Testimony of Senator Ernest F. Hollings Committee on Governmental Affairs Hearing on Seaport Vulnerability – December 6, 2001

The American public is most familiar with airline, highway and rail transportation. But perhaps the most vulnerable link in our transportation system is the component that few Americans ever see: our major seaports.

Our 361 sea and river ports handle 95 percent of U.S. international trade. These ports annually transfer more than 2 billion tons of freight — often in huge containers from ships directly onto trucks and railcars that immediately head onto our highways and rail systems. But less than 2 percent of those 5 million containers are ever checked by customs or law enforcement officials. That is a gaping hole in our national security that must be fixed.

Senator Bob Graham and I introduced The Port and Maritime Security Act during the last Congress. And we introduced it again this Congress. Our focus had been seaport crime, theft, and human smuggling. The Commerce Committee unanimously approved that bill in August. But since September 11, we have dramatically expanded the bill to address the threat of terrorism, and we will be offering that amendment during floor debate.

But before discussing the specifics of our bill, I want to read an excerpt from a chilling story published October 8 in *The Times* of London:

"Intelligence agencies across the world are examining Osama bin Laden's multimillion [dollar] shipping interests. He maintains a secret fleet, under a variety of flags of convenience, allowing him to hide his ownership and transport goods, arms, drugs, and recruits with little official scrutiny."

"Three years ago, nobody paid much attention to a crew unloading cargo from a rusting freighter tied up on the quayside in Mombasa, Kenya. The freighter was part of Osama bin Laden's merchant fleet and the crew were delivering supplies for the team of suicide bombers who weeks later would blow up the U.S. embassies in Kenya and Tanzania. Bin Laden's covert shipping interests were revealed at the trial of the bombers, but until now security services have been slow to track down how many vessels he operates."

Then we heard that a suspected member of the Al Qaeda terrorist network in October tried to stow-away in a shipping container heading to Toronto, Canada. The container was furnished with a bed, a toilet, and its own power source to operate the heater and recharge batteries. According to the *Toronto Sun*, the man, who was arrested at a port stop in Italy, also had a global satellite telephone, a regular cell phone, a laptop computer, an airline mechanics certificate, and security passes for airports in Canada, Thailand and Egypt.

Most Americans would be surprised to discover there is no unified federal plan for overseeing the security of the international borders at our seaports. And that's what seaports are: international borders that must be protected as well as our land borders with Canada and Mexico.

For those of us who live in or near port cities, these concerns about port security are nothing new.

A couple years ago, Senator Bob Graham convinced President Clinton to appoint a commission to look at seaport security. At the time, the main focus of port security was stopping illegal drugs, the smuggling of people, and cargo theft. While those problems still exist, the new — and very real — threat of terrorism strikes right at the heart of our national defense.

The Interagency Commission on Crime and Security at U.S. Seaports issued a report a year ago that said security at U.S. seaports "ranges from poor to fair." Let me repeat that: 17 federal agencies — including law enforcement agencies such as the FBI, Coast Guard, DEA, and Customs — reviewed our port security system and found it in poor shape.

According to the Commission:

"Practices to restrict or control the access [to port facilities] are either not present or not consistently enforced,

increasing the risk that violators could quickly remove cargo or contraband. Many ports do not have identification cards issued to personnel to restrict access to vehicles, cargo receipt and delivery operations, and passenger processing operations."

The report also found that port-related businesses did not know where to report cargo theft and other crimes, and that federal, state and local law enforcement agencies responsible for a port's security rarely meet to coordinate their work.

That is what our legislation does — it creates mechanisms to integrate all these different security agencies and their efforts to improve the security of our seaports.

Following the Interagency report, the Senate Commerce Committee held hearings at the end of the last Congress. Senator Graham and I this Congress reintroduced our port security bill and held more hearings. In August, the Senate Commerce Committee <u>unanimously</u> approved the bill.

So we were working on this issue long before September 11th. But after the terrorist attacks, the Senate Commerce Committee held two more hearings related to seaport security. Senator McCain, the ranking Republican of our committee, and I have worked together to dramatically expand the legislation to more directly address the threat of terrorism at our seaports.

Our port security bill would set up security committees at each local port to better coordinate the efforts — and share critical intelligence — among federal, state, local, and private law enforcement agencies. We would mandate for the first time ever that all ports have a comprehensive security plan that would limit access, restrict firearms and conduct background checks of workers in security-sensitive areas. The bill would require ships to electronically send their cargo manifests to a port before gaining clearance to enter, and prohibit the unloading of improperly documented cargo.

Our legislation would improve the reporting of crew members, passengers, and imported cargo to better track suspicious activity. We would provide more scanning equipment for the U.S. Customs Service so they can inspect more cargo containers. And we would directly grant and loan money to local ports for security infrastructure.

The destruction that can be accomplished through security holes at our seaports potentially exceeds any other mode of transportation. We all know the damage that can be caused by one truck bomb. But one ship can carry thousands of truck-sized containers filled with hazardous materials. A hijacked tanker holding 32 million gallons of oil or other explosive material that is rammed into a port city like Boston, New York, Miami, Los Angeles or Seattle could potentially kill thousands of people and destroy many city blocks.

That vulnerability is magnified by the type of facilities along our coasts and rivers. There are 68 nuclear power plants located along U.S. waterways. Along the 52-mile Houston Ship Channel, there are 150 chemical plants, storage facilities and oil refineries. The Baltimore Sun reported that "within a mile of the Inner Harbor of Baltimore is a major East Coast import and export hub for a broad range of dry and liquid chemicals. If ignited, many are capable of producing ferocious fires, explosions and clouds of noxious fumes — immediately adjacent to such densely populated row house neighborhoods as Locust Point, Highlandtown, and Canton."

As you can see, we have major vulnerabilities at our seaports. Most of the security procedures and infrastructure improvements contained in our bill have long been practiced at our airports and land border crossings, yet we have failed to take these preventative steps at our seaports. We have left the security of our seaports to local authorities and private businesses. But making our seaports secure is now an issue of national security — and Congress must immediately address these vulnerabilities.