

**Statement  
Of  
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**Before the**

**Committee on Homeland Security and Governmental Affairs**

**United States Senate**

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**“The Future of Port Security: The GreenLane Maritime  
Cargo Security Act”**

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Madame Chairman and Members of the Committee:

My name is Jim Hoffa, and I am the General President of the International Brotherhood of Teamsters. Thank you for the invitation to testify here today on behalf of our 1.4 million members concerning such important issues – cargo and port security. I commend you, Madame Chairwoman and Senator Murray for introducing S. 2008, the GreenLane Maritime Cargo Security Act and for holding this hearing today, so that these important issues can receive the public airing that they deserve.

The GreenLane Maritime Security Act goes a long way in applying additional security layers in the movement of intermodal containers from foreign ports to their final destination in the United States and addressing many of our current vulnerabilities. Improving the Automated Targeting System for identifying high-risk containers and establishing an Office of Cargo Security Policy within the Department of Homeland Security to coordinate policies and programs relating to cargo security are necessary steps that should be taken to safeguard our supply chain. Establishing minimum standards for securing containers in transit is also an important goal outlined in the legislation that should be met. The Container Security Initiative would also help to reduce the risk of terrorism through the shipment of containers by conducting a security assessment at foreign ports.

In assessing the security at foreign ports, I think it is important to also consider what measures have been implemented to screen workers in those ports. If we are subjecting our port workers to rigorous background checks, then we should demand nothing less from foreign ports that are seeking to participate in the Container Security Initiative, the Customs-Trade Partnership Against Terrorism Program or the GreenLane Program.

While all of these additional security protocols will enhance cargo and port security in the future, I am concerned with the present and what steps can be taken more immediately to improve security today. For example, the provisions in Section 7 of this bill would require all containers entering the United States to be examined for radiation. Obviously, that should be done. But the fact of the matter is that many of our ports have radiation detection devices. However, those screening devices are positioned at the exit of the port, and are not in use until a container leaves a port, potentially letting a Weapon of Mass Destruction (WMD) sit in a container yard for days or weeks until it is ready to be transported to its final destination. There should be a process in place to have the container screened for radiation, immediately after being off-loaded from the ship, before it is taken to the container yard. In addition, ports rarely check containers that are returned. For example, the Port of Seattle for years had longshoremen check containers declared as “empties” as they were returned to the port. But for economic reasons, that practice was stopped. It is an issue that needs to be revisited at all the ports, since empty containers don’t go through radiation screening. So a WMD could easily be brought into the port and detonated – shutting down commerce at the facility.

This legislation outlines numerous security protocols for containers during their movement through the supply chain. As I see it, those movements also involve a labor force that touches those containers at various points along the way. So cargo and port security are very dependent on a reliable, honest, trustworthy workforce. When a container comes off a ship, for example, there is a longshoreman there to move the container by truck within the port to the container yard. There it waits for another very different type of worker, a port truck driver, who enters the port, gets a chassis and waits for the container to be loaded onto it. From there, it leaves the port and goes onto its final destination.

It is interesting to contrast the differences in the port workforce. A longshoreman reports to the union hiring hall. In most cases a work order is processed through a computer, where by seniority, union members' names and sometimes photographs appear for those who will fill the order. This indicates a stable, reliable workforce where familiarity is the rule rather than the exception.

Unfortunately, such is not the case with port truck drivers. For a workforce that outnumbered all other workers in the ports, there is no chain of control or responsibility. The security and the control chain are broken. Ports need to be free to experiment with different models of employment in order to make sure there is some security accountability for the ever-changing makeup of these drivers whose faces change daily.

In Congressional hearings, newspaper editorials and television exposes, there has been intense focus on funding infrastructure improvements to protect our maritime ports. And well there should be. In fact, this legislation before us authorizes a grant program to help implement Area Maritime Security plans. But no matter how high we build the fences, how many coast guard cutters we have patrolling the harbors, or how many Blackhawk helicopters circle overhead, our ports remain vulnerable when the gates are left wide open. And that is the situation at U.S. ports today.

Former Coast Guard officer Stephen Flynn, in his February report for the Council on Foreign Relations, "Port Security is Still a House of Cards", said that the drivers who haul the containers in and out of America's ports are the weak link of port security. An unpublished Department of Homeland Security study cited by ABC News four weeks ago found that over half of the 9,000 truck drivers registered with the SeaLink registry at the Port of New York and New Jersey have criminal records including drug sales and smuggling, and over 500 were

driving without valid commercial drivers licenses. If I had brought that testimony to this committee six months ago you probably wouldn't have believed me. But in this post Dubai Debacle period, the American public demands that this problem be taken seriously.

On that note, I am here today to tell you what we reported to Stephen Flynn after his study was published. The situation is much worse than even he was aware of. There has been a systematic effort by the key stakeholders operating in America's ports to foster and maintain an underground economy in the road transportation sector of our global trade operations. This is a situation that is not just prevalent in the United States. It's worldwide and jeopardizes not just U.S. port security, but security at ports around the world. So when this Committee is looking to implement security protocols at foreign ports, it would be wise to keep in mind the situation in the U.S., as it is duplicated around the world.

In an effort to ratchet down the rates paid to the truck drivers who haul the container, the industry has accepted—even promoted—a system using container-hauling companies (drayage companies) contracting with a large numbers of drivers who are:

- impoverished;
- operate with old, polluting trucks;
- haul overweight containers on steamship-owned trailers that are not properly maintained or inspected;
- operate without valid licenses or
- with licenses with too many violations
- have no valid insurance;
- have no valid medical certificates
- have no hazmat certificates;
- and who are regularly forced to work long hours in violation of Federal Hours of Service regulations.

This is the dirty little secret of the maritime import/export business. You may not have known; the public and the press may not have known; but the port authorities and the terminal operators and the shippers and the motor carriers all know. And they know that the annual

turnover rate for these drivers is over 138%--compared to 2 or 3% for unionized truck drivers in America. And they know that the majority of these drivers are struggling for survival while the steamship lines have posted profit increases of between 100% and 400% for the period covering the last four years.

It is a travesty that this expanding, booming, profitable industry has gotten away with maintaining a plantation system where the truck drivers are treated like sharecroppers on wheels—the drivers shoulder the burden of any downturn, any spike in fuel costs, any delay due to port congestion or inadequate staffing of port positions. But it is more than a human rights abuse of these drivers.

There can be no port security when the majority of container drivers are operating in or on the thin edge of bankruptcy. There can be no port security when the industry is promoting a system where so many motor carriers are operating as pirate companies employing drivers who could not find work in any legitimate sector of road transportation...all in the name of providing “low cost” trucking services.

The industry uses the excuse that these drivers are not their employees, they claim the drivers are contractors for the container hauling companies and sub-contractors for the foreign-owned steamship lines. But the port authorities in Southern California had to know that something was critically wrong when dozens of trucks were abandoned, effectively shutting down their terminals whenever the INS came to check drivers’ immigrant status.

The port authority in Miami-Dade County had to know something was wrong when drivers boycotted the port for two weeks in 2000 and again four years later protesting the industry practice of charging them for insurance but failing to purchase actual policies.

The Port Authority in Savannah has to know that the reason up to a third of the drivers enter their gates with daily passes is that they can't pass background checks required for permanent credentials. Ports on the East Coast and West Coast that operate terminals eighteen to twenty-four hours a day have an easy way to monitor hours of service violations, but choose not to.

Why are all these issues a concern for national security? Because the drivers are ruled by fear. Those drivers operating illegally in our ports, operating in or near bankruptcy, are vulnerable to blackmail, desperate for cash, and, if approached by the "bad guys" with an offer to carry contraband into the port, they are going to be reluctant to report to any police or port officials for fear of exposing their own systematic violations of local, state and Federal laws and regulations.

Ever since 9/11, the shipping industry has sought ways to delay the implementation of the Transportation Worker Identification Credential or TWIC cards, to limit the degree of background checks, to limit the areas of the ports that are considered secure areas, using the excuse that close scrutiny of the underground port transportation economy will further exacerbate the current and growing shortage of drivers. That excuse echoes the claim that the industry made during the Dubai debacle; there are no domestic companies bidding on the terminals; now the industry is saying there are no legitimate drivers who want the port container hauling jobs. But as soon as Dubai Ports World said they will split the U.S. terminals they bought from the rest of the old P&O Ports world-wide holdings and put them up for auction separately, U.S. terminal operators and U.S. investors announced their interest.

Congress needs to authorize the ports to set guidelines that would eliminate the pirate motor carriers who operate as an anticompetitive underground economy with unqualified,

uninsured drivers and paying no FICA taxes, no unemployment taxes, no workers compensation taxes and undercutting the possibility of legitimate motor carriers competing in this business. As soon as that happens you will see thousands of drivers who can pass scrutiny lining up for jobs that will have to pay market rates. Legitimate transportation companies have these obligations. Why not these – especially when it involves security of our homeland. These drivers will then be able to afford state-of-the-art, non-polluting trucks. They will take care of their families with company medical benefits instead of through publicly funded charity medical services. Most importantly, the American public will be able to sleep better knowing that our ports are safer.

There are other issues that must be addressed in the context of port security. As a general matter, the Teamsters Union recognizes that in the post 9/11 world, there is clearly the need to strengthen security in the United States and in particular in the nation's transportation system. We have accepted that criminal background checks are part of the government's efforts to make the nation more secure. We recognize that conducting security threat assessments across the transportation network is part of the Federal Government's responsibility, and we are therefore making every effort to ensure that the system balances the needs of a safe and secure industry with the rights of workers in the ports to hold good jobs. We know that the Transportation Security Administration will soon release long overdue regulations for the Transportation Worker Identification Credential – the TWIC.

In that same context however, we do have concerns that designations of secure areas within the ports would allow an overall breach of port security. There is no port security without the entire port being secure. Port truck drivers not only enter the an area of the port to pick up a chassis and then a container, but many times visit a maintenance and repair facility to have the chassis repaired; go to special Coast Guard or Customs areas or to Department of Agriculture

screening areas. But if areas within the port continue to be accessed by individuals without the TWIC, then we can see a scenario that would allow port truck drivers access to an area of the port to pick up their container without having to enter a secure area. This would permit the continued exploitation of these drivers, because an unchecked workforce would continue to be at the mercy of low wages, would continue to operate without valid licenses and other required credentials, and in some cases without insurance.

Finally, there is another area that needs the Committee's attention. The Port Security Grant Program in Section 13 specifies the use of funds for grants awarded under the program. One of the uses outlined is to "conduct port-wide exercises to strengthen emergency preparedness of Federal, State and local officials responsible for port security...". I am concerned that not enough attention is being paid to security awareness training of workers at the port. These workers are the eyes and ears of the front-line in our war against terrorism, and for the most part, they have not received sufficient information or instruction about what to look for and to whom they should report suspicious behavior. Neither have they been given sufficient information about what to do if there is an attack or whether and how to evacuate the area. Security training funds for port workers should be a part of this program.

The Teamsters Union appreciates the opportunity to testify here today concerning the future of port security. We hope that we can continue to work with the Committee as this legislation moves forward to address some of the issues I have raised here today. I would be happy to answer any questions you may have.