew for noncompliance with its orders as well as establish a Port Security Card Program. This program provides for the controlled access to waterfront facilities and vessels by individuals with an appropriate security background screening by the Commandant. When certain conditions exist, the Captain of the Port may be directed by the Commandant to establish a restricted waterfront area and prevent access of persons who do not hold a Port Security Card. The Coast Guard required Port Security Cards at various facilities from 1942 until the end of the Vietnam War.

Federal law authorizes the Coast Guard to regulate the handling of dangerous cargo at waterfront facilities, the use of dangerous cargos on inspected vessels, and the carriage of certain specified liquid bulk cargoes by vessels. The Secretary of Treasury, at the request of the Secretary of Transportation, may refuse or revoke the clearance to enter a port of the United States when he believes a vessel carrying liquid bulk dangerous cargo or other hazardous materials has violated U.S. law. Vessels carrying dangerous cargoes are built and inspected to Coast Guard standards. Coast Guard marine inspectors conduct annual inspections to ensure these vessels meet and maintain these standards and make unannounced boardings to monitor transfers of dangerous cargoes.

In 1985, a U.S. citizen was killed during the terrorist seizure of the passenger vessel ACHILLE LAURO. In response to the vulnerability of passenger vessels and associated passenger terminals to acts of terrorism, Congress enacted the Omnibus Diplomatic Security and Antiterrorism Act of 1986. Title XI of this law constitutes the International Maritime and Port Security Act and authorizes the Coast Guard to require measures, including inspections, port and harbor patrols, the establishment of security and safety zones, and the development of contingency plans and procedures, to prevent or respond to acts of terrorism. The law also requires that passenger vessels and passenger terminal operators develop a plan of action for implementation of security measures at the ports and passenger vessels operating from those ports. The Coast Guard must examine and approve the security plans for passenger vessels and terminals and provide oversight to ensure

that the plans are being properly implemented. Passenger vessels are only allowed to embark from or disembark to terminals that hold an examined Terminal Security Plan.

Federal law further requires the Secretary to conduct foreign port vulnerability assessments for passenger vessels should he find U.S. citizen passengers to be at a high risk of acts of terrorism directed against passenger vessels. The law also requires the issuance of travel advisories and authorizes the President to suspend certain passenger voyages for security reasons. This law does not apply to cargo vessels and terminals. Foreign port assessments are coordinated with the Department of State and the cruise ship industry. This program has been perennially underfunded and only two assessments were completed last year.

### Coast Guard Resource Requirements

Prior to September 11th, the Coast Guard suffered from significant funding shortfalls. During fiscal years 2000 and 2001, the Coast Guard was forced to reduce law enforcement operations by up to 30 percent due to insufficient funds. Both the fiscal year 2002 budget resolution and the House passed Coast Guard Authorization Act of 2001 (H.R. 1699) increased Coast Guard funding levels by \$250-\$300 million respectively to correct ongoing critical funding shortfalls. These funding shortfalls are similar to those experienced by the Department of Defense, including spare parts shortages and personnel training deficits. .

In addition, since resources from other missions, such as counter-narcotics, migrant interdiction, and fisheries law enforcement operations have been shifted to homeland security activities, the Coast Guard has been forced to make a significant reduction in these traditional missions. Coast Guard assets are now concentrated in and around U.S. ports instead of patrolling the Caribbean Sea or Gulf of Mexico to intercept illegal drugs or migrants. The Coast Guard has estimated there has been about a 25 percent reduction in drug interdiction and an even greater reduction of fisheries law enforcement since September 11th.

In response to the terrorist attacks, Congress passed a \$40 billion emergency supplemental appropriation to combat terrorism. The Coast Guard received \$18 million to cover operating expenses in New York Harbor and for Coast Guard Reserve activations. The President requested an additional \$203 million for the next 6 months for the Coast Guard to activate reservists, increase its homeland

security operations, and provide for three nuclear and biological detection strike teams. Division B of H.R. 3338, the Fiscal Year 2002 Supplemental Appropriation, contains approximately \$145 million in supplemental funding to cover additional Coast Guard homeland security costs.

**WITNESSES**

**PANEL I**

[The Honorable Norman Mineta](#)

Secretary  
Department of Transportation

**PANEL II**

[Admiral James M. Loy](#)

Commandant  
United States Coast Guard.

STATEMENT BY  
THE HONORABLE NORMAN Y. MINETA  
SECRETARY OF TRANSPORTATION  
BEFORE THE  
SUBCOMMITTEE ON COAST GUARD AND MARITIME  
TRANSPORTATION  
UNITED STATES HOUSE OF REPRESENTATIVES  
DECEMBER 6, 2001

Good morning, Mr. Chairman and members of the Subcommittee. I appreciate the opportunity to be here today to discuss our nation's maritime security strategy and ways to strengthen maritime and port security in the wake of the September 11 terrorist attacks.

As many have observed, our Nation has entered a new era of security awareness and nowhere is that felt more strongly than in the field of transportation. This is a challenge that confronts us in all transportation modes – from aviation to railways, highways, pipelines and waterways.

At the Department of Transportation, we are working aggressively to build the security foundation we will need in this new era. We are working with our partners in state and local law enforcement, other government agencies, industry and labor and with the leadership and Members of the Congress. Thanks to your help, we are making great strides in addressing our most critical transportation security challenges.

However, much work remains to be done – particularly in the security of our coastal waters, our inland waterways, our port facilities and their intermodal connectors. While the most pressing security challenges have been met with existing authorities, we now must work to build a new network of protections – one that transforms what has been a rapid response into a sustained effort that recognizes heightened security as a part of normal operations. In addition, marine security depends on the users of the system, shippers and operators, and affects the trade corridors they use.

This work is of critical importance. Approximately 95 percent of our Nation’s international trade moves by water. During a major military deployment, 90 percent of our military materials move through our nation’s seaports. Preserving those assets and protecting the safety of the men and women who use them and the communities near them has been, and continues to be, one of the Administration’s top priorities. To accomplish this priority, a new partnership must be formed. A partnership between the commercial maritime industry and government must take advantage of existing commercial security systems, information systems and technological innovations.

The Department and the Coast Guard have been well-equipped with existing statutory authority to develop the immediate maritime security response our Nation has required. A number of critical steps have been taken since September 11:

- The Coast Guard has refocused resources to protect high consequence targets in the marine environment, including critical bridges, port facilities and other infrastructure.
- The Department has issued emergency regulations requiring 96-hour advance notices of arrival for ships arriving in U.S. ports, and we expect to make that regulation permanent by the summer of 2003.
- The Coast Guard Intelligence Coordination Center, working with the Office of Naval Intelligence, has been tracking inbound high-interest vessels and providing intelligence to operational commanders and interested agencies.
- The Coast Guard has deployed personnel as Sea Marshals to ensure positive control of vessels containing critical cargos and in sensitive areas.
- The Maritime Administration has been meeting with members of the maritime industry to examine and address security issues and make recommendations regarding legislation and policy changes.
- The Maritime Administration has heightened security at its Ready Reserve Force fleet sites and outport locations as well as activated one ship to assist in Operation Enduring Freedom.
- The Maritime Administration and the General Services Administration have been working with other maritime agencies on ways to utilize “smart card” technology throughout the maritime and related industries in order to accurately identify employees working in security-sensitive areas. The cards that they have developed will use bio-metric identification such as: facial, fingerprint or

iris.

- The St. Lawrence Seaway Development Corporation has been working closely with its Canadian counterpart to heighten security on the St. Lawrence river and ensure the protection of ocean access to our Great Lakes ports.

These steps have formed the core of our near-term response to the new maritime and port security environment, and have been based on current authority and existing resources.

However, I am glad to have the opportunity today to discuss the longer-term steps we hope to take as we build a new operational baseline for maritime and port security in America. I know that Admiral Loy will be able to expand on the efforts I will be describing today, and all of us at DOT are looking forward to working with the leadership and members of the House and the Senate in successfully building the new standard the nation requires.

As you know, Mr. Chairman, shortly after September 11, I established two Rapid Response Teams to examine issues specifically relating to aviation security. Many of their recommendations have become part of the recently passed Aviation and Transportation Security Act of 2001.

In addition, I directed the creation of a National Infrastructure Security Committee (or NISC) as an internal working group at the Department of Transportation. The NISC's charge is to focus on intermodal security issues, to ensure coordination of the Department's security work across all the modes, and to

develop responses to meet the challenges of the new security environment.

Within the NISC, Direct Action Groups have been created to look at each of the modes of transportation, to meet with experts from business, labor and other stakeholders, and to make recommendations for action on legislative, regulatory and diplomatic initiatives. The Maritime Direct Action Group was formed in anticipation of your September 24 letter to me and, over the last two months, the M-DAG has been meeting with maritime industry stakeholders and examining pending legislative proposals.

Much of that work is reflected in the Departmental views on S. 1214, “the Port, Maritime and Rail Security Act of 2001,” introduced by Senator Hollings of South Carolina. We believe that many of the elements laid out in S. 1214 can be critically important tools in crafting a new paradigm in maritime and port security, and look forward to continuing to work with the leadership and Members of both bodies on this vital issue.

There are some key principles which we believe should underlie our national efforts to build a new baseline of operations for maritime security:

§ Our approach must be comprehensive, reaching both security at port facilities and in the marine environment. It must reach the security of physical assets and the security of maritime and port personnel and passengers.

§ Due to the widely diverse nature of the maritime system across the country, and the widely divergent nature of operations among ports, local planning and coordination with local and state authorities will be crucial.

§ Like any transportation network, the maritime transportation system is in a constant state of growth and change. The system we create must therefore be one that is capable of evolving over time, and where the expectation of that evolution is clearly established.

§ And, finally, the system must fully recognize the intermodal nature of marine transportation. Cargo that is unloaded from a ship today in a seaport will move quickly to other modes of transportation. There is no better example than the cargo container – a phenomenon that has been successful precisely because it is fundamentally intermodal – a cargo container arriving at a U.S. seaport today can be virtually anywhere in the heartland of America via truck and/or rail tomorrow. Accordingly, maritime security measures must be fully integrated with security measures being implemented in other modes of transportation.

The pieces of this puzzle that could be quickly implemented have been implemented under the Department's existing

authority. However, some longer-term tools for security planning and coordination will require new authorities. And, with the maritime transportation system playing such a critical role in our Nation's international trade, some responses to our new security challenges cannot be adopted unilaterally, but will only work if implemented in an international effort with our trading partners and the International Maritime Organization.

### **Integrated Planning**

Although it may not be readily apparent to those outside the maritime community, a focus exclusively on security at ports alone will not be enough. Security enhancements and improved security coordination at port facilities will be crucial, but the comprehensive approach we need must look beyond ports and port facilities and embrace the entire marine transportation system.

Most Americans, when asked about port security, will no doubt immediately think of large seaports through which more than 6 million containers enter the country each year. However, our security planning cannot afford to ignore smaller ports, ports of all sizes handling bulk cargoes, or the security of our coastal waters and inland waterways.

Security measures at these locations must be integrated and coordinated in order to close identified gaps and prevent new gaps from opening, and the Department must have enforcement authority to ensure compliance with the security plans that result from this process.

The first step in this security planning process must be an inventory of existing security systems and current plans for security enhancements at the nation's waterfront facilities and onboard passenger and cargo vessels.

We propose to coordinate the collection of that information through the Coast Guard's Captains of the Port. The jurisdictions of the Captains of the Port reach across the Nation. The men and women who serve in that role have well-established relationships with the maritime stakeholders within their jurisdictions and a deep familiarity with the operations and activities in their geographic areas of responsibility.

Simultaneously, a National Maritime Security Advisory Committee would be established at the Department of Transportation to advise me, the new Under Secretary for Transportation Security, and the Commandant of the Coast Guard on guidelines to be used by regional Coast Guard commanders and local Coast Guard Captains of the Port in building maritime security plans within their jurisdictions.

Finally, based on reviews of local security plans and risk assessments conducted at ports of national and strategic significance, I will identify maritime facilities for which full-scale vulnerability assessments are required.

### **Local Planning and Coordination**

Based on the proposed statutory requirements, the Department

will issue regulatory guidance for the development of local port security plans. However, how those guidelines play out from port to port will depend on the nature of the local facilities and the cargos that are handled through a given port. Given the diversity of port design and operations across the country, a strong component for local planning and coordination will be required.

To facilitate that process, Local Port Security Committees chaired by the Captain of the Port should be established. These local committees would include representation from local, state and federal law enforcement agencies, port authorities where those authorities exist, terminal owners and operators, organized labor, and others stakeholders.

The local committees would apply the national guidelines to their own local conditions, identifying areas of port operations which must be considered secure and access to which will be limited to individuals who pass background checks. Local committees would also be responsible for ensuring that security plans for multiple facilities at a port interface properly with one another, coordinating landside security planning with waterside security operations.

Local Port Security Committee members will, of necessity, have access to sensitive information during the course of their work and security clearances will be required for members.

In addition, we are proposing local committees play a role in any program for federal grant assistance for security upgrades at port

facilities. We believe that eligibility for any such grants should be contingent on the local committee's certification that the project to be funded is necessary for compliance with the local port security plan.

Finally, it is the role of the local committees to designate specific secure areas in ports as part of the local port security plan

### **Evolving Plans to Match Evolving Conditions**

Each of the planning elements I have described – security inventories and the development of local security plans under guidance from the Department, the work of the National Maritime Security Committee, and the support provided by Local Port Security Committees – have the goal of building a system that continually reviews and refines its security protocols.

Security inventories will take a first look at existing systems, and local plans will be developed from that starting point. Input from the field will be reviewed by the National Maritime Security Committee and further national refinements made.

We strongly agree that local plans must be reviewed at least annually, and that security exercises should take place in the jurisdictions of all local committees at least once every three years. The results of these reviews and exercises will likewise be reviewed nationally as inputs for the next round of refinements to the national maritime security plan.

## **Recognizing Maritime Transportation's Intermodal Foundation**

As I mentioned, maritime transportation is an inherently intermodal process. Passengers travel via air to embark on cruise ships. Ferry passengers access surface transportation modes in traveling to and from water transit facilities. And cargo moves from ships and barges to trucks, rail and pipeline and vice versa throughout the transportation system.

It is especially in this area of container cargo that much attention has been rightfully focused. Containerization has been a boon to international trade since its development in the 1950's. The ease of movement afforded by the ability of a container to be unloaded from a ship and quickly attached to a truck or rail car has made the container one of the most useful elements in the cargo transportation system.

It has been estimated that more than 6 million containers enter the country via U.S. ports each year, representing more than 11 million twenty-foot container equivalent units (TEUs) of cargo. The overwhelming majority of container cargo is arriving in the U.S. as imported goods.

The U.S. Customs Service has the lead in setting standards for the information that is to be provided by shippers in order to receive customs clearance and for conducting inspections of incoming cargo. We are requesting that Customs be given enhanced authority to specify the nature of cargo information

they may require for clearing shipments or allowing their in-bond transportation beyond the port of arrival.

DOT will continue to support Customs and our colleagues at the Department of the Treasury in carrying out that work, and we will continue to explore opportunities to make the cargo transportation system both more secure and more efficient.

To aid that goal, we are proposing that Secretary O'Neill, Secretary Evans and I establish a joint task force to work with the transportation industry to develop performance standards for the tracking of shipments, containers and contents. Such systems could serve the dual purposes of aiding the work of Customs in clearing and processing cargo shipments and of aiding shippers and carriers in efforts to more closely monitor their own cargo movements and to limit cargo theft and tampering.

In addition, we are proposing that Treasury and DOT work with the National Institutes of Standards and Technology at the Department of Commerce, and with the transportation industry, to develop enhanced performance standards for seals on cargo traveling in-bond and for locks to better secure containers during transport.

### **New Statutory Authorities**

The Department and the Coast Guard have broad authority within the area of maritime transportation to set security and safety standards and to enforce them. However, we

are seeking new and enhanced authority to broaden safety and security operations, and to improve maritime security enforcement:

- We are proposing that the Secretary of Transportation be given expanded authority to conduct security assessments of foreign ports where necessary. The Department will also work with international organizations for the adoption of international standards for port security, similar to international airport standards promulgated by the International Civil Aviation Organization.
- In order to facilitate the Coast Guard's ability to monitor and manage arriving vessel traffic, we are proposing to extend the jurisdiction of the Magnusson Act from 3 miles to twelve.
- We are proposing that new Maritime Safety and Security Teams be established for rapid deployment to enhance port security operations in areas of heightened threat.
- We are proposing new criminal penalties, similar to those in place for aviation, for acts against vessels and maritime facilities. We also propose a new penalty for use of a dangerous weapon on all passenger vessels, similar to the penalty recently enacted in the USA Patriot Act for offenses involving a ferry or mass transit system.
- We propose to extend our authority to license and regulate deepwater oil ports to include natural gas facilities.

- We also propose criminal penalties for acts of maritime terrorism, such as placing destructive devices or harmful substances into our waters.

Mr. Chairman, as I indicated earlier, our response to the new maritime and port security threat environment can never reach the point of being “finished.” The transportation networks that make up the marine transportation system are constantly evolving. The security threats and safety challenges we face in marine transportation are constantly evolving.

Our response to those challenges must be constantly evolving, as well. The proposals I have described will establish the foundation we need to build on the progress already made, and to build a process for that kind of continual refinement.

Our partnership with the leadership and Members of the Congress has always been a critical part of our work; it will be an even more vital part of our efforts to build the kind of secure, efficient and safe marine transportation system the American people deserve.

I look forward to working with all of you to reach that goal.

Thank you very much.

DEPARTMENT OF TRANSPORTATION  
UNITED STATES COAST GUARD  
STATEMENT OF ADMIRAL JAMES M. LOY  
ON  
PORT AND MARITIME SECURITY STRATEGY  
BEFORE THE  
SUBCOMMITTEE ON THE COAST GUARD AND  
MARITIME TRANSPORTATION  
UNITED STATES HOUSE OF REPRESENTATIVES  
DECEMBER 6, 2001

Good morning, Mr. Chairman and distinguished members of the Committee. As Commandant of the U.S. Coast Guard, I want to thank you for the opportunity to appear before you today to discuss Port Security and the Coast Guard's security strategy before and after the tragic events of September 11<sup>th</sup>.

As a multi-mission, maritime, military service within the Department of Transportation, the Coast Guard is a leader in America's maritime security and will take a leadership role in coordinating a multi-agency, private sector and international effort to prevent terrorism. We are uniquely positioned because of our broad civil authorities as a law enforcement agency, our military character, and our ability to surge operations quickly to meet new threats to our nation.

The Coast Guard's homeland security efforts prior to September 11<sup>th</sup> were directed towards executing and enhancing maritime safety and security, environmental protection, and homeland

defense in addition to our other normal peacetime missions. Coast Guard Captains of the Port in strategic U.S. ports chaired Port Readiness Committees and led operations to protect major force deployments under national defense contingency plans. The Coast Guard worked closely with the Department of the Navy to address domestic force protection for naval assets. We were also positioning ourselves to be prepared for the future by developing a methodology to conduct initial domestic Port Vulnerability Assessments to identify critical infrastructure and high-risk activities in our ports, to target our limited resources against the greatest threats. We encouraged the formation of additional local Port Security Committees to help in the security planning in ports and actively promoted the concept of Maritime Domain Awareness in cooperation with members of the National Security Council. Additionally, we have been working on the establishment of domestic active-duty Maritime Safety and Security Teams that will possess specialized law enforcement and force protection capabilities to meet emerging port security requirements in normal and heightened threat conditions.

When the events of September 11, 2001 occurred, we found ourselves under attack by an enemy lacking a face and a conscience directed not at a government or military, but against innocent people who simply cherished and protected American freedom. The reality of the assault immediately impacted many U.S. Coast Guard men and women at units deployed throughout the service. Yet, despite the obvious presence of the unseen enemy, the Coast Guard engaged in a massive response effort to protect our ports and marine transportation infrastructure. We

also immediately escalated our force protection condition to protect our own people and facilities.

In consultation with the Secretary of Transportation, I immediately ordered my operational commanders to control all of our nation's major ports. Since the attack, over 55 cutters, 42 aircraft and hundreds of small boats have been underway aggressively patrolling domestic ports and coastlines. Diverted from other essential missions, these assets helped in our attempts to achieve Maritime Domain Awareness in ports and coastal regions, and provided an offshore security presence to control shipping in the approaches to several strategic ports. In addition, highly trained Port Security Units, staffed predominately by Coast Guard reservists, were deployed to four critical domestic ports to augment security forces. Currently, over 2200 Selected Coast Guard Reservists are augmenting regular forces to assist with the considerable increase in operational tempo associated with the demands of protecting critical port infrastructure, enforcing security zones, providing marshals on high interest vessels, and performing security inspections.

We identified high interest vessels and prioritized critical infrastructure so that our limited resources could be applied in an efficient manner. Crew and passenger lists were obtained along with Advanced Notice of Vessel Arrival information for commercial vessels arriving from foreign ports, so that we could screen them to identify potential terrorists attempting to enter the country. We issued an emergency temporary regulation changing the advance notice requirement from 24 to 96 hours, to

give analysts more time to complete their work. The unique nature of the Coast Guard, as an agile emergency response-oriented organization allowed us to immediately increase our security posture, using existing active duty, reserve, civilian, and auxiliary personnel; and existing shore units, ships, boats and aircraft. However, this posture is not sustainable...nor is it an efficient and effective use of resources. Our people are working long hours, other important missions are being curtailed and over 25% of our total Reserve population are on active duty. I am working with my operational commanders to determine ways to sustain this high tempo of operations and the Administration to obtain the resources required to support an enhanced level of Port Security and Safety.

Our challenge for the future is to determine what the new normalcy represents in terms of mission requirements and the associated operational activity, while also ensuring that the Coast Guard is able to provide forces to meet its military service responsibilities for supporting the war against terrorism both at home and abroad. This is an immense challenge since our Exclusive Economic Zone encompasses 95,000 miles of open shoreline, 361 ports and nearly 3.5 million square miles of ocean. A key consideration is the U.S. Marine Transportation System. This system of ports, waterways, intermodal connections, vessels and vehicles moves 95% of the nation's oversea trade and 90% of our war fighting materials during a major military contingency. Maritime industries contribute \$742 billion annually to the U.S. GDP. Over 7,500 foreign flag vessels make more than 51,000 port calls bringing some 200,000 foreign mariners to U.S. ports yearly. The cruise ship industry

carries more than 6.5 million Americans annually on passenger vessels. Six million loaded containers, 156 million tons of hazardous material and nearly one billion tons of petroleum products enter our ports each year. The vulnerability of the Marine Transportation System makes it an attractive target to terrorists for both mass disruption and mass destruction. The security environment must allow for the differentiation between the movements of lawful and unlawful activities without unreasonably disrupting the free flow of commerce or movement of war fighting materials to overseas theaters. The United States Coast Guard will continue to maintain the viability and integrity of the Marine Transportation System (MTS). However, the intermodal aspect of the MTS requires the Department and its agencies with a stake in MTS, to take a unified approach in addressing the expansive security requirements nation wide. The importance of a cooperative One DOT effort can not be overstated and has become a focal point for all transportation security since the attacks of September 11<sup>th</sup>. Through this interagency collaboration and extensive partnering with public, private, domestic and international entities, tremendous steps have been taken to address the strategic gaps between the current and desired level of protection for our nation's ports and waterways. Increased vigilance in the ports includes continued engagement with the private sector, which has the primary responsibility for security and safety at their waterfront facilities and vessels, to present a unified and coordinated security posture. Equally important is partnering efforts with the international community. At the recent International Maritime Organization meeting, the Coast Guard proposed the development of concrete actions that will

enhance maritime security worldwide, thus extending our vision outward and intercepting threats before they reach our homeland.

While effective homeland security is built upon the principles of awareness, prevention, response, and consequence management, the primary objectives are awareness and prevention.

Awareness helps focus resources and provides efficiency to prevention. Prevention places a premium on awareness, detecting, identifying, and tracking threats to our homeland security. However, once terrorists or the means of terrorism are on the move towards or within the United States, the nation must have the means to detect and intercept them before they reach our borders and our transportation system. While there are no guarantees, there is good reason to believe that we can improve our national ability to detect potential threats in or to transportation through effective use of information that is, to a great extent, already available. Thus armed, border control agencies will be better able to intercept unwanted terrorists before reaching the United States. This idea of exploiting available information to separate the good from the bad, and then stop the bad is the heart of the Coast Guard developed Maritime Domain Awareness concept and overall Maritime Homeland Security Strategy.

The goals of the Coast Guard's Maritime Homeland Security Strategy will be to:

- Instill public confidence in the security of the ports, waterways, and maritime borders.
- Build Maritime Domain Awareness.

- Ensure capability to interdict threats.
- Ensure positive/controlled movement of high interest vessels.
- Protection of critical infrastructure.
- Increase presence for both deterrence and response capability.

In summary, the Coast Guard mounted a significant and rapid response to this severe and unexpected threat. Notably, maritime trade, which is critical to this country's economic strength, continues to move through ports with minimal interruption. It is no surprise that sustaining mobility will come at a higher cost to all of us. But the reality is that we live in a country that prides itself on the openness of its democracy, so we remain at risk to attacks of terrorism. It is incumbent upon our government to minimize this risk. With your support, the Coast Guard shall meet this challenge and ensure that our nation's Marine Transportation System remains the very best in the world.