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SEAPORT SECURITY AND SHIP PASSENGER SECURITY

FIELD HEARING

BEFORE THE

SUBCOMMITTEE ON SURFACE TRANSPORTATION AND MERCHANT MARINE

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

JANUARY 9, 2002

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ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

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SEAPORT SECURITY AND SHIP PASSENGER SECURITY

WEDNESDAY, JANUARY 9, 2002

U.S. SENATE,
SUBCOMMITTEE ON SURFACE TRANSPORTATION AND MERCHANT MARINE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Ft. Lauderdale, FL

The Subcommittee met, pursuant to notice, at 1:30 p.m. at the Port Everglades Auditorium in Ft. Lauderdale, Florida, Hon. John B. Breaux, Chairman of the Subcommittee, presiding.

OPENING STATEMENT OF HON. JOHN B. BREAUX, U.S. SENATOR FROM LOUISIANA

Senator BREAUX. The Committee will please come to order. If we could have everybody's attention. Thank you all for being with us this afternoon. We are still getting some more chairs.

If you can find a place, please take a seat. We would love to have you sitting down, if you can. Thank you all very very much.

We have just convened a Committee hearing of the Senate Commerce Committee's Subcommittee on Surface Transportation and the Merchant Marine of which I, Senator John Breaux of Louisiana, have the privilege of chairing in Washington.

I cannot tell you how delighted and how nice it is to have the Committee outside of Washington, DC., here in the beautiful area of South Florida, and particularly here in Congressman Clay Shaw's district, and have a field hearing which is the first of three hearings that we're going to have, the first today in Port Everglades.

Tomorrow we will be in my State having a hearing at the Board of New Orleans after which we will go to Houston and have the final hearing in this series on port security at the Port of Houston and then returning to Washington, DC.

On any given day in Washington you may have as many as 20 committees holding hearings, so it's always a pleasure and a great opportunity when we can get outside of our Nation's capital and visit the real areas that we try to do work on and then try to influence various issues that people back home are working on every day.

We actually learn a lot more when we get outside of Washington and have an opportunity to visit with local people.

I want to thank all the people who have been so kind and courteous to the Members of my Subcommittee and the staff, particularly the Coast Guard, the Immigration and Naturalization Service,

the U.S. Customs and the commissioners from the county who were with us as we arrived yesterday and thank them for their help as well as the port officials and also the representatives of the cruise industry which are very important to this area. They have all been very, very helpful and we appreciate their help and assistance.

I want to particularly acknowledge the presence of Congressman Clay Shaw, and I will ask him if he has a comment or two, after I make my opening comments.

The legislation that we're dealing with is the legislation that has already passed the U.S. Senate, the Port and Maritime Security Act.

One of the earliest sponsors of that legislation was Florida's U.S. Senator, Bob Graham, who—long before September 11th—was involved in helping put together legislation affecting port security and maritime security.

That legislation has now evolved from legislation aimed at trying to enforce criminal laws in ports and to doing a great deal more work in the area of preventing terrorism in our Nation's ports.

As I said, that legislation, which I'm a sponsor of as well, has unanimously passed the U.S. Senate. It has not yet passed the House of Representatives, but Congressman Clay Shaw will be one of the leaders in the House in trying to put together legislation.

The emphasis in the past has been, to a great extent, on airline security in the airports in this country. To a certain extent we, in Congress, have neglected that aspect.

We, and the Congress, have worked very hard on airline security and airport security, but we have not done nearly as good a job in looking at the question of how we ensure that people—who use the ports, the shippers, importers, exporters and passengers—can also feel safe and secure in the knowledge that everything possible is being done.

There really has never been any kind of unified national Federal plan dealing with the Internet, or seaports, around this country and that's something that probably should have been done a long time ago.

Now, obviously because of the events of 9/11, we're now looking at ways we can be involved with local governmental bodies on a county and on a State basis to try and coordinate our efforts to make sure that security at the ports is being done in the best possible fashion.

The Bush Administration has supported the legislation and is expected to sign the legislation when it has completed its passage through the House of Representatives.

Let me give you an outline, for those of you who may not have followed as closely, what the Port and Maritime Security Act basically does.

First, it sets up local port security committees to better coordinate the efforts of the Federal, State, local and private law enforcement agencies.

This is very important because when everybody's in charge, nobody's in charge and it is very important for our ports to have a system of coordinating the local government input and the State government input as well as our Federal agencies so that everybody will know what everybody else's responsibility happens to be.

The bill also mandates, for the very first time, that all ports have a comprehensive security plan.

I think this port already has one in place, but there are many ports around the country that do not have any kind of a comprehensive security plan governing their ports and that is unacceptable and should not be allowed to continue.

The bill will also require ports to limit access to security sensitive areas, to restrict firearms and other weapons and to develop an evacuation plan, to conduct background checks of all of their employees working in security sensitive areas.

Many ports do this to one degree or another and then there are some ports that do it very haphazardly and we cannot allow that to continue either.

It requires ships to electronically send their cargo manifests to a port before gaining clearance to enter those ports and prohibits unloading improperly documented cargo.

That provision is not without some controversy. Many people have said that it puts an undue burden on the shipping business and freight forwarders have given us their comments about their concerns about the requirement to provide the cargo manifest to the port authority before the ships enter the ports.

We will try to figure out a way to make sure that this is done with a minimum degree of disruption. The bill also improves the reporting of crew members, passengers, and imported cargo to allow officials to better track any potentially suspicious activity.

This legislation also creates a Sea Marshal Pilot program that has already been started involving Sea Marshals to, more specifically, authorize the Coast Guard to board ships entering U.S. ports in order to make sure that nothing is occurring that is out of the ordinary.

It also directs that there would be financial grants and to upgrade security infrastructure at our ports.

The legislation also authorizes $703 million in the Senate passed bill to upgrade security infrastructure. A lot of ports are going to need some help. They cannot do it by themselves and also to provide new inspectors, agents, screening and detection equipment to the ports, and to Customs and to inspectors in order to do their jobs.

It will also guarantee up to about $3.3 billion in loans for ports to upgrade security infrastructure giving them access to necessary monies in order to get the job done.

It also authorizes the spending for research and development of cargo inspection technology. We probably inspect only about 2 percent of the cargo coming into the ports of the United States.

Obviously that means 98 percent of it is not being inspected and technology is going to have to be improved. You cannot physically open every container and every box that's coming into Port Everglades and look at it physically, so you have to develop new technology to do this more effectively and more efficiently.

Let me now, if I could, before I introduce our first panel, call on Congressman Clay Shaw for any comments that he might make.

There's still time to influence this legislation. I have just outlined what the Senate did, but the House obviously has authority to do whatever they want on this legislation.

They can improve it and hopefully they will look for ways to do that. One of the major players involved in that discussion is going to be your own Congressman, Clay Shaw, and we're delighted to have him with us this afternoon.

[The prepared statement of Senator Breaux follows:]

PREPARED STATEMENT OF HON. JOHN B. BREAUX, U.S. SENATOR FROM LOUISIANA

I would like to welcome everyone to this field hearing of the Senate Commerce Subcommittee on Surface Transportation and Merchant Marine. Those of us on the subcommittee appreciate the warm welcome and hospitality shown to us by Representative Clay Shaw, your local officials from Broward and Dade Counties, and your port authority directors.

On any given day on Capitol Hill, as many as 20 congressional hearings can take place at one time. At these hearings, we call upon policy experts to enlighten us with new ideas for improving the safety, security and prosperity of our country.

But it is good to get outside of Washington. We need to hear new voices with fresh ideas. Conducting these field hearings helps us learn more about the challenges facing local citizens, local governments, and local businesses as they try to improve the quality of life in their communities.

And touring the places and facilities directly impacted by our public policies and new laws helps us learn more about what is happening on the ground—where the rubber meets the road—or, in the case of Port Everglades, where the hull meets the waves.

Port Everglades is an impressive operation. Originally known as Lake Mabel, Port Everglades was officially established as a deep water harbor in 1927. The port has since grown to the point that nearly 6,000 ships call on Port Everglades every year. The port processes 2.7 million cruise line passengers each year and handles 23 million tons of liquid, break bulk and containerized cargo.

This morning we witnessed a Coast Guard security exercise and toured the passenger terminal at Port Everglades to review security practices. As a result, we better understand the challenges this community faces at its seaport. I was generally impressed with the level of security for the cruise industry, but we must continue to be vigilant due to the current threats we face.

The security of our sea and river ports has rarely been the focus of our national security plans. We have invested millions of dollars to protect our airports and our land borders, but very little toward making sure that the goods and people arriving at our ports do not jeopardize our security.

There is no unified Federal plan for overseeing security at the international borders of our seaports. Right now the responsibility of building secure seaports rests with States like Florida, its port authorities, and the private sector. That was a poor model for national security when we were fighting drugs and international smuggling—and it is totally inadequate after September 11th as we face the threat of terrorism.

Senator Bob Graham, who could not be here today, has led the charge in Congress to improve security at our seaports. And the State of Florida has been a great leader in this area, investing its own State resources to address seaport security when the Federal Government failed to step in.

Senator Hollings, Senator Graham and myself introduced a seaport security bill in the summer of 2000. We re-introduced the legislation again in the current Congress, and we passed it out of the Commerce Committee last August by a unanimous vote.

But seaport security was still a low-profile issue—until the terrorist attacks of September 11th. Suddenly the vulnerabilities we face at our seaports were brought into sharp focus. I immediately convened a subcommittee hearing on the issue during which we heard some truly horrific scenarios about the potential use of our seaports by terrorists. I then worked with other Members of our committee to dramatically expand the legislation to address these new threats of terrorism. The Bush Administration endorsed the bill, and we passed it through the Senate by unanimous consent in December.

S. 1214, The Port and Maritime Security Act:

- Sets up local port security committees to better coordinate the efforts of Federal, State, local, and private law enforcement agencies.
- Mandates for the first time ever that all ports have a comprehensive security plan.

• Requires ports to limit access to security-sensitive areas, restrict firearms and other weapons, develop an evacuation plan, and conduct background checks of employees working in security-sensitive areas.

• Requires ships to electronically send their cargo manifests to a port before gaining clearance to enter, and prohibits the unloading of improperly documented cargo.

• Improves the reporting of crew members, passengers, and imported cargo to better track suspicious activity.

• Creates a Sea Marshal program to more specifically authorize the Coast Guard to board ships entering U.S. ports in order to deter hijackings or other terrorist threats.

• Directly grants and authorizes $703 million to local ports to upgrade security infrastructure, and to the U.S. Customs Service for new inspectors, agents, screening and detection equipment.

• Guarantees up to $3.3 billion in loans for seaports to upgrade security infrastructure.

• Authorizes spending for the research and development of cargo inspection technology to make cargo inspections quicker yet more thorough.

Some of our passenger cruise lines and shipping companies may worry that these new procedures requiring more security and customs checks will slow the processing of passengers and the flow of international commerce. But new technology is the key to speeding these passenger and cargo clearance processes—while at the same time making the entire system more secure. As we did in the airline security bill, we can strike the balance between increased security and the convenience of our open country and economy.

While The Port and Maritime Security Act unanimously passed the Senate, I am still focusing my attention toward getting this legislation through the House of Representatives. We need to keep the spotlight on this issue of national security and learn all we can about the terrorist threats we face.

That is why we need the help of our witnesses today. There is still time to incorporate new ideas into the seaport security legislation when we eventually reach a conference committee with the House to draft a final version of the bill.

Since we are in Port Everglades, I want to especially focus today on ship passenger security. After we hear from Representative Shaw, our first panel will feature the port authority directors and representatives of the cruise lines. Our second panel will feature the law enforcement agencies responsible for seaport and passenger security, along with the president of a company that has invented passenger screening technology.

I understand that we need to balance the need for public testimony and debate about seaport security with the need to keep confidential any information that, if revealed, could harm security efforts. So I would urge our witnesses to not disclose any information that would jeopardize current security arrangements or security planning.

I want to hear from our witnesses about what works in the area of passenger screening—and how we can do a better job. I also want to hear your opinions about whether passenger screening is adequate at foreign ports. If foreign ports do not meet high security standards, it makes our security efforts here much more difficult. And I want to hear about the problems you all face in making this community and our country more secure from foreign passengers and crew members arriving on these ships who might do harm to America.

Of particular interest is how we can better coordinate these security functions among all the Federal, State, local and private law enforcement agencies that converge at our ports. I understand that you have all increased your law enforcement coordination efforts since September 11th. Now we need to know what new authorities, funding or tools you might need to help make our seaports, your community, and our Nation a safer place.

STATEMENT OF HON. E. CLAY SHAW, JR., U.S. REPRESENTATIVE FROM FLORIDA

Mr. SHAW. Thank you. I want to welcome Senator Breaux. My wife Emily and I have known the Senator and his wife for over 21 years, going back to when he was in the real thick of things in the House of Representatives before he decided to descend to the Senate.

He was one of the rising stars in the House, so you can well imagine that he's one of the superstars in the Senate.

It's a pleasure and I want to thank you for allowing me to sit with you at this most important hearing.

I do have a prepared statement which I understand needs some correction, and I will at the appropriate time, if we can keep the record open, submit it for the record. (Not available at time of printing.)

I'm very privileged to represent a piece of the Port of Miami, all of Port Everglades, and the Port of Palm Beach.

I have been very concerned with port security both from a staffing point of view in doing background checks and matters pertaining to security. Of course, we have great cooperation from the county commissions in Miami-Dade, Broward, and Palm Beach Counties in doing just common sense type things. We have come a long way.

The bill that Senator Breaux just outlined, I had filed an identical bill in the House, and the companion bill is Senator Graham's bill.

As many of you know, and particularly for those of you in the maritime industry, Senator Graham has done a great deal of work with regard to port security as I have.

He was here in this port within the last couple of weeks during one of his "Day Jobs." Every once in a while a Senator does have to work and he was on one of these with the Customs Department. Senator Graham has a very keen interest in this particular subject and he has really done a wonderful wonderful job and I'm privileged to be able to work with him.

I must say, John, that it was a rather historic significant event when the Senate was able to pass something before the House had. Occasionally that does happen and I'm sure it's because of your leadership and concern for this particular area and I wish the House had had the ability to move before the break.

We needed some meaningful legislation that would bring the Republicans and the Democrats together and that's one of those areas in which we do work very closely together.

Congressman Don Young is the chairman of the Transportation and Infrastructure Committee that will have jurisdiction over this matter in the House and I understand that he will be putting together his own bill and he will be using Senator Graham's bill and my bill somewhat as a guide. He will be putting some differences in, so I'm sure that you will be looking forward to conferencing with him and the appropriate Members when the time comes.

Welcome to Port Everglades.

Port Everglades was a port that was most secure under 1950's and 1960's technologies. As you can see, we are a very open port, and now, particularly after the events of 9/11, we're having to take a very close look at where we are, where we're going, and what is the future of this port. This port definitely has to be equipped with much more security.

The Port of Miami, which you're also familiar with, from just a standpoint of its geographical location, is more secure because there is only one way in and one way out.

Whereas, here in Port Everglades, we have several areas eventually with ingress and egress from the port, and plus, we do have the time qualms and other matters which are a great concern.

Mr. Chairman, I share your concern regarding container inspections. We do need to investigate much more than the 2 percent of the containers that are coming in because the technology is out there with extra equipment and various other sensory devices.

The terrorists are a little bit ahead of us, but we're catching up in closing that gap and the Senate is certainly taking a giant leap in closing that gap with the passage of this legislation.

I look forward to your hearing and express my appreciation for your including me in this hearing.

Senator BREAUX. Thank you very much, Congressman Shaw. Let me tell you that people in Louisiana love coming to Florida except when it's to play football. We don't do too well.

We would like to just say a very sincere thanks to all of our hosts. You have been very good to all of our staff and all of our people here are delighted.

It certainly makes our job of finding out information easier and also producing information that will be ultimately very helpful when we return to Washington.

We will have a panel and then a second panel. The first panel is already seated at the table and that will be Mr. Phil Allen who is the interim director of Port Everglades and also Charles Towsley who is director of the Port of Miami.

So we have two of our major port facilities right here and we're delighted to have them with us. They have been visiting with us for a couple of hours and I want to give them the opportunity to officially tell this Committee, and others who will be reading this Committee's proceedings, what it is you're doing at both Port Everglades and the Port of Miami.

Phil, do you want to go first?

STATEMENT OF PHILLIP C. ALLEN, INTERIM DIRECTOR OF PORT EVERGLADES

Mr. ALLEN. Thank you, Mr. Chairman, Congressman Shaw, and members of the audience.

I have provided copies of my testimony to your staff and for the record. Let me go through that and give more detail and then I would be pleased to answer questions that you may have.

Port Everglades serves many diverse maritime and transportation interests within our jurisdictional boundaries including containerized cargo, shipping, petroleum shipping, and the cruise industry.

The cruise industry has grown significantly in the last decade to become our single largest revenue producer.

In fact, this past weekend alone we served 22 ships and approximately 50,000 passengers.

On the local level, the Port supports approximately 15,000 jobs resulting in $414 million in personal income and $149 million in taxes annually.

Prior to our Nation's experiencing it's second day of infamy, Port Everglades developed a number of security mechanisms to ensure that our port utilizes the best practices available to encounter drug smuggling and other criminal issues associated with seaports.

After September 11th, however, we have had to reevaluate our security needs to include protecting the Port and its customers from possible acts of terrorism.

Today, in addition to providing a crime free work environment for our clients, we are prepared to guard our assets against the threat of terrorism.

Our commitment to this belief is evidenced in the testimony provided in this letter. Port Everglades is host to more than three million cruise passengers annually making it one of the busiest cruise ports in the world.

While the safety of our passengers has always been a top priority, the tragic events of September 11th have significantly changed the way we provide security.

Broward County had previously committed to constructing a $12 million security project over the next 4 years. After September 11th, the Board of County Commissioners of Broward County approved construction of a $25 million expanded program and directed staff to complete the project within 13 months.

The refocus of our security project has resulted in reprioritizing $13 million from other capital infrastructure projects many of which are important to our port's financial stability.

We are in the process of developing licensing requirements for all private guard services within the Port, and included within the licensing requirements will be a mandatory training and certification for all private guards working within Port Everglades.

Our criteria will be developed input from the Broward Sheriff's Office and Federal agencies servicing the Port.

We believe that the current training requirement of 40 hours, established under Florida statute, is inadequate to provide the training necessary to protect this critical component of the Nation's transportation system.

We believe that, at least, an additional 40 hours of seaport specific training are necessary to ensure that guards are competent and well trained.

Broward County has had a background check policy for the issuance of restricted zone permits, ID cards, since July 14, 1998, similar to that outlined in U.S. Senate bill 1214 that the Senator has mentioned.

We process and issue 13,000 restricted area asset permits annually to individuals working within the Port.

As a result of the enhanced restricted use zone policy that identifies individuals with exclusionary felonies, more than 400 individuals have been denied access to sensitive cargo areas.

As proof of this success of our policy, we have experienced a reduction of more than 31 percent in Part One crimes since its inception and implementation 3 years ago.

Port staff is currently working with architects and construction companies to further develop our security plan for the construction of our enhanced infrastructure.

Our construction plans include a concrete wall around the entire perimeter of the petroleum areas, roadway access gates at the three entrances to the port, camera monitoring of all county-owned facilities, and electronic access controls of vehicles and personnel to

highly vulnerable cruise passenger areas and waterfront restricted access areas.

All access control devices, closed circuit television, and intrusion alarm systems installed in cruise terminals will be monitored by the sheriff's office staff. A redundant closed circuit television monitoring system will ultimately be located at the U.S. Customs offices.

Focusing on containerized cargo, the port has purchased Star System Gamma X-ray equipment designed to enhance law enforcement efforts to stop the exportation of stolen automobiles and heavy construction equipment from this country.

In addition to these security enhancements and acceleration of our security project, we're contractually increasing our present staff of 75 Broward Sheriff's Office personnel to 120 permanently assigned employees.

The previous annual cost for this service was $4.2 million, but it is anticipated to increase by $2 million with those additions.

While we have taken extraordinary measures to secure our facility with additional deputies, SWAT teams, and law enforcement vessels in the harbor, it has not been enough.

To ensure that the private security firms protecting our cruise passengers and vessels were adequate, we requested and received a contingent of 141 Florida National Guard troops in November.

We thought we had been granted this contingent for a 6-month period.

These troops are overseeing private security operations and augmenting the Broward Sheriff's Office at our cruise terminals. They are also assisting the Broward Sheriff's office with checkpoint security and roving patrols throughout our petroleum terminals.

Understanding that Level III security requirements established by the U.S. Coast Guard are not anticipated to diminish, once the Florida National Guard has withdrawn in March, we are uncertain about how we are going to continue to provide this vital level of security.

We believe it's imperative to federalize the Guard troops assigned to Port Everglades until such time as the port's security project has been completed and is, in fact, functioning.

Mr. Chairman, I must advise you that we have just received word that the Governor's office is reducing our Guard contingent by 50 percent on this Friday and we are told that there is limited State funding available for continuation of the program.

This reinforces the need to federalize the port's guard contingent just like our Nation's airports. Our three million passengers a year is equivalent to a medium hub airport of which there are 88 such airports, but with fewer passengers per year than we handle here at Port Everglades, such as Birmingham, Norfolk, Houston and Charleston.

Our exposure to attack is no less than this Nation's airports. Once that project is completed, we believe then that effective security for Port Everglades will be greatly enhanced with the compilation of new security infrastructure, increased presence of the Broward Sheriff's Office personnel, licensing and increased training of all security guard services throughout the port.

These actions will enable us to meet the needs of Level III security required to protect this vital transportation link.

In closing, we're moving forward to provide the most effective and efficient port security measures anywhere in the United States, but it's not without sacrifice to the growth of our commerce.

With Federal assistance, this will ensure that our businesses and critical infrastructure are protected and that adequate funds are available to support our goals.

We must also address such security measures on a Federal level to ensure our port is not economically disadvantaged to another port that is less concerned with heightened security measures.

Thank you for this opportunity today to provide this information to you and I would be glad to answer your questions at your convenience.

[The prepared statement of Mr. Allen follows:]

PREPARED STATEMENT OF PHILLIP C. ALLEN, INTERIM DIRECTOR OF PORT EVERGLADES

Port Everglades serves many diverse maritime transportation interests within our jurisdictional boundaries including containerized cargo shipping, petroleum shipping and the cruise industry, which has grown significantly in the last decade to become our single largest revenue producer.

Prior to our Nation experiencing its second day of infamy, Port Everglades developed a number of security mechanisms to ensure that our port utilizes the best practices available to counter drug smuggling and other criminal issues associated with seaports. After September 11, however, we had to re-evaluate our security needs to include protecting the port and its customers from possible acts of terrorism. Today, in addition to providing a crime-free work environment for our clients, we are prepared to guard our assets against the threat of terrorism. Our commitment to this belief is evidenced in the testimony provided in this letter.

Port Everglades is host to more than 3 million cruise passengers annually, making it one of the busiest cruise ports in the world. While the safety of our passengers has always been a top priority, the tragic events of September 11 have significantly changed the way we provide security.

Broward County had previously committed to constructing a 12 million dollar security project over the next four years. After September 11, the Broward County Board of County Commissioners approved the construction of a 25-million dollar expanded security project and directed staff to complete the project within 13 months. The refocus of our security project has resulted in re-prioritizing 13 million dollars from other capital infrastructure projects—many of which are important to our port's financial stability.

We are in the process of developing licensing requirements for all private guard services within the port. Included within the licensing requirements will be mandatory training and certification for all private guards working within Port Everglades. Our criteria will be developed with input from the Broward Sheriff's office and Federal agencies serving the port. We believe that the current training requirement of forty hours, established by Florida statute 493, is inadequate to provide the training necessary to protect this critical component of the national transportation system. We believe that at least an additional 40 hours of seaport-specific training are necessary to ensure that guards are competent and well trained.

Broward County has had a background check policy for the issuance of restricted use zone permits (I.D. cards) since July 14, 1998 similar to that outlined within U.S. Senate bill 1214. We process and issue 13,000 restricted access area permits annually to individuals working within the port. As a result of the enhanced restricted use zone policy that identifies individuals with exclusionary felonies, more than 400 individuals have been denied access to sensitive cargo areas. As proof to the success of our policy, we have experienced a reduction of more than 31 percent in part one crimes since its implementation three years ago.

Port staff is currently working with the firm of Bermello-Ajamil Partners Inc. and Centex-Rooney construction to further develop our security plan for the construction of our enhanced infrastructure. Our construction plans include a concrete wall around the entire perimeter of the petroleum areas, roadway access gates at three entrances to the port, camera monitoring of all county-owned facilities, and elec-

tronic access control of vehicles and personnel to highly vulnerable cruise passenger areas and waterfront restricted access areas. All access control devices, closed circuit television, and intrusion alarm systems installed in the cruise terminals will be monitored by the Sheriff's office staff. A redundant closed circuit television monitoring system will also be located at the U.S. Customs offices.

Focusing on containerized cargo, the port has purchased "star system" gamma x-ray equipment designed to enhance law enforcement efforts to stop the exportation of stolen automobiles and heavy construction equipment from this country.

In addition to these security enhancements and acceleration of our security project, we are contractually increasing the present staff of 75 Broward Sheriff's office personnel to 120 permanently assigned employees. The previous cost for this service was 4.2 million dollars, but is anticipated to increase by 2 million dollars.

While we have taken extraordinary measures to secure our facilities with additional deputies, swat teams, and law enforcement vessels in the harbor, it has not been enough. To ensure that the private security firms protecting our cruise passengers and vessels were adequate, we requested and received a contingent of 141 Florida National Guard troops in November. We were granted this contingent for a six-month period. These troops are overseeing private security operations and augmenting the Broward Sheriff's office at our cruise terminals. They are also assisting the Broward Sheriff's office with checkpoint security and roving patrols throughout our petroleum terminals.

Understanding that the Level III security requirements established by the U.S. Coast Guard are not anticipated to diminish once the Florida National Guard has withdrawn in March, we are uncertain about how we are going to continue to provide this vital level of security. We believe it is imperative to federalize the Guard troops assigned to Port Everglades until such time as the port's security project has been completed and is functioning.

Once that project is complete, we believe effective security for Port Everglades will be greatly enhanced with a compilation of our new security infrastructure, increased presence of Broward Sheriff's office personnel, and licensing and increased training for all private guard services throughout the port. These actions will enable us to meet the needs of the Level III security required to protect this vital transportation link.

In closing, we are moving forward to provide the most effective port security measures anywhere in the United States, but it is not without sacrifice to the growth of our commerce. We need Federal assistance to ensure our businesses and critical infrastructure are protected and adequate funds are available to support our goals. We must also address such security measures on a Federal level to ensure our port is not economically disadvantaged to another port that is less concerned with heightened security measures.

Thank you for this opportunity today to provide you this important information.

Senator BREAUX. Thank you, Mr. Allen.

Mr. Towsley.

STATEMENT OF CHARLES A. TOWSLEY, DIRECTOR OF THE PORT OF MIAMI

Mr. TOWSLEY. Good afternoon, Mr. Chairman, Senator Breaux, and Congressman Shaw, thank you for this opportunity to be with you this afternoon to present testimony to you.

I have also provided a written copy of the written testimony that I am going to provide you today.

The Port of Miami is the largest container port in Florida and we are among the top 10 in the United States.

We have approximately 40 shipping lines calling on more than 100 countries and 250 ports around the world.

Of these, 26 carriers serve 33 countries and 101 ports in Latin American countries and the Caribbean.

Last year, in fiscal year 2001, the volume of cargo moving through the Port of Miami reached a record 8.2 million tons representing over 955,000 20-foot equivalent unit containers.

Also last fiscal year, the Port of Miami processed almost 3.4 million multi-day cruise passengers. That is our highest total ever.

It has been estimated that the Port of Miami's impact on the community exceeds $8.7 billion and 45,000 jobs.

As evidenced by these above figures, We are a critical link in the maritime industry, and more specifically, in the economic well being of the local region, the State, and nationally.

Thus, in efforts to protect the safe movements of these passengers and cargo, Miami-Dade County officials and administrators at the Port of Miami have worked diligently in the past 3½ years to enhance our security operations at the Port of Miami.

In 1998, port management identified security areas that could be tightened, and as a result of these efforts, led to several ground breaking and milestone security improvements through Miami-Dade County's seaport security legislation locally referred to as Chapter 28(a) of the Code of Miami-Dade.

This security ordinance, among other things, require that Miami-Dade Police Department conduct criminal background checks on all person's working in secure areas of the seaport before they receive the required seaport identification badge, a prerequisite to working in these restricted areas.

This practice has since been passed into law in Florida and will soon be implemented at all Florida deep water ports as defined by the State of Florida.

Drug and smuggling interdiction has also been and will continue to receive the highest priority at the Port of Miami.

The Port of Miami continues to be proactive in addressing all issues pertaining to security.

In addition to working at the local level, to tighten security, the port is also working closely with the State and Federal agencies to identify funding security infrastructure enhancements such as high mast lighting, additional fencing, camera surveillance, and inspection equipment.

Prior to September 11, these enhancements were estimated to cost $8 million. However, as a result of recent security assessments conducted by the Florida Department of Law Enforcement, and the Miami-Dade Police Department, and the Coast Guard, the port's needs for security improvements now exceed $24 million.

Moreover, these assessments have also identified additional recurring operational needs that could, in fact, double or triple the port's annual security budget of approximately $4 million.

Although significant financial assistance will be required to implement those improvements, the Port of Miami has already invested in its security personnel.

Presently each security officer is trained in seaport security procedures by law enforcement agencies involved in the port's operations.

The training includes cruise and cargo procedures, tariff, safety operations, and how to respond to Hazmat and terrorism incidents.

It is important to note that it is critical that each port maintain a highly trained security force dedicated to that port's operations.

Additionally, the Port of Miami has actively assisted in organizing and regularly participates as co-chair with the U.S. Coast Guard on the seaport's security committee comprised of representatives from the Miami-Dade Police Department, the FDLE, U.S. Customs, the FBI, INS and others.

Most recently the Florida National Guard has also been a participant with us in our security committee.

The Port of Miami security staff works hand in hand with these agencies to identify and to address security issues at all levels to ensure safety and security of our passengers and maritime commerce.

Other enhanced security measures recently implemented at the Port of Miami include computerized gate security, ID badge, and permitting systems capable of validating information from one to the other and the installation of four stolen automobile recovery system gamma ray technology machines designed to detect contraband vehicles or equipment inside cargo containers illegally moving through the port.

Future security improvements will include security overlay plans on prospective development efforts at the port.

For instance, the design of new cruise terminals, storage sheds, and/or parking garages, will incorporate security components which would not have been contemplated in the past at the levels now being required.

I would be remiss, however, if I did not recognize the cooperation that we have received from our port users, or partners, as I would like to call them.

In helping the Port of Miami to be more secure, in addition to spending millions of dollars in new gate systems, close circuit television cameras, lighting, and other security infrastructures, our partners have patiently endured the additional traffic delays resulting from the congestion generated by more stringent document processing and other security measures implemented by the port.

The Port of Miami will continue to work with the U.S. Customs, the U.S. Coast Guard, the Immigration and Naturalization Service, the USDA, the Florida Department of Law Enforcement, Miami-Dade Police and the other agencies in strengthening security at the port.

Before concluding my remarks today, I want to thank the many agencies and the officials at both the State and Federal levels who have demonstrated their concern for security of our seaports.

As you can see, the Port of Miami has significant unfunded security needs which must be addressed in the near future and your assistance in identifying such funding will be greatly appreciated not only by the Port of Miami but by the entire maritime community. Thank you.

[The prepared statement of Mr. Towsley follows:]

PREPARED STATEMENT OF CHARLES A. TOWSLEY, DIRECTOR OF THE PORT OF MIAMI

Good morning. I am Charles A. Towsley, Director of the Dante B. Fascell Port of Miami-Dade. The Port of Miami is the largest container port in Florida and among the top ten in the United States. We have approximately 40 shipping lines calling on more than 100 countries and 250 ports around the world. Of these, 26 carriers serve 33 countries and 101 ports in Latin America and the Caribbean.

Last year, in fiscal year 2001, the volume of cargo moving through the Port of Miami reached a record 8.2 million tons, representing over 955,000 twenty-foot equivalent unit containers (TEUs). Also last fiscal year, the Port of Miami processed almost 3.4 million multi-day cruise passengers, that was the highest total ever. It has been estimated that the Port of Miami's impact on the community exceeds $8.7 billion dollars and 45,000 jobs. As evidenced by the above figures, we are a critical link in the Maritime Industry and, more specifically, in the economic well being of

the local region, the State, and nationally. Thus, in efforts to protect the safe movements of these passengers and cargo, Miami-Dade county officials and administrators at the Dante B. Fascell Port of Miami-Dade have worked diligently in the past three and a half years to enhance our security operations at the port.

In 1998, port management identified security areas that could be tightened. The result of those efforts led to several ground breaking and milestone security improvements through Miami-Dade county's seaport security legislation, locally referred to as chapter 28a of the code of Miami-Dade county.

This security ordinance, among other things, required that the Miami-Dade police department conduct criminal background checks on all persons working in secure areas of the seaport before they receive a required seaport identification badge, a pre-requisite to working in restricted areas of the port. This practice has since been passed into law in Florida and will soon be implemented at all Florida deepwater ports, as defined by the State of Florida.

Drug and smuggling interdiction has also been and will continue to receive the highest priority at the Port of Miami. The Port of Miami continues to be proactive in addressing all issues pertaining to security. In addition to working at the local level to tighten security, the port is also working closely with State and Federal agencies to identify funding for security infrastructure enhancements such as high mast lighting, additional fencing, camera surveillance, and inspection equipment. Prior to September 11, 2001, these enhancements were estimated to cost $8.0 million. However, as a result of recent security assessments conducted by the Florida Department of Law Enforcement, Miami-Dade police department and coast guard, the port's needs for security improvements now exceed $24 million. Moreover, these assessments have also identified additional recurring operational needs that could, in fact, double/triple the port's annual security budget of approximately $4 million.

Although significant financial assistance will be required to implement those improvements, the Port of Miami has already been investing in its security personnel. Presently, each security officer is trained in seaport security procedures by law enforcement agencies involved in port operations. The training includes cruise and cargo procedures, tariff, safety operations, and how to respond to hazmat and terrorism incidents. I think it is important to note that it is critical that each port maintain a highly trained security force dedicated to that port's operation.

Additionally, the Port of Miami actively assisted in organizing and regularly participates as co-chair with the U.S. Coast Guard on the seaport security committee comprised of representatives from the Miami-Dade police department, FDLE, Customs, the FBI, INS and others. Most recently the Florida National Guard has also been a participant. The Port of Miami's security staff works hand-in-hand with these agencies to identify and address security issues at all levels to ensure the safety and security of our passengers and maritime commerce.

Other enhanced security measures recently implemented at the Port of Miami include computerized gate security, ID badge and permitting systems capable of validating information from one to the other; and the installation of four stolen automobile recover system gamma ray technology machines, designed to detect contraband vehicles or equipment inside cargo containers illegally moving through the port.

Future security improvements will include security overlay plans on prospective development efforts at the port. For instance, the design of new cruise terminals, storage sheds, and/or parkIing garages, will incorporate security components, which would not have been contemplated in the past at the level now being required.

I would be remiss, however, if I did not recognize the cooperation which we have received from our port users, or partners, as I like to call them, in helping the Port of Miami be a more secured port. In addition to spending several million dollars in new gate systems, closed circuit television cameras, lighting, and other security infrastructure, our partners have patiently endured the additional traffic delays resulting from congestion generated by the more stringent document processing and other security measures implemented by the port.

The Port of Miami will continue to work with U.S. Customs, U.S. Coast Guard, Immigration and Naturalization Service, USDA, Florida Department of Law Enforcement, Miami-Dade police and other law enforcement agencies in strengthening its security.

Before concluding my remarks today, I want to thank the many agencies and officials at both the State and Federal levels who have demonstrated concern for security in our seaports. As you can see, the Port of Miami has significant unfunded security needs which must be addressed in the near future and your assistance in identifying such funding will be greatly appreciated not only by the Port of Miami but also by the entire maritime community.

Thank you very much for your attention.

Senator BREAUX. Thank you very much gentlemen for your presentations, and of course, being willing to work with the Committee on this legislation and giving us your thoughts and ideas.

Let me ask both of you. Who is in charge of security at the Port of Miami and who is in charge of security at Port Everglades?

Mr. ALLEN. As I said this morning during the presentation, and in response to your question, the port director has ultimate responsibility for security within the port.

We, however, contract with the Broward Sheriff's Office to enforce the law enforcement activities. We work very closely with the U.S. Coast Guard in enforcing their requirements throughout the port.

We were fortunate, just as in Miami through the leadership of the Marine Safety Office, and the U.S. Coast Guard, we had earlier implemented the security committee as required under Senate bill 1214.

We did that early this summer and we found it to be of extreme assistance to us in the event of a September 11 and thereafter.

That's been a very useful process and a very good process for all law enforcement and for users to come together to focus all of those attentions on port security.

Senator BREAUX. How many groups, or individuals, or organizations, or governmental bodies are involved in the security at Port Everglades?

Mr. ALLEN. As part of the membership of our safety committee, it's approximately 12 individual agencies or users groups that are involved.

Senator BREAUX. Is there a great deal, or is there some overlapping of their responsibilities?

Mr. ALLEN. We found, through that coordination of the Committee, what overlap could possibly exist has been mitigated.

They have each brought individual elements to the table and through our joint discussions have been able to assign responsibilities among all of the agencies.

Senator BREAUX. I take it that the contract with the Sheriff's Department is relatively new?

Mr. ALLEN. It has expanded. We have had the Broward Sheriff's Office under contract for the last 3 to 4 years and we're just in the process of amending that now for the enhanced level of security.

Senator BREAUX. When the National Guard departs, you would be losing approximately, what, and if they removed all of them, how many personnel would you be losing?

Mr. ALLEN. There's a total assignment of 141 of the Guard's troops. The proposal, as we understand it, is a 50 percent reduction immediately and tapering off to a total disbanding of the force by the end of March.

Senator BREAUX. I heard that the Sheriff's Department was in the process of adding an additional 100, or so personnel for this type of work. Is that your understanding?

Mr. ALLEN. I know that in our case we have asked them to increase personnel under our contract by about 60 positions.

I think they're expanding their force and their service to the airport also under a similar contractual arrangement, but they are not back to do that.

In fact, one of the opportunities that was available to us with the National Guard coming on board, after 9/11, the Broward Sheriff's office in support of our efforts to secure the port, and the airport, expanded a great deal of manpower.

In support of that, they went to a twelve-hour shift per day and that has a way of wearing down personnel very quickly because they just did not have the staff to support that on a continuing basis.

The National Guard has provided the opportunity to reduce somewhat the hours from those uniformed personnel and allow them to enjoy other parts of their lives other than just securing the port.

Senator BREAUX. What about Mr. Towsley who is in charge of security at the Port of Miami?

Mr. TOWSLEY. I would concur with many of the statements made by Mr. Allen in terms of the way we are organized.

I would like to emphasize the importance that we have found of the security committee as he has mentioned. They have functioned very well in times of crisis. They have brought us together, the multiple agencies which, in fact, as you know, do have different mandates and do have different chains of command and do have different levels of reporting information particularly in areas of confidentiality and clearance.

There are still some issues, I believe, and I would refer you to those agencies in terms of cross communications of that information at certain clearance levels which can be problematic.

For example, the port director, who is in charge of certain security elements within the port, does not necessarily have all the clearances to get all of the information from those agencies in terms of details with certain crises at times. That's an issue that we need to address.

Senator BREAUX. Is it the Dade County Sheriff's Department that has the overall responsibility for security?

Mr. TOWSLEY. In Miami-Dade County, the Miami-Dade Police Department is a sister department of the seaport within the county, so we have their services at the port as a function of county government.

I have been at the Port board, and it will be 4 years on January 19th of this month, and all the time I've been there the Miami-Dade County Police have been the contingency and our security force.

What we have recently done is also put them in charge of our civilian security officers so that we have a more cohesive management system across the board being directed by the same management personnel.

Senator BREAUX. Do you also have the Florida National Guard at the Port of Miami?

Mr. TOWSLEY. Yes, we do. We had the National Guard at the port assisting in drug interdiction prior to September 11th, and into November when the Guard was called out to our seaports in Florida.

We are also highly concerned with the prospect of having those forces reduced by half at the port.

We will need to supplement those deployments at critical positions in order for us to be able to satisfy the Coast Guard, and other agencies, with respect to our passenger security and security commerce at the port.

Senator BREAUX. Do you have private security concerns involved at the Port of Miami as well?

Mr. TOWSLEY. As with the other ports, quite often our users, the cruise lines, will and do have private security contracts.

Our responsibility is, and one of the functions that we've been working on with the National Guard to do, is to ensure that their private security components are, in fact, enforcing and complying with security processes where required at the port.

Senator BREAUX. The inspection of luggage that goes onto the ships, I take it, that it's a ship's responsibility and not the port's responsibility?

Mr. TOWSLEY. That is correct.

Senator BREAUX. I will ask other questions on that later. Congressman Shaw.

Mr. SHAW. I just have a couple areas that I would like to go over.

Mr. Allen, this morning you said something about $75 million in revenue that the port brings into Broward County. Both the Senator and I were a little surprised by that because we anticipated that it would be higher than that.

Will you expand on that and tell us what the net revenue would be after expenses, or are you budgeted that way?

Mr. ALLEN. Not overall revenue. In fact, the number that I was quoting you in the testimony here was over a year old.

That number, for this past fiscal year ending September 30, 2001, was, in fact, approximately $80 million.

Our net income revenues, less expenses, including depreciation is approximately $12 million. That $12 million is ploughed right back into the infrastructure of the port. None of that money is used for general governmental services. It all stays here within the port.

Mr. SHAW. Mr. Towsley, can you give us a similar analysis?

Mr. TOWSLEY. Yes, we are similar. We have a proprietary department within Miami-Dade County which means that we are self sufficient in that we operate under our operating revenues.

The last fiscal year, ending the end of September, and similar to Port Everglades, our revenues were $76 million with a similar breakdown in terms of expenses.

Ports, by their nature, are somewhat debt heavy in that a lot of our investment is in infrastructure in the long term, so that close to half of our income goes to operating debt and then the remainder to our operating expenses.

We operate on a very narrow margin. We have operated in the black since I have been there in 1998, and we do put aside dollars for our capital program and our reserves.

Mr. SHAW. A number of years ago Customs brought to my attention the background checks from a sampling of the dock workers which was quite startling.

The criminal records showed that most were involved in drugs and we found that approximately half of that particular sampling had criminal records or rap sheets.

I brought the matter to Miami-Dade County and to the Dade County Commission, as I did with the Broward County Commission, and both commissions reacted to that.

You might want to ask in New Orleans, and as well in Houston, if they are conducting background checks on their docks.

We have found here, at least in Port Everglades, that these same people had a very high number of driving vans that would park right next to docks that they were unloading, so you can readily see the problems that you would have with the containers and with some of these stories that I'm sure you've heard elsewhere about containers being opened and contraband is found.

Even though we are very concerned about terrorism in the ports, and port security, we also must not neglect our responsibility with regard to drugs and the importation of these types of substances as well as the exportation of stolen vehicles and other things that X-ray technology can detect.

By the way, I wanted to acknowledge Carol Landy who is in the audience, who is now with the county—you stole her from me—but she was very active in that particular area.

One final question. We see the National Guard at the airport and we see them here. By their very presence in their camouflage uniforms with their weapons is itself a great deterrent. What type of training do these people have in law enforcement?

Mr. ALLEN. That question is probably left for the Guard themselves, but in addition to their law enforcement training, we also provided additional training, both through the Broward Sheriff's Office, as well as by our staff here at the port, in port specific training, before they were put into their posts.

Mr. SHAW. I assume that Miami-Dade does the same thing?

Mr. TOWSLEY. That's correct. We had a dual training program which, I believe, is the same, or is similar to what occurred with Port Everglades, where on the first day they came in port training was put on by the Coast Guard, overall and generally, with respect to the seaports.

On the second day they were then split specifically for the unique characteristics for law enforcement, the ID badges, and what's being done in Port Everglades.

The other group that was in Miami was then specifically trained for what features they needed to know with respect to Miami, and then in Miami, as they are in Broward, they're working under the direction of local law enforcement.

Mr. SHAW. I'm just wondering how efficient the use of funds are in bringing these people away from their regular jobs and putting them in the ports and airports around the country?

Obviously it's to the county's advantage that the Federal Government picks up the tab for these men and women that come in and help out, but is that the most effective use of personnel?

I was a mayor once, and if the Federal Government was willing to pay for it, I would take it. I'm sure things haven't changed.

Mr. ALLEN. And it goes beyond that, Congressman. We have been very appreciative for the support that we have had from the Guard. They have been very professional. They have been well trained, and they came up to speed very quickly with the nature of com-

merce that has to go on within the port, and as measured against any need for enhanced security.

The Guard is a stopgap measure and they are a stopgap measure to allow local law enforcement to staff up to the New World, to the new realities of this world. It's also a stopgap to allow us to put the infrastructure in place that reduces the staffing requirements which have an ongoing expanse.

Whereas, the Guard, or local law enforcement personnel have an annual cost that continues to build and build and that's why we need to put the infrastructure in place to reduce that staffing requirement.

Mr. SHAW. We would be in big trouble without them. I do not want to minimize the benefits of it, but they are not considered to be a permanent force and you are. Thank you.

Senator BREAUX. Thank you very much, Mr. Towsley. Mr. Allen, thank you very much for being with us and thank you for your testimonies.

We will now invite our next panel which consists of Ted Thompson who is the executive vice president of the International Council of Cruise Lines.

Perhaps, Ted, you can introduce yourself and your colleagues so we can get to know some of your colleagues in the cruise line industry.

STATEMENT OF TED THOMPSON, EXECUTIVE VICE PRESIDENT, INTERNATIONAL COUNCIL OF CRUISE LINES; ACCOMPANIED BY STEVE NIELSEN, VICE PRESIDENT OF CARIBBEAN AND ATLANTIC OPERATIONS FOR PRINCESS CRUISES; CAPTAIN BILL WRIGHT, SENIOR VICE PRESIDENT OF SAFETY AND ENVIRONMENT FOR ROYAL CARIBBEAN INTERNATIONAL; AND NICK SCHOWENGERDT, VICE PRESIDENT OF SECURITY, HOLLAND AMERICA LINE

Mr. THOMPSON. Good afternoon, Mr. Chairman. With me today are Captain Nick Schowengerdt, director of policy and plans for Holland America Line and WindStar Cruises.

Captain Bill Wright, senior vice president for safety and environment with Royal Caribbean Cruises Limited which is comprised of two lines, Royal Caribbean International and Celebrity Cruises.

And Mr. Steve Nielsen, vice president of Caribbean and Atlantic for Princess Cruises.

These gentlemen are accompanying me today to be able to provide industry operational specific answers to questions you may have.

Mr. Chairman, I have written testimony, and with your permission, ICCL would like to submit this for the record to summarize all statements.

Senator BREAUX. Without objection that will be——

Mr. THOMPSON. Thank you. The International Council of Cruise Lines is a North American industry trade association representing 16 of the largest cruise vessel operators.

Last year, ICCL members carried over seven million passengers on over 90 ships and ports around the world. The majority of these passengers were carried out of U.S. ports and a majority of those

from the Port of Miami and Fort Lauderdale's Port Everglades. Thus, it is appropriate that we are having this hearing here today.

Mr. Chairman, from previous testimony before your Subcommittee in October, you already note that passenger ships, and terminals, are required to have comprehensive security plans that are acceptable to the U.S. Coast Guard.

ICCL worked closely with the Coast Guard a number of years ago to provide a security plan template for use by our members to assure that each of these plans contains the required information in similar format to ensure consistency and thoroughness.

Because of these plans, and the industry's existing security posture, this industry was able to immediately increase its security measures to the highest level after the tragic attack on our country on September 11th.

In addition, ICCL initiated daily telephone conference calls between cruise companies' security operations managers and government agencies. Participants included Coast Guard Atlantic Area Command, Coast Guard Pacific Area Command, Coast Guard Headquarters, Coast Guard Marine Safety Offices, the Department of Transportation, the Office of Intelligence and Security, the U.S. Immigration and Naturalization Services, and other agency representatives as needed.

Again, the purpose was to harmonize actions around the country, to facilitate ship relocations when the Port of New York was closed to cruise ships, to identify best practices for use by everyone, to share information and control rumors and to standardize requirements and procedures.

These gentlemen who are here with me today are three of those in the front line of those conference calls and who are front line facilitators who are responsible for stepping up security, relocating ships to alternative ports, and ensuring the consistent safety and security of passengers, not only here, but around the world, sir.

Mr. Chairman, I have mentioned harmonization and consistency several times now. These elements are absolutely critical in our mind to the success of all efforts addressing terminal ship, passenger, and cruise security. We are currently working with the Coast Guard at several levels to identify and implement long term security posture that is not only high, but also sustainable and one that is flexible enough to meet the demands of each of the unique ports that we visit either as turnaround port or port of call.

Because our members travel worldwide, it is important to assure that appropriate adequate security is provided at each port of call in whichever country we visit.

To assist in obtaining consistency around the world, ICCL has recently sent a letter to all Caribbean states urging a review and timely upgrade of security at those ports.

We have, and we will continue to participate fully in the U.S. Coast Guard initiative at the International Maritime Organization to develop worldwide security regulations and guidelines.

Mr. Chairman, ICCL members continue to operate at the highest level of security as you saw today. The visible measures that the passenger will see on arriving for a cruise actually exceeds those at airports.

Not only are passenger and handheld items screened by x-rays and magnetometers, but all baggage, 100 percent, is screened by x-ray, hand search, explosive sniffing dogs, or other methods, and all storage coming aboard are screened and all passengers, personnel, and crew and visitors, are thoroughly identified and vetted before boarding.

Passenger lists with pertinent information are provided to the Coast Guard, Customs, and INS, at least 96 hours in advance of sailing for their screening.

Wayside terminal and waterside security, where necessary, is coordinated with the Coast Guard and other Federal, State, and local authorities.

A lot has been done since September 11, but a lot remains to be done. Let us assure you that ICCL and its cruise line members will be at the forefront of these activities, development, and implementation of technology and striving partnership with responsible agencies to assure that cruising remains a safe and secure vacation option.

Thank you, Chairman. We would be pleased to answer any questions that you may have.

[The prepared statement of Mr. Thompson follows:]

PREPARED STATEMENT OF T. E. THOMPSON, EXECUTIVE VICE PRESIDENT, INTERNATIONAL COUNCIL OF CRUISE LINES

Mr. Chairman, my name is Ted Thompson. I am the Executive Vice President of the International Council of Cruise Lines (ICCL). I am pleased to appear before you today regarding security at our nations seaports. With me are: Captain Nick Schowengerdt, Director of Policy and Plans for Holland America Line and Windstar Cruises; Captain Bill S. Wright, Senior Vice President, Safety and Environment, Royal Caribbean Cruises Ltd. comprised of two brands, Royal Caribbean International and Celebrity Cruises Inc.; and Mr. Steve Nielson, Vice President, Caribbean and Atlantic, Princess Cruises.

ICCL, and the cruise industry are shocked and deeply saddened by the attack on America and the tremendous loss of life that resulted from this national tragedy. In light of these recent events, we are continuing operations at a very high level of security and ICCL, together with our cruise lines member operators, are working with all appropriate federal, state, and local agencies to ensure that traveling Americans are protected to the maximum extent possible.

ICCL is a non-profit trade association that represents the interests of 16 of the largest cruise lines operating in the North American cruise market and over 73 Associate Member companies that are cruise industry business partners and suppliers. ICCL member cruise lines serve major ports in the United States and call on more than 400 ports around the world. Last year, ICCL's member lines carried more than 7 million passengers on 95 vessels.

We welcome the opportunity to appear before the Subcommittee today to review and discuss our industry's efforts to ensure the safety and security of all of our passengers and crew. The cruise industry's highest priority is to ensure the safety and security of its passengers. A cruise ship is unique in that it is inherently secure because it is a controlled environment with limited access. In order to maintain this secure environment, cruise lines have established strict and highly confidential ship security procedures that meet or exceed strict ship and passenger terminal security procedures that are set forth by the International Maritime Organization (IMO) and by the comprehensive regulations established by the U.S. Coast Guard (USCG). In the United States, the USCG oversees the enforcement of these security measures. Regulations address both passenger ship and passenger terminal security and outline methods to deter unlawful activities onboard passenger vessels.

In 1986 the IMO *Measures to Prevent Unlawful Acts Against Passengers and Crew* address concepts such as: restricting entry to sensitive locations including the ship's navigation bridge and the terminal's security control center for example; monitoring the flow of materials and consumable supplies brought onboard a ship; and providing perimeter security around the terminal and ship. Security procedures within

these measures include the use of metal detectors, x-ray machines and other screening techniques to prevent unauthorized entry or carriage of weapons onboard.

In 1996, the USCG implemented an Interim Final Rule on *Security for Passenger Vessels and Passenger Terminals*, which was finalized in October of 1999. These regulations require ship and passenger terminal operators to submit comprehensive security plans to the USCG for review and acceptance. In this regard, the plans for all ICCL member lines have been submitted and accepted by the USCG. The security plans, which are sensitive law enforcement documents and therefore not available to the public, include the following major components:

- Identification of three levels of security and specific procedures to implement and follow at each level
- Procedures to prevent or deter unlawful acts onboard
- Procedures to prevent or deter introduction onboard of weapons and other unauthorized items.
- Procedures to prevent and or deter unauthorized access to vessels and restricted areas
- Designation of an onboard Security Officer
- Security training for all crew members
- Procedures for coordinating the ship security plan with the terminal security plan
- Directions and procedures for reporting of violations and unlawful acts
- Annual security audits for each ship
- Review of security plan amendments and security plan implementation by the USCG

Passenger vessel security plans and their amendments are reviewed by USCG Headquarters and examinations are conducted by the local Captain of the Port to verify that all security practices and procedures are effective, up-to-date, and are being followed.

As a result of this extensive security planning, the cruise industry was one segment of the transportation industry that was able to immediately move to a heightened security posture as a result of the attacks on September 11, 2001. While implementation of Level III security, the highest level of security, was directed by the U.S. Coast Guard at U.S. ports, ICCL member operators reported that they implemented security measures consistent with this declaration even before it was ordered.

Security measures at U.S. cruise terminals, and onboard ICCL member cruise ships remain at Level III—the highest possible. Passenger vessel security measures include passenger-screening procedures which are similar to but actually exceed those found at airports. This includes l00% screening of all passenger baggage, carry-on luggage, ship stores and cargo, and also includes higher levels of screening of passenger identification. Official passenger lists are carefully reviewed and proper identification is ensured before anyone is allowed to board the vessel. Even before the attacks of September 11, and as a result of long standing memorandums of understanding, all passenger lists were made available to the INS and Customs for screening. Passenger identification is now subject to even stricter scrutiny and the industry is working closely with the INS and other federal agencies to ensure that any passenger suspected of being on any agency's' lookout list are reported to the federal authorities for further action.

Another component of Level III Security requires ship operators to restrict access to authorized personnel and to identify restricted areas on the vessel that require positive access control such as intrusion alarms, guards, or other measures to prevent unauthorized entry. Restricted areas on a vessel will include the bridge, the engine room, and other areas throughout the ship where operations are conducted. Other onboard security measures, not generally discussed for obvious reasons, are employed to maximize shipboard security and to deter unauthorized entry and illegal activity. Every vessel has a trained security staff responsible for monitoring activities and responding to any suspicious activity that may jeopardize the safety of the passengers and crew.

For many years, the cruise industry has been pro-active in developing effective security measures and has looked for ways to increase passenger safety. In fact, most ICCL member lines now utilize advanced technologies to control access to our vessels. The Passenger Access Control System, that has been installed on many of our members' vessels, utilizes a passenger identification card that incorporates a picture of the passenger that is taken at the time of boarding. This picture and other passenger identification information and cruise information is placed into an onboard computer system. During the course of a cruise, the identification card is presented each time a passenger departs or boards the vessel. The picture appears on a computer screen that is matched against the person's face for identification

purposes before they are allowed to board the ship. The card can also be used for room access and for onboard purchases. This new technology is only part of an overall onboard security system that further enhances the proper identification of all passengers and crew boarding the vessel.

Since 1998, ICCL and its member operators have been members of the U.S. Interagency Task Force on Passenger Vessel Security. This group, which includes representatives from the Departments of Transportation, Defense, State, and the U.S. Coast Guard and others, meets every 60 days to discuss emerging security issues, receive updated threat information, and address specific security concerns. Starting on September 12th, the ICCL Security Directors and Operations Managers teleconferenced on a daily basis with this group and other federal agencies such as the INS, USCG Atlantic and Pacific Area Commands, major USCG Marine Safety Offices and port authorities to efficiently communicate, resolve problems and control rumors. These daily conference calls lasted for almost six weeks before being scaled back to twice a week and finally eliminated, as the issues were resolved. That information exchange was proven to be valuable both to our member lines and the federal agencies involved. As the need arises, we continue to jointly address matters impacting both ship operations and security. We are committed to providing the highest levels of security for our passengers and to working with appropriate federal agencies to address additional security measures that may become necessary.

Mr. Chairman, we in the cruise industry, believe that our security plans and working relationships with regulatory agencies are accomplishing many of the goals of the Port and Maritime Security Act of 2001. The collaboration and cooperation of all agencies and industry exhibited since the events of September 11 are also accomplishing many of the goals of this legislation. Of course all of the additional security measures that we have put in place are consuming resources and money at a rapid pace. We would urge you to ensure that there is adequate funding that comes with any additional mandates that are placed on agencies, ports or industry through the legislative process.

While we as an industry together with our Coast Guard partners seek to identify a long-term sustainable security posture, we believe that new technologies must be developed and brought on line in the security battle. These technologies may include detection of exotic explosives, plastic weapons, and biological and chemical agents. In the wake of the Anthrax attack, there were many hoaxes, and instances of spilled powders, sugar and coffee creamers that caused concern. This industry, as with other segments of the travel industry, went to great lengths to minimize the impact of these incidents. But, from an abundance of caution approach, all had to be treated with the utmost seriousness. Methods need to be developed, tested and certified to rapidly identify and/or rule out agents such as Anthrax so as to give decision makers the necessary tools to make well-reasoned and scientifically supported decisions.

Neither the Coast Guard nor the ports currently have the resources necessary to provide continuous effective waterside security patrols in those ports where this may be necessary. In some ports, the cruise ships themselves have been asked or directed by the Coast Guard Captain of the Port, to lower lifeboats or rescue-boats to assist in the waterside security equation. While this has been possible in the short term, we do not believe that the ships themselves, whether they be cruise ships or cargo ships, should be placed in a position of utilizing lifesaving appliances for purposes other than lifesaving. It is our belief that waterside security zone enforcement and other waterside patrols, if not conducted by federal or state agency assets, should be the responsibility of the local port authority.

Mr. Chairman, these are challenging times—not only from a security standpoint but also from a business point of view. But as I stated before, the highest priority of the cruise industry is, and will always be, to provide a safe and secure vacation experience for our passengers. Our industry pledges its cooperation working in partnership to sustain the level of security necessary to maintain the outstanding safety record of the cruise industry

This country can and will unite to exercise one of our most cherished freedoms, the freedom to travel. It is up to us to ensure that we protect not only the freedom, but to ensure that those whose goal it is to disrupt our way of life are not successful. We, in the cruise industry, will do everything possible to protect those who choose this outstanding and safe vacation option.

Thank you for the opportunity to appear before you today.

GOD BLESS AMERICA.

Senator BREAUX. Thank you, Mr. Thompson. I appreciate that your colleagues have been helpful to us. We have had some meetings and discussions and we thank them for being with you.

I take it what you're saying is that we have for the cruise industry a security plan that's in place, that the Coast Guard has reviewed and signed off on. Is that what you're saying?

Mr. THOMPSON. Yes, sir, that's correct. The U.S. Coast Guard regulations that were finalized, I believe in 1997, require that each passenger ship and each passenger terminal have a security plan, and the plans for the ships are submitted to the Coast Guard Headquarters for approval, and the acceptance and the plans for the terminals are submitted to each of the local captains of the ports for acceptance. Each of the ship's security plans, sir, has a port addendum for each port that they visit to handle the interface issues.

Senator BREAUX. I take it that this was done prior to 911?

Mr. THOMPSON. Yes, sir.

Senator BREAUX. What, if anything, is different in those plans after 9/11, that were not there, or were not a part of the plan before 9/11?

Did they do anything to change, to beef up, to rearrange those plans in any way to address other concerns since 9/11?

Mr. THOMPSON. I will ask my colleagues to answer that, but I would like to preface any comments they may have by saying that our plans recognize three levels of security. The highest level was intended to address a threat, or a specific event on a specific ship or any specific port.

Unfortunately, the events of September 11th required that highest level of security to be entered nationwide. In general, that's about the absolute highest we could get to without getting into specific operational procedures.

Senator BREAUX. Is there anything different in the security plan after 9/11 than there was before 9/11?

Mr. THOMPSON. No, sir, not at this point. We're working with the Coast Guard, however, to identify how those plans should be identified for the long term posture.

Senator BREAUX. So that we are not doing anything differently after 9/11 than prior to 9/11 with regard to security?

Mr. THOMPSON. Operationally, we are, sir. The plans themselves have not been changed, but operationally, I would like my colleagues to answer that.

Mr. WRIGHT. I can comment on that Senator. On behalf of Royal Caribbean Cruises Limited, let me, first of all, thank the Senator for the opportunity to give testimony on a subject that's clearly critical for our country and for the entire maritime community.

As Ted has mentioned, the security plans that were approved were three levels based on security threats that were presented.

Immediately after 9/11 we went to Level III, the highest level, which required a number of steps, the main ones being a complete identification of passengers against their baggage, 100 percent screening of all baggage, and carry on baggage, which was loaded on board the ship, plus—and this is a big one—all the provisions in storage that go on board one of our vessels and that's happening to this day.

Senator BREAUX. You say carry on. Sorry to interrupt you, but you're talking not just about luggage that a passenger carries him-

self personally on the ship, but also a 100 percent screening which is checked baggage as well.

Mr. WRIGHT. Exactly. One of the real success stories of the aftermath of 9/11 has been the ability of our industry to almost instantaneously begin to work very very closely with the Coast Guard, taking advantage of the very close relationship that we have had for so many many years.

We were in the position, both in terms of understanding each other, I think, with a clear mutual professional respect to start addressing the big questions right away.

What's happened now, as it was mentioned, Level III security was intended for a specific threat against a specific target for a specific period of time or for a finite period of time.

There are many aspects of that that are difficult to sustain over the long term, but we have been able to do, again because of the advantage of having that established relationship with the Coast Guard, we have already on the table for the Coast Guard's evaluation, an alternative plan which would give a new security profile to address the future.

Whereas, bringing down the current Level III, maintaining basically everything that we're doing today, but that no longer being the highest level of security, having other options that we could go to if there should, in today's environment, be a specific threat against a specific target.

Senator BREAUX. There are two other areas and let me ask the first one.

We got through one of these terrific debates in the Senate between the House and the Senate, and Congress, about who are the inspectors at the airports.

Facts really came out indicating that the airlines were hiring inspectors to do the inspections at the airports based principally on who can do it the cheapest, or who gets the low bid, or whoever could do it the cheapest was hired.

It wasn't so much a focus on who could do it the best, but who could do it with the cheapest amount of money involved because the airlines were in charge of it.

I saw today that you have private security forces. For instance, I would imagine that we probably have a similar arrangement with the other cruise lines as well.

The argument by some in Congress was that in order to ensure the viability of those inspections, you cannot do it on the cheap. So what we've done in Congress, and not without a great deal of argument, and debate, was to ensure in the future that all inspectors of luggage on airplanes will be done by Federal employees and Federal inspectors and not by private contractors.

The arrangement you have now, doing it through private contractors and based probably on the low bid type of an arrangement, do any of you have any reason to be concerned?

Mr. NIELSEN. In the case of Princess Cruises, it's not based on low bid as opposed to the airlines, perhaps where the perception is, where it's security that's provided by the airport, as opposed to the airline.

I think in the cruise industry the perception is that security is provided by the cruise line, so it's incumbent upon ourselves to make sure that we have the best security possible.

If asked, the economy comes into play in consideration, but it's not the driving force. It's the ability of the contractor to provide the service at a reasonable price.

Senator BREAUX. Do you all have standards when you set out hiring those inspectors?

The argument was that many of the people doing the inspection at the airports could not read and write, never went to high school, and I see now that they're saying that they don't necessarily have to have a high school degree even if they worked for the Federal Government.

There was a lack of confidence by the general public in the inspectors at the airports, I think it's safe to say, and many of them that you dealt with were being paid absolute minimum wage, they stayed on the job for very short periods of time, and there was a huge turnover where they would stay for 2 or 3 weeks, a month, then left and started flipping hamburgers somewhere because it might have been easier and was a less boring job, so that the quality of what we wanted at those inspection sites, and particularly on airplanes, was not what it should have been.

How do you ensure that you don't have the same problem with the people who are doing your baggage inspection?

Mr. SCHOWENGERDT. This is Captain Schowengerdt with Holland America Line. We do have standards and they are built right into our security plans. They are written standards and they become a part of the competitive bid process when we hire contract security companies and we do perform due diligence on the company to ensure that they meet the standards.

The standards we use will vary from State to State because generally what we do is adopt the State standards for the State of the port that we're calling at.

If we find those standards to be missing some key elements that we think are important to the cruise ship's security, then we will add that in as part of our written standards as well, but they are clear standards and they are enforced by due diligence on the part of the cruise lines.

Senator BREAUX. My final point. I think, after looking at the security operations of Port Everglades, I was very impressed by the way things had been arranged and work here.

I happen to think personally that the biggest threat to a ship and a cruise line is not so much one that departs from the Port of New Orleans, or the Port of Houston, and Port Everglades, or the Port of Miami, but the two greatest vulnerabilities are just like what happened with the U.S. Cole that had a very small vessel that was docked alongside a Navy vessel that blew out a side killing a number of very important and innocent sailors.

Second, the problems that we have, not when you call on a U.S. port, but when you call on an island port which may not have the same standards and to the same degree of inspectors where you offload people and then putting them back on the ship, take on supplies, bring on liquor, food, or whatever, in a port that's not a Port Everglades or a Port of Miami type of a facility, it seems to me that

keeping ships away from your ship in the outlying areas is something incredibly important.

Are you all satisfied with the degree of security in those areas?

Mr. SCHOWENGERDT. To the extent that we are not, Senator we generally are able to provide that security ourselves.

Your concerns are very well founded and the same ones that we have had, and have systematically dealt with, I think. The one thing to keep in mind is that there's a big difference between turning around the ship and taking off a complete load of passengers and reloading the vessel and just calling in a calling port.

What we have done is to restrict the taking on of stores only to ports where we have absolute confidence in their security.

For example, if we run a 7-day cruise, out of Port Everglades, we don't take stores on anywhere else other than at Port Everglades, so that we're not taking stores in Ochoa Rios or in Cancun or in any other place.

We are not taking on new passengers in these ports. We are only having our passengers go ashore for the day and then come back at night and when they come back they are screened again.

Anytime somebody goes off the ship, they are checked off in the automated security system, and when they come back, they are rescreened and rechecked in again through the automated security system.

The waterside security is the one thing that we're probably least able to deal with on our own in another port and those are issues, of course, of law enforcement.

Senator BREAUX. We will ask the Coast Guard. They have more responsibility for those vessels that are alongside while they're docked in port and I know that you have some of your vessels out there as a warning signal as much as anything else.

Thank you, gentlemen.

Congressman Shaw.

Mr. SHAW. Briefly. Senator, I don't know whether you caught the story on the television this morning where airport security had strip searched Congressman John Dingel.

Senator BREAUX. They had strip searched Congressman John Dingel, yes.

Mr. SHAW. I guess he answered some of their questions. It only goes to show that they're much more conscientious than they were.

But it also shows, I think, that they didn't speak English because I'm sure he was giving them an earful during that particular episode.

I, as you, was very impressed by what we saw and I have just one question and that is: This 100 percent x-ray, is that something that's required by the Coast Guard or is that something that you had imposed upon yourself?

Mr. THOMPSON. That's something that we imposed upon ourselves in agreement with the Coast Guard.

There's a Coast Guard guideline that supplements the regulation code, the Navigation Vessel Inspection Circular, that we had discussed thoroughly with the Coast Guard as it's being developed, and agreed with them that at Level III that 100 percent check baggage and carry on items would be fully screened.

Mr. SHAW. So the 100 percent has been since 9/11?

Mr. THOMPSON. Yes, sir.

Mr. SHAW. You have been able to gear up for that this quickly, so that should tell us something about what we should be doing in the airports today and perhaps we're following a little bit behind, but the Senator and I were both very impressed.

There must be a tremendous level of comfort that your passengers have. I think we really need to get the word out with the type of job you all are doing because you should be commended for it.

Flying is certainly safe, and taking a cruise is certainly one of the safest things you can do except when it comes to your waistline which suffers because everything is so good.

Thank you all very much.

Mr. WRIGHT. Congressman, if I might just add to those comments. One of the reasons as an industry that we were able to do that—and it's also addressing the Senator's last question—by virtue of the size of our vessels we have for many years been taking our security infrastructure with us.

So when we're hitting these other ports that do not perhaps have the equipment in place we have that equipment on board.

The equipment was there and it's simply a question of being able to complement the existing infrastructure, so we can take it with us.

Mr. SHAW. Much of this technology is, particularly if it's a photo, where you have some type of card that we could possibly use at the airport to hasten the security checks, particularly for people such as the Senator and myself who fly all the time, and are known to people in the airport. We can just get through there real quickly with our frequent flyers which would shorten the lines that have been developing at the airports. But I was very impressed with the job that you're doing.

Senator BREAUX. Perhaps when we get to the 100 percent screening of all baggage that's checked on the airlines, we could develop a system whereby my checked luggage from New Orleans to Port Everglades which then goes on a cruise ship, we know that that luggage has been inspected 100 percent in New Orleans, it should be on a secure path so that you don't have to redo it here at the port.

Because, if it's checked in New Orleans, and it was inspected 100 percent, and then it was put on the plane, and then from the plane to here at the Fort Lauderdale Airport, there ought to be a way of guaranteeing the security of that same checked luggage all the way to the ship so that you don't have to do it again.

As Congressman Clay said, I think you're doing a terrific job, but I don't know that we have to do it twice if you can guarantee the integrity from the airport to the ship when it's has already been inspected.

Mr. SCHOWENGERDT. Senator, there are a number of things like that that could be done. One of the things that I would like to emphasize is that the reason that we have done as well as we have is because of the extraordinary planning that was done, and because of the historically very good and the very admirable cooperation between the cruise line industry and the Federal agencies that are involved.

We've been working on the security plans for a good number of years, and things worked for us on 9/11 because of that advanced planning, and because of the relationship that existed between us, the Coast Guard, Customs, INS, so we were able to immediately increase to the top level of security because we had faced the issues, we had figured out how we could do it and we also had figured out that it's going to be extraordinarily costly.

But that comes with the territory.

To give you an example. Our security costs, since September 11th, have approximately doubled for all of our ports around the world.

We do the same thing in all ports and we're consistent when going from one to another. We do not just do things here in the United States or just Canada. Our costs have doubled.

But we knew that would happen because we had done this before and the Coast Guard knew what to expect because we had done that advanced planning. This is a real success story and I don't think that should be lost along the way.

Senator BREAUX. I agree. The bottom line will be the legislation that will provide help and actual assistance to those ports for those in charge of security.

Second, from what we've seen, the word should be made very clear and very loud that taking cruises from U.S. ports is a very safe type of vacation for enjoyment, and from everything that we have seen today, it's very admirable what they do and it would be to your credit.

Thank you, gentlemen.

Our next panel is comprised by Rear Admiral Jay Carmichael, Commander, Seventh District, U.S. Coast Guard accompanied by Captain James Watson of the Port of Miami.

Also appearing with him is Thomas Winkowski, acting director, Field Operations for the U.S. Customs Service. John Bulger, who is district director for the Miami District of Immigration and Naturalization Service, and finally, Anthony Zagami, who is president and CEO of Security Identification Systems Corporation, which is SISCO.

We are delighted to have all of you with us and we look forward to your presentation. I guess we can start with Admiral Carmichael.

STATEMENT OF REAR ADMIRAL JAMES CARMICHAEL, COMMANDER, SEVENTH DISTRICT, U.S. COAST GUARD, DEPARTMENT OF TRANSPORTATION; ACCOMPANIED BY CAPTAIN JAMES WATSON, CAPTAIN OF THE PORT, MIAMI

Rear Admiral CARMICHAEL. Good afternoon, Mr. Chairman. We were honored with your presence on the Coast Guard Cutter Janis this morning and that you had the opportunity to observe up close the waterfront security.

Senator BREAUX. Where was that cutter built?

Rear Admiral CARMICHAEL. That cutter was built at Bollinger Shipyards and it's a great platform.

Senator BREAUX. And, in what State is it located in?

Rear Admiral CARMICHAEL. Yes, sir! That's your State, Senator!

Senator BREAUX. Glad to get something in here for Louisiana.

Rear Admiral CARMICHAEL. It's a great platform and it's absolutely the ideal platform for the mission that it performs.

Senator BREAUX. Now you can get some more.

Rear Admiral CARMICHAEL. On behalf of the Commandant, Admiral Jim Lloyd, I thank you for allowing us to testify about the challenges that we face here in the Southeast United States with regard to port security and maritime security.

We applaud the on-going efforts of the Congress to bring a focus to enhance port security in the pending legislation.

Mr. Chairman, I have a longer statement for submission and I would ask for your consent that my statement be entered into the record.

Senator BREAUX. Without objection.

Rear Admiral CARMICHAEL. Mr. Chairman, as a former Commanding Officer of a ship at sea one of my major concerns was a fire while we were underway, but I had some sense of security because I knew that I had a crew that would respond to the alarm in what we call "an all hands evolution" and that they would save the ship.

On the morning of September 11, 2001, the port security committee in Port Everglades, which had been created earlier in the year, as you have heard, met in an emergency session and all hands in the crisis security response teamed to significantly enhance the security of this port.

The Coast Guard Marine Safety Office Captain of the Port, Captain Jim Watson, who is with me here today chairs that committee.

Mr. Chairman, the Coast Guard is an integral member of the port security team.

We bring to that team our military, multi-mission, and maritime character and competencies and with our broad authority and experiences we are a leader in the evolving maritime homeland security strategy.

The maritime transportation system is far more valuable than those people understand, but yet, it is vulnerable.

Together, with all of the maritime stakeholders we are reducing those vulnerabilities to the best of our ability. The maritime transportation system here in South Florida has four key waterborne components.

Petroleum, containerized cargo, recreational boating and the issue that's on the table today is the burgeoning cruise ship industry.

The Coast Guard's objectives regarding maritime homeland security involves positively controlling the movement of shipping into the port, increasing our knowledge of a vessel's cargo, people approaching our coastline, increasing our presence within the port for deterrence and response, inventorying people for infrastructure, conducting assessments of threats, vulnerability, and consequences, but most importantly, reaching out to all of the other stakeholders in ports for a coordinated and sustained security effort.

Overall, our unified goal has been to enhance the public's confidence in the security of the marine transportation system by reducing its vulnerability to disruption.

In the early days following the 11th of September, a Coast Guard patrol boat steamed vigilantly alongside a cruise ship escorting it

into port and during that escort they observed passengers on the cruise ship behind the rail cheering our presence. That was the highest complement we could be paid, but also, I believe, was a reflection of results, results in enhancing public confidence in the maritime transportation system.

Today, sir, we stand watch supporting a continued increased level of port security and this stands side by side with our other No. 1 mission of search and rescue.

Among other activities, we are conducting vulnerability assessments. We are obtaining advance arrival notification with regard to cargo and passengers. We are conducting boarding at sea by armed boarding teams and we are escorting ships.

We are patrolling established security zones. We are conducting oversight of the passenger terminal security plans and I could not be more proud of the Coast Guard's men and women of the Seventh Coast Guard District for their surge effort.

Our trademark of agility, flexibility, Maritime law enforcement competency, knowledge of the ports and the working relationship that you've heard about with our partners in the port arena has enabled us to serve effectively and to carry out security functions.

During this surge, all hands have worked extremely hard and long hours without breaks.

Thank you, Mr. Chairman, and Congressman Shaw, for your support for the recently passed supplemental budgetary appropriation. This will allow us to restore program hours for our surface aviation assets as well as restoring readiness and provide funding for our activated reservists.

The bottom line is that through the tremendous effort of the all hands and stakeholders in the port, Mr. Chairman, the marine transportation system continues to function.

We are currently analyzing all aspects of our contribution to maritime homeland security to establish what we would call the "New Normalcy" and it is our North Star mission.

But while we're trying to sustain this mission, we also have major concerns regarding rebalancing resources among all of our other missions to return to interdiction of illegal drugs, of migrants, the protection of at-risk fisheries, and the conduct of marine safety inspection, investigation, and environmental protection activities.

These are all important to the national security and well being of our country.

This rebalancing effort is particularly difficult in the Southeast United States given its extensive coastline, numerous ports and inlets and proximity to foreign countries.

Just last Saturday, as I looked at the radar screen of activities that the men and women of the Seventh District are performing, I saw repatriation of five rescued migrants to their home country, the interdiction and apprehension of a suspected smuggling go fast boat, the transporting of 80 Haitian migrants who were stranded on an isolated island, the diverting of a helicopter from a port security patrol in Tampa Bay to intercept a suspect private airplane that unfortunately crashed into a building in Tampa, responding to two grounded fishing vessels in an ecologically sensitive area of the

Dry Tortugas National Park to remove the oil, and participating in over 20 search and rescue cases.

Performing all of this while continuing to enhance the port security role, using the same resources, people, boats, and planes that are essential for all of those missions.

In conclusion, Mr. Chairman, the Coast Guard is the leader of America's maritime security and it is helping to define the strategy for the way ahead.

We are committed to continuing the protection of our Nation, it's citizens, and marine transportation system.

As you have seen, this enhanced security is an all hands evolution of all stakeholders in the port as well as all hands in the Coast Guard.

I thank you for your continuing support of the U.S. Coast Guard and I will be happy to answer any questions.

[The prepared statement of Rear Admiral Carmichael follows:]

PREPARED STATEMENT OF REAR ADMIRAL JAMES CARMICHAEL, COMMANDER, SEVENTH DISTRICT, U.S. COAST GUARD, DEPARTMENT OF TRANSPORTATION

Good afternoon Mr. Chairman, I am Rear Admiral James Carmichael, Commander of the Seventh Coast Guard District headquartered in Miami, Florida. On behalf of the Commandant, Admiral Jim Loy, thank you for the opportunity to speak to you today about the challenges we face in the southeastern United States with respect to our role in port and maritime security.

Protecting America from terrorist threats requires constant vigilance across every mode of transportation: air, land, and sea. The agencies within the Department of Transportation, including the U.S. Coast Guard and the Maritime Administration (MARAD), touch all three modes of transportation and are cooperatively linked. This is especially true of the maritime mode. Ensuring robust port and maritime security is a national priority and an inter-modal challenge, with impacts in America's heartland communities just as directly as the U.S. seaport cities where cargo and passenger vessels arrive and depart daily. The United States has more than 1,000 harbor channels, 25,000 miles of inland, intra-coastal and coastal waterways, serving 361 ports containing more than 3,700 passenger and cargo terminals. This maritime commerce infrastructure, known as the U.S. Marine Transportation System, or MTS, has long been a Department of Transportation priority. The U.S. MTS handles more than 2 billion tons of freight, 3 billion tons of oil, transports more than 134 million passengers by ferry, and entertains more than 7 million cruise ship passengers each year. The vast majority of the cargo handled by this system is immediately loaded onto or has just been unloaded from railcars and truckbeds, making the borders of the U.S. seaport network especially abstract and vulnerable, with strong, numerous and varied linkages direct to our Nation's rail and highway systems.

Port and Marine Security is an immense challenge for our service since 95 percent of America's overseas trade moves by sea, through 361 ports along 95,000 miles of coastline. In the Seventh District, which comprises the coastal waters of South Carolina, Georgia, Florida, Puerto Rico and the U.S. Virgin Islands, there are 35 major ports and extensive coastline in close proximity to foreign countries.

SOUTH FLORIDA MARITIME HOMELAND SECURITY CHALLENGES

The maritime transportation system in this region contributes substantially to the economic growth and stability of our Nation and the quality of life of our citizens. However, it is vulnerable to terrorist and criminal elements, and needs commensurate security. The cruise ship industry, maritime energy distribution system, and container vessel activity are critical to the economy of the region. The Port of Miami and Port Everglades are the No. 1 and 2 cruise ship ports in the world. More than 6.5 million passengers cruise out of South Florida ports each year. During the height of this winter's cruise season, as many as 18 cruise ships will be moored in these two ports simultaneously. With the capacities of the largest of these ships exceeding 5,000 passengers and crew, numerous challenges exist with respect to passengers, stores, terminals, and waterside security.

The ports of South Florida facilitate trade with many Caribbean and South American countries. More than 1.5 million twenty-foot equivalent units of containers from

foreign and domestic ports move through the combined ports of Miami and Port Everglades each year. This volume is equivalent to the fifth largest container port in the United States.

The geography of South Florida also presents its own unique security challenges. With an extensive coastline, close proximity to foreign nations, open ports and plentiful inlets along the Florida Keys and Intra-coastal Waterway, numerous opportunities exist for surreptitious entry and exploitation by criminal elements and terrorists.

COORDINATION TO ADDRESS THE CHALLENGES OF MARITIME HOMELAND SECURITY

The Coast Guard has taken a leadership role in coordinating multi-agency, private sector, and international efforts 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.

In the aftermath of September 11th, here in South Florida, the Coast Guard worked with our interagency partners to improve the security posture in our ports. The groundwork undertaken in recent years by various maritime security interests facilitated the swift implementation of enhanced security measures. For example, the Coast Guard Captain of the Port established Seaport Security Committees in the Ports of Palm Beach, Miami, and Port Everglades in March 2001. These committees are led by an executive steering group that consists of three co-chairs (Coast Guard Captain of the Port, Customs Port Director, and Port Authority Director), along with representatives from the Federal Bureau of Investigation (FBI), Immigration and Naturalization Service (INS), Florida Department of Law Enforcement (FDLE), County Emergency Management, and local law enforcement.

Cruise ships are currently met at the sea buoy by armed pilot protection teams to ensure these foreign vessels are safely navigated into the Port of Miami and Port Everglades. A 100-yard moving exclusionary Security Zone is in effect around each cruise ship transiting the port. Security Zones are promulgated by the Captain of the Port in accordance with the Ports and Waterways Safety Act authority for port security. Large fixed Security Zones are also in effect where multiple terminals berth groups of cruise ships and petroleum tankers. These zones provide buffer areas to enable enforcement patrol craft to interdict potentially hostile boats before they can reach intended targets.

Within the passenger terminals, where security plans (Level I) had previously required only basic access control and credentialing, the Coast Guard implemented Security Level III, the highest level of security, established under International Maritime Organization guidelines. Security Level III is defined in each Coast Guard approved passenger terminal or ship security plan. *All* luggage and stores are screened to detect the introduction of prohibited weapons, incendiaries, and explosives aboard vessels.

Physical security of passenger terminals and water adjacent cruise ships in port is critical to effective security. Unlike airports, which have physical barriers to protect the runways and tarmacs from unauthorized public access, seaports often allow vehicles direct access to ship berths, and boats have access to the sides of cruise ship hulls unless protected by patrolled security zones. Coast Guard Port Security Teams, assigned full time to Port Everglades and the Port of Miami, conduct daily security "sweeps" of terminals and waterways before cruise ship arrivals, making sure guards are on duty, and that screening equipment is staffed by qualified personnel. These teams conduct continuous patrols of the terminals during passenger operations to ensure that cruise lines follow their approved security plan procedures.

Security concerns, especially for high capacity passenger vessels, also extend to foreign ports of call. After September 11th, the Government of the Bahamas requested Cbast Guard assistance in assessing their ports for cruise ship operations. Under a US law (46 USC and 22 USC) containing provisions that encourage anti-terrorism assistance to foreign governments, the Coast Guard Captain of the Port Miami sent representatives to Nassau, the fourth ranked cruise ship port of call in the world, to begin a dialog on this important security concern.

Within the ports, a new normalcy for security remains to be established by balancing security responsibilities among the Federal, State, local and commercial maritime activities. Then those responsible must be resourced to execute security measures. The provisions of S. 1214, H.R. 3437 and Florida's 311.12, the State's Port and Maritime Security Act, are bold steps along that path. These bills recognize port needs. Senate bill S. 1214 even recognizes private termfials in its provisions.

CONCLUSION

In conclusion, the U.S. Coast Guard is a leader in America's maritime security and we have taken a leadership role in coordinating a multi-agency, public and private sector, and international effort to achieve the goals of the Coast Guard's Maritime Homeland Security Strategy. The Coast Guard is committed to the continuing protection of our Nation, its citizens, and its marine transportation system against terrorism, while also maintaining our safety of life at sea, maritime law enforcement and environmental protection missions. Thank you for the opportunity to share the unique challenges that the Coast Guard currently faces in Southeast Florida with respect to our role in port and maritime security, and the response being made to address those challenges. I also thank you for your continuing support of the Coast Guard. I will be happy to answer any questions you may have.

Senator BREAUX. Thank you very much, Admiral.

Mr. Winkowski.

STATEMENT OF THOMAS S. WINKOWSKI, ACTING DIRECTOR FOR FIELD OPERATIONS IN SOUTH FLORIDA, U.S. CUSTOMS SERVICE

Mr. WINKOWSKI. Chairman Breaux, and Congressman Shaw, thank you for your invitation to testify and for providing me the chance to appear before you today to discuss the efforts and challenges of the U.S. Customs Service in processing cruise vessel passengers at Port Everglades, Florida.

My name is Thomas Winkowski. I am the Acting Director for Field Operations for South Florida. In my capacity as Acting Director, I'm responsible for oversight of the inspection and control of international passengers, conveyances, cargo, arriving and departing through the seaports and airports of South Florida.

I have oversight responsibility for Miami, Port Everglades, West Palm Beach, Fort Pierce and Key West.

As a major participant in the protection and security of our Nation's borders, Customs has taken a lead role in the efforts to deny entry of the implements of terrorism into the United States.

The Customs Services enforces over 400 laws and regulations for more than 40 Federal agencies. The agency is tasked with security and protecting all ports of entry to include air, land, and seaports.

While Customs is able to inspect only a relatively small percentage of the massive volume of cargo entering the United States each day, we rely on a careful multi-layered targeting approach to select goods for intensive examination.

Our risk management strategy incorporates the use of intelligence and advance information from shippers, the deployment of sophisticated technologies, and the skill and expertise of Customs personnel to sift out suspicious goods from the vast ocean of legitimate trade before they enter the commerce of the United States.

In addition, under the direction of Commissioner Robert Bonner, the agency is engaging the private sector in a new Customs/trade partnership to defend the entire length of the product supply chain from penetration by terrorists, or elements of terrorism. We are undertaking new initiatives with our international partners in an ongoing effort to expand the perimeter of inspection away from the port of entry and toward the port of origin.

Port Everglades has acquired specialized equipment in advanced technology to assist in the screening and searching of cargo and commercial vessels, including VACIS, the Vehicle and Cargo In-

spection System; a pallet x-ray for inspecting palletized cargo; and mobile x-ray vans. We anticipate further technology acquisitions.

Fortunately, the Customs Service received a generous amount of funding in fiscal year 2000 in appropriations, and in fiscal year 2000, an emergency response supplemental specifically for inspection technology as well as additional personnel. We're working within the Department of Treasury and the Administration to address the deployment of additional technology and personnel to support our work, safeguard our employees, and protect the integrity of legitimate shipments.

During fiscal year 2001, 175,000 cargo containers entered the United States through Port Everglades and were required to clear Customs. Port Everglades is the second busiest cruise ship port in the world.

Customs Inspectors processed an estimated three million passengers in fiscal 2001 and expect to significantly exceed the number in fiscal year 2002 and beyond.

With the increased risk of terrorism, and the implements of terrorism that could possibly enter through this seaport, Customs faces many additional challenges in ensuring security while facilitating trade, transportation, and tourism in South Florida.

Coordination among law enforcement agencies is strong and there is a working partnership between Federal and private sectors. The challenge now is to ensure our ability to secure ports while facilitating trade.

Currently, cruise ship companies are not required to submit advanced passenger manifest data to Customs, but we look forward to be being able to make this mandatory in order to more effectively target and select high-risk passengers and crew members for inspection while expediting the lower-risk travelers.

Prior to September 11, 2001, there was no security for gaining street access to our port, but thereafter, the National Guard's and Broward County Sheriff's units were posted at street entrances and are screening vehicles and passengers entering the port area.

We believe that security could be enhanced by installing security gates for both access and egress control and by screening conveyances and persons existing in the area. We believe that we have made an effective start in addressing the security measures that need to be taken to ensure the highest level of security in the cruise ship environment in Port Everglades.

By working within the Treasury and the Administration, we will confront the critical challenges that we face and strengthen the seaport security.

I want to thank you, Mr. Chairman, for this opportunity to testify. The U.S. Customs Service will continue to make every effort possible working with our fellow inspection agencies, with the Administration, with congressional leaders, and the business community to address your concerns and those of the American people.

I will be happy to answer any questions you may have.

[The prepared statement of Mr. Winkowski follows:]

PREPARED STATEMENT OF THOMAS S. WINKOWSKI, ACTING DIRECTOR FOR FIELD OPERATIONS IN SOUTH FLORIDA, U.S. CUSTOMS SERVICE

Chairman Breaux, thank you for your invitation to testify and for providing me the chance to appear before you today to discuss the efforts and challenges of the

U.S. Customs Service in processing cruise vessel passengers at the port of Port Everglades, Florida.

My name is Thomas Winkowski. I am the Acting Director, Field Operations for South Florida. In my capacity as Acting Director, I am responsible for oversight of the inspection and control of international passengers, conveyances, and cargo arriving and departing through the seaports and airports in South Florida. I have oversight responsibility for Miami, Port Everglades, West Palm Beach, Fort Pierce, and Key West.

As a major participant in the protection and security of our nation's borders, Customs has taken a lead role in efforts to deny entry of the implements of terrorism into the United States. The Customs Service enforces over 400 laws and regulations for more than 40 federal agencies. The agency is tasked with securing and protecting all ports of entry to include air, land and sea ports.

While Customs is able to inspect only a relatively small percentage of the massive volume of cargo entering the United States each day, we rely on a careful, multi-layered targeting approach to select goods for intensive examination. Our risk management strategy incorporates the use of intelligence and advance information from shippers, the deployment of sophisticated technologies, and the skill and expertise of Customs personnel to sift out suspicious goods from the vast ocean of legitimate trade before they enter the commerce of the United States.

In addition, under the direction of Commissioner Robert Bonner, the agency is engaging the private sector in a new Customs-trade partnership to defend the entire length of the product supply chain from penetration by terrorists or the implements of terrorism. And we are undertaking new initiatives with our international partners in an ongoing effort to expand the perimeter of inspection away from the port of entry and towards the point of origin.

Port Everglades has acquired specialized equipment and advanced technology to assist in the screening and searching of cargo and commercial vessels, including VACIS (Vehicle and Cargo Inspection System), pallet x-ray for inspecting palletized cargo, and mobile x-ray vans, and we anticipate further technology acquisitions. Fortunately, the Customs Service received a generous amount of funding in the FY 2002 appropriations and FY 2002 emergency response supplemental specifically for inspection technology as well as additional personnel, and we are working within Treasury and the Administration to address deployment of additional technology and personnel to support our work, safeguard our employees, and protect the integrity of legitimate shipments.

During FY 2001, approximately 175,495 cargo containers entered the U.S. through Port Everglades and were required to clear Customs. Port Everglades is the second busiest cruise ship port in the world. Customs Inspectors processed an estimated 3 million passengers in 2001 and expect to significantly exceed that number in 2002 and beyond. With the increased risk of terrorism and implements of terrorism that could possibly enter through this seaport, Customs faces many additional challenges in ensuring security while facilitating trade, transportation, and tourism in South Florida.

Coordination among law enforcement agencies is strong, and there is a working partnership between federal and private sectors. Our challenge now is to enhance our ability to secure ports while facilitating trade.

Currently, cruise ship companies are not required to submit advanced passenger manifest data to Customs, but we look forward to being able to make this mandatory, in order to more effectively target and select high-risk passengers and crewmembers for inspection while expediting the lower-risk travelers.

Prior to September 11, 2001, there was no security for gaining street access to our port but thereafter National Guard units were posted at street entrances and are screening vehicles and passengers entering the port area. We believe that security could be enhanced by installing security gates for both access and egress control and by screening conveyances and persons exiting the area.

We believe that we have made an effective start in addressing the security measures that need to be taken to ensure the highest level of security in the cruise ship environment in Port Everglades. Working with Treasury and the Administration, we will confront the critical challenges that we face in strengthening seaport security.

I want to thank you, Mr. Chairman, for this opportunity to testify. The U.S. Customs Service will continue to make every effort possible, working with our fellow inspection agencies, with the Administration, with Congressional leaders, and the business community to address your concerns and those of the American people. I would be happy to answer any questions you might have.

Senator BREAUX. Thank you very much.

Mr. Bulger.

STATEMENT OF JOHN M. BULGER, DISTRICT DIRECTOR, MIAMI DISTRICT, IMMIGRATION AND NATURALIZATION SERVICE

Mr. BULGER. Mr. Chairman, thank you for inviting me here today to testify on behalf of U.S. Immigration & Naturalization Service. I am pleased to appear here today with sister agencies, the Coast Guard, and the U.S. Customs Service.

I would also be remiss if I did not mention the fine cooperation that we received from State and local law enforcement, including the Florida National Guard under the direction of General Watson, and the Florida Department of Law Enforcement, under Commission Moore, and particularly here in Broward County, the Broward County Sheriff's Office, under Sheriff Ken Jenne.

As you're well aware, the impact of the cruise ship industry on the economy of this State is tremendous, accounting for billions of dollars of revenue each year.

That impact is also directed toward the INS in Florida and each year we inspect on average more than five million cruise ship passengers at our seaports in Miami, Port Everglades, Port Canaveral, Tampa and Jacksonville.

We are very much aware of how vitally important it is to the traveling public and to the industry itself that INS accomplishes its inspection missions in a timely and thorough manner, but the number of travelers is increasing each year and the threats to this Nation's security are now a reality.

The INS understands the need to modify the inspections process to ensure that we're doing everything possible to maintain the safety of the public and of our Nation's borders.

The Miami district has developed and maintains several aggressive enforcement operations aimed at deterring illegal alien smuggling through our ports of entry. One of our most significant actions to date has been the establishment of terminal inspection operations at the Miami seaport.

This initiative, developed with the cooperation between the industry and the INS, greatly enhances our ability to deter conventional criminal activity and to address increased security threats that this Nation now faces.

You mentioned earlier the comparison between airport security and seaport security. At the Miami seaport operation, it has become the first in the United States to begin processing cruise vessel passengers at a specifically designated terminal based Federal inspections site.

In short, the new facilities were designed to resemble international airport style inspection areas. This approach has allowed us to increase our enforcement efforts as arriving cruise ship passengers are now inspected more thoroughly by INS personnel.

The result is a more secure Federal inspection site that is enhancing our enforcement efforts while at the same time facilitating travel and efforts are currently underway to establish the same inspection process here at Port Everglades and we expect that we will be fully operational with this facility within 3 months.

In addition, construction of terminal style facilities is underway at the Ports of Tampa and West Palm Beach and we expect to be

operational with terminal style inspections at these facilities within a matter of months.

While the advantages of such a system are many, I would like to focus on two in particular. Those being the capability to immediately access realtime data, to enhance INS's ability to better protect our borders, and the ability of this new infrastructure to facilitate process procedures for the traveling public.

As with the airport inspection process, our terminal style inspection facilitates inspection of cruise ship passengers and I cannot overemphasize the significance of this system.

In other words, every person leaving a cruise ship and entering the United States is personally inspected by an immigration inspector who has access to the same law enforcement and security databases found at our established facilities at airports of entry.

This occurs in what is commonly known as primary inspection. It is at this stage when an immigration inspector has the first two opportunities to identify, or detect known or suspected immigration violators.

Criminals present a threat to this country's national security.

In those instances where we do encounter passengers who require more in-depth processing, a referral is made to what is called secondary inspection.

At this stage of the process, the immigration inspector can take the time needed to conduct a more thorough investigation into a person's status, identity, intended travel plans and ultimately the individual's admissibility into the United States.

These terminal style inspections which are now being done at Miami, and soon at other ports, will provide us with the greatest opportunity to detect and interdict persons who pose a threat.

Regrettably, cruise ships not arriving at a terminal ready facility, the INS must board the ship and inspect on board. This is still the most common form of inspection, but the least desirable. There are no live data hookups for the INS that exist on these ships, and therefore, no live queries are possible. Rather, there are laptop computers with downloaded data that serve as the primary source of intelligence information and because of the inadequacies that are associated with this procedure the INS is now examining alternative approaches to this problem.

In the interim, one of the measures that the INS has taken to bolster our ability with onboard inspections is the use of automated passenger information system or APIS as it is known. Within the Miami district, I am pleased to tell you that all of the cruise lines are now either fully participating with APIS or providing advanced passenger information in hard copy which we can then check against the interagency boarder inspection system.

The availability of advanced information enables the INS to conduct databased checks of passengers prior to the arrival of the cruise ships at a port of entry.

As an interim measure, pending completion of terminal facilities here at Port Everglades, the district is conducting what I will characterize as a hybrid form of terminal style passenger inspection at one of the cruise ship terminals, at Cruise Ship Terminal II, which you visited today.

Under this interim hybrid process, we are using APIS information and any potential hits in our computer system that are developed are then looked at very closely when those people do, in fact, disembark the vessel and it is close in concept to the actual terminal style inspection process. What is absent, of course, is the secure well-equipped facility in which to conduct the inspection.

The more efficient processing of passengers with terminal style cruise ship inspections has resulted in an overwhelmingly positive response from our customers, from the passengers, and from the crews of these vessels. Disembarkation commences immediately upon docking as opposed to passengers remaining on a vessel for 3 to 4 hours while the inspection would be completed on board.

This moves passengers off vessels faster and provides for more efficient movement of ships, goods and services, all in a highly secure and sterile environment.

In closing, let me say that with the deployment of appropriate staffing and new technology in the seaport inspections environment, passenger facilitation, and thorough law enforcement, safe secure ports of entry are fully obtainable goals.

Thank you, Mr. Chairman, for this opportunity to testify today.

[The prepared statement of Mr. Bulger follows:]

PREPARED STATEMENT OF JOHN M. BULGER, DISTRICT DIRECTOR, MIAMI DISTRICT, IMMIGRATION AND NATURALIZATION SERVICE

Mr. Chairman, thank you for inviting me here today to address you on behalf of the U.S. Immigration and Naturalization Service (INS). I am pleased to appear before you today with two of our sister agencies—the Customs Service and the Coast Guard—to discuss port security issues.

The Miami District Office has developed and maintained several aggressive enforcement operations aimed at deterring illegal alien smuggling through our ports-of-entry. One of our most significant actions to date has been the establishment of terminal inspections operations at the Miami seaport. This initiative, developed with cooperation between industry and the INS, greatly enhances our ability to deter conventional criminal activity, and to address increased security threats this Nation now faces.

The Miami seaport has become the first in the United States to begin processing cruise vessels at a specifically designated terminal-based Federal inspection site. In short, the new facilities were designed to resemble international airport-style inspection areas. This new approach has allowed us to increase our enforcement efforts, as arriving cruise ship passengers are now more thoroughly inspected by INS personnel. The result is a more secure Federal inspection site that is enhancing our enforcement efforts while at the same time facilitating travel.

Before I discuss in greater detail our actions and accomplishments with regard to cruiseship passenger processing and the similar efforts underway at other INS seaports in Florida, I would like to provide you with an overview of the Miami District Office.

MIAMI DISTRICT OVERVIEW

The Miami District is composed of five branches: Adjudications, Investigations, Detention and Removal, Inspections, and Management. All the branches have a specialized role in enforcing the Immigration and Nationality Act.

Our area of responsibility consists of the entire State of Florida and inspections pre-clearance facilities at three locations in the Bahamas. The District is headquartered in the northern-most area of the city of Miami. Approximately 300 of the District's 1,200 government employees and 200 contract employees are assigned to the headquarters complex.

The remainder of the District's employees and contractors are assigned to three sub-offices located in Orlando, Tampa mid Jacksonville; the pre-clearance facilities in the Bahamas; a naturalization office in Miami; 16 ports-of-entry; a satellite office in West Palm Beach; a service processing center; and five application support centers in Miami-Dade, Broward and Palm Beach counties.

Our Adjudications section operates out of the main district office in Miami and a naturalization office in downtown Miami. We also undertake a full range of adjudication services in our offices in Orlando, Tampa, Jacksonville and West Palm Beach. The two principle types of applications we processed are for permanent residence status and for citizenship.

The Investigations Division in the District staffs offices in Miami, and sub-offices located in Jacksonville, Orlando and Tampa. The District supports the INS interior enforcement strategy by focusing resources in areas that provide a visible positive impact. The major thrust of the enforcement unit focuses on the identification and removal of incarcerated criminal aliens, and in identifying, arresting, prosecuting and dismantling criminal organizations that traffic in human cargo and obtain immigration benefits and documents illegally. Additionally, the District supports specialty units such as the Organized Crime and Drug Enforcement Task Force, Joint Terrorism Task Force, Violent Gang Task Force and Anti-Smuggling Unit which focus on specific enforcement activities and coordinate with other Federal, State, and local law enforcement entities.

In fiscal year 2001, the District continued to maintain an aggressive posture on locating and removing criminal aliens. As a result, the Detention and Removal Operations Division removed 2,255 criminal aliens from the United States. In addition to our focus on enforcement efforts, our success is also attributed to our active campaign with foreign government officials to expedite the delivery of travel documents to criminal aliens from countries such as Haiti and Jamaica.

The Miami District has also maintained its focus on enhancing the management and operations of the Krome Service Processing Center—our principal detention center in the District. Efforts to more efficiently manage that facility date back to 1996, highlighted by the then-District Director's assessment that the continued detention at Krome of unaccompanied minors, family units, and females, was not in the best interest of the detainees or the Service. The District worked aggressively to relocate unaccompanied minors, as evidenced by our current agreement with Catholic Charities to use the Boystown facility in Miami-Dade County. We then continued these efforts to the next level by removing family units from the Krome facility. Today, family units are held in more appropriate conditions of detention at a local hotel. In December 2000, we completed another phase of this effort by permanently relocating the Krome female detainee population to the Turner-Guilford-Knight (TGK) Correctional Center in Miami.

PASSENGER PROCESSING

A significant aspect of our mission, and one that is certainly evident within the Mi, District Office, is that of screening and processing applicants for admission to this country. The Inspections Division of the District is responsible for 16 international ports-of-entry throughout the State of Florida and the Bahamas, including the two largest cruiseship terminal operations in the world, those being the Ports of Miami and Ft. Lauderdale. Total international passenger counts have increased by approximately 4 percent in each of the last four fiscal years. In fiscal year 2001, District staff inspected 5,442,668 passengers that arrived on 13,455 passenger ships and cargo vessels at District seaports.

As I mentioned at the beginning of my remarks, the Miami Seaport has become the first in the United States to begin processing cruise vessels at a specifically designated terminal-based Federal Inspection Site. I would like now to discuss in greater detail our view of the passenger processing environments at Florida seaports.

I mentioned earlier in my testimony that the Ports of Miami and Everglades are home to some of the largest cruiseship operations in the world. As you are well aware, the impact of the cruiseship industry on the economy of this State is tremendous, accounting for billions of dollars of revenue each year. That impact is also directed toward the INS in Florida, as each year we inspect, on average, more than five million cruiseship passengers at our seaports in Miami, Port Everglades, Cape Canaveral, Tampa and Jacksonville. We are very much aware of how vitally important it is to the traveling public and the industry itself that the INS accomplish its Inspections mission in a timely and thorough manner. With the number of travelers increasing each year, and the threats to this Nation's security that are now a reality, the INS understands the need to modify the inspections process to ensure that we are doing everything possible to maintain the safety of the public and of our Nations borders.

I am extremely pleased to say that through the efforts of this District, our Eastern Regional Office, and INS Headquarters, and certainly with the cooperation and energy of the cruiseship companies themselves, we have implemented at the Port of Miami the same inspection process the INS uses at all air ports-of-entry in the

United States. Efforts are currently underway to establish the same inspection process here at Port Everglades. We expect that we will be fully operational with this facility within 3 months. In addition, construction of terminal-style facilities is underway at the Ports of Tampa and West Palm Beach. We expect to be operational with terminal-style inspections at those two facilities in a matter of months. While the advantages of such a system are many, I would like to focus on two in particular: those being the capability to immediately access real-time data to enhance the INS' ability to better protect our borders; and the ability of this new infrastructure to facilitate procedures for the traveling public.

As with airport inspection processes, our terminal-style inspection process at the Port of Miami facilitates the inspection of cruiseship passengers. I cannot overemphasize the significance of this system. In other words, every person leaving a cnuseship and entering the United States is personally inspected by an Immigration Inspector who has access to the same law enforcement and security databases found at our established facilities at air ports of entry. This occurs at what is commonly referred to as "primary inspection." It is at this stage where an Immigration Inspector has the first true opportunity to identify or detect known or suspected immigration law violators, criminals, and certainly, those who could present a threat to this country's national security. In those instances where we do encounter passengers who require more in-depth processing, a referral is made to what is called "secondary inspection." At this stage of inspection, an Immigration Inspector can take the needed time to conduct a more thorough investigation into a person's status, identity, intended travel plans, and ultimately, the individual's admissibility to the United States. These terminal-style inspections which are now being done at the Port of Miami, and soon at the other ports I mentioned, provide us with the greatest opportunity to detect and interdict persons who pose a threat to this country.

Regrettably, for cruise ships not arriving at a terminal-ready facility, INS must board the cruise ship and inspect onboard. This is still the most common form of inspection, but the least desirable. No live data hook-ups for INS exists on these ships, therefore no live queries are possible. Rather, laptop computers with downloaded data serve as the primary source of information. Because of the inadequacies associated with this procedure, INS is now examining alternative approaches to this problem.

In the interim, one of the measures the INS has taken to bolster our abilities with onboard inspections is the use of the Automated Passenger Information System, or APIS as it is known. Within the Miami District, I am pleased to tell you that all cruise lines are now fully participating with us in the advance presentation of passenger manifest information. The availability of Advance Passenger Information enables the INS to conduct database checks of passengers prior to the arrival of a cruise ship at a port of entry.

Also as an interim measure, pending the completion of the terminal facility here at Port Everglades, the District is conducting what I will characterize as a hybrid form of terminal-style passenger processing at one of the cruiseship terminals. Under this interim hybrid process, we are using the APIS information and any potential "hits" we develop from our advance database inquiries, to conduct dockside inspections of passengers as they disembark a vessel. It is close, in concept, to the actual terminal-style inspection process. What is absent of course, is the secure, well-equipped facility in which to conduct the inspection.

The more efficient processing of passengers with terminal style cruiseship inspections has resulted in an overwhelmingly positive response from our customers, the passengers and crew of these ships. Disembarkation commences immediately upon docking as opposed to passenger remaining onboard for 3 to 4 hours while inspections are completed. This moves passenger off vessels faster, and provides for more efficient movement of ships' goods and services, all in a highly secure and sterile environment.

In closing, let me say that with the deployment of appropriate staffing and new technology in the seaport inspections environment, passenger facilitation, thorough law enforcement, and safe, secure ports-of-entry are fully attainable goals. Thank you for the opportunity to testify today.

Senator BREAUX. Thank you very much, Mr. Bulger.

Next is Anthony Zagami.

STATEMENT OF ANTHONY ZAGAMI, PRESIDENT AND CEO OF SECURITY IDENTIFICATION SYSTEMS CORPORATION (SISCO)

Mr. ZAGAMI. Thank you, Senator Breaux and Congressman Shaw. I am pleased to appear before the Subcommittee today to discuss access control and accountability technology to the ports and passenger vessels.

My name is Anthony Zagami and I am the president and CEO of Security Identifications Systems Corporation.

The tragic events of September 11th have changed the way most Americans think about security in the transportation industry.

However, even before the catastrophic events, SISCO had identified vulnerabilities in controlling access to the maritime sector of our critical infrastructure.

U.S. law enforcement agencies, as well as the passenger cruise industry have always been an abiding concern over who was boarding vessels, but did not have an efficient, reliable, cost-effective method of access control and accountability.

In 1995, SISCO developed a high-speed access control accountability system just for this purpose providing a security system that delivers greater protection for cruise ships and that's found in many of the other transportation industries including the airlines.

The system's grand name is A-PASS, for automated personnel assisted security screening, was so successful that it is being used by every major carrier including Carnival, Princess, Royal Caribbean and Celebrity Cruise Lines.

A-PASS employs an ID card issued to passengers, crew, vendors, or visitors. At the vessel embarkation point, a card, which resembles a credit card, allows the holder to access the ship by means of embedded technology.

The system captures a color photograph of the visitor in digital format and correlates this to the ship's authorized database and displays it on a monitor at the ship's access control station.

The guest simply inserts their card into a card reader every time they enter or leave the ship. The entire display, and the verification process, takes less than 1 second from the time the card is entered into the reader.

The system creates a realtime audit trail of passengers, crew, vendors, and business aboard the ship at any point in time. Authorized personnel and law enforcement personnel can view an individual's activity record along with a full colored photograph to identify and verify their identity.

The system is preprogrammed to electronically provide SOLAS, or safety of life at sea, approved reporting on passengers and crew prior to the ship's departure.

A-PASS can provide tailored reporting along with specific passenger activity logs to U.S. Customs, Immigration, and other law enforcement facilities and agencies in support of their investigative requirements.

Since its creation, A-PASS has been a critical law enforcement tool in numerous criminal investigations. The same proven cost-effective technology is representative of proactive industry initiative that is applicable beyond the market for which it was first developed.

This technology is readily available for other segments of the transportation industry such as airlines and would create a mechanism for tracking and seamlessly transferring of information to law enforcement agencies for homeland defense.

Terrorists and other criminals rely on concealment and their ability to obscure identities and movement to achieve their objectives.

Systems such as A-PASS, and mobile FAST PASS, are effective tools in eliminating the cover of concealment and covering the threats of both passenger and crew and support the infrastructure to the U.S. marine community.

One of the other areas of government and industry that must come together is information sharing. We have the technology to be able to work with government as far as the commercial industry goes and being able to manage and merge these technologies together and to be able to provide an infrastructure across the board will help all the agencies as well as the commercial enterprises.

I thank you for your indulgence today and I thank you for allowing me to testify before the committee.

[The prepared statement of Mr. Zagami follows:]

PREPARED STATEMENT OF ANTHONY ZAGAMI, PRESIDENT AND CEO OF SECURITY IDENTIFICATION SYSTEMS CORPORATION (SISCO)

Mr. Chairman, my name is Anthony Zagami, and I am the President and CEO of Security Identification Systems Corporation (SISCO). I am pleased to appear before the Subcommittee today to discuss access control and accountability technology for ports and passenger vessels.

The tragic events of September 11 have changed the way most Americans think about security in the transportation industry. However, even before this catastrophic event, SISCO had identified vulnerabilities in controlling access to the maritime sector of our critical national infrastructure. US law enforcement agencies, as well as the passenger cruise industry, have always had an-abiding concern over who was boarding vessels, but did not have an efficient, reliable, cost-effective method of access control and accountability.

In 1995, SISCO developed a high-speed access control and accountability system for just this purpose, providing a security system that delivers greater protection for cruise ships than is found in any of the transportation industry, including airlines. The system, brand named A-PASS (Automated Personnel Assisted Security Screening) was so successful that it is being used by every major passenger carrier, including Carnival, Princess, Royal Caribbean and Celebrity Cruise Lines.

A-PASS employs an ID card issued to passengers, crew, vendors or visitors, at the vessel embarkation point. The card, which resembles a credit card, allows the holder access to the ship by means of embedded technology. This technology captures a color photograph of the visitor in digital format, correlates it to the ship's authorized visitor database, and displays it on a monitor at the ship's access control station. The guest simply inserts their card into a card reader every time they enter or leave the ship. The entire display and verification process takes less than one second from the time the card is entered into the reader.

The system creates a real-time audit trail of passengers, crew, vendors and visitors onboard the ship at any point in time. Authorized personnel and law enforcement personnel can view an individual's activity record, along with a full color photograph to identify or verify their identity. The system is pre-programmed to electronically provide SOLAS (Safety Of Life At Sea) approved reporting on passengers and crew prior to the ship's departure. A-Pass can also provide tailored reporting, along with specific passenger activity logs to U.S. Customs, Immigration, or other law enforcement agencies in support of their investigative requirements. Since it's creation A-PASS has been a critical law enforcement tool in numerous criminal investigations.

This same proven, cost-effective technology is representative of a proactive industry initiative that is applicable beyond the market for which it was first developed. This technology is readily adaptable for other segments of the transportation indus-

try, such as the airlines, and would create a mechanism for the tracking and seamless transfer of information to law enforcement agencies for Homeland Defense.

Terrorists, and other criminals, rely on concealment and their ability to obscure their identities and movement to achieve their objectives. Systems such as A-PASS, and the mobile FAST-PASS, are effective tools to eliminating their cover of concealment, and counter the threat to the passengers, crew, and support infrastructure to the US maritime community.

Senator BREAUX. Thank you, Mr. Zagami. We thank you all very much and we thank all the members of the panel.

Let me start, Admiral, with you. It seems to me, and again, I think I said it earlier, as an amateur just observing, the biggest threat to some of the large vessels is the type of threat that we had with the U.S. Cole when a small vessel had pulled alongside loaded with high-level explosives and blew a hole in a military naval vessel.

If that's a correct assumption, what is the Coast Guard doing in working with the ports to ensure the security of these vessels when they are, in fact, in port and not?

Rear Admiral CARMICHAEL. Yes, sir. Mr. Chairman, we have established security zones under current authority to establish exclusionary areas around the cruise ships while they're docked and those exclusionaries are patrolled.

We do not patrol those solely with Coast Guard resources, but we have partnered with both the local and State law enforcement community to provide that necessary presence to be able to intercept any vessels that would otherwise have some other motive to approach such a vessel.

Senator BREAUX. Let's assume, for the sake of argument, that I were to load up a go fast boat tonight on one of the islands right off this coast with high-level explosives and arrive off the outer marker off Port Everglades, and my intent was to come right down that channel and then pull alongside the QE II—which I imagine leaves at 5 o'clock so it will not be here—but assuming she's still docked here, and my job was to pull up to that vessel maybe a 45-foot vessel, that's totally loaded with explosives, and then pull up alongside the QE II while on a suicide mission, and just detonate it, what stops, hopefully, me, or anyone else from being able to accomplish that?

Rear Admiral CARMICHAEL. Sir, we would just hope that we would have some intelligence so that one could address that threat farther away once it got into the port.

We are working to improve that intelligence picture of what we would call the maritime domain awareness picture with greater surveillance offshore and greater intelligence overseas and try to push the boarder out as far as we could to address that threat.

If we didn't have the intelligence to address it far off our coast, and it did get inside the port, then it would be the responsibility of those law enforcement resources that are patrolling the security zone that has been established outside the pier where the QE II is currently docked.

Senator BREAUX. If that vessel is coming over from the islands, would it be tracked at any point when it entered the channel? You don't have a control system?

Rear Admiral CARMICHAEL. No, sir, we do not have a vessel control system, a radar system here that tracks incoming vessels at this particular port.

Senator BREAUX. Not to be an alarmist, but I could really take that boat from Bimini and hit the outer marker and just keep right on coming in and go right into the side of the QE II.

Rear Admiral CARMICHAEL. Sir, I think the awareness of that particular scenario is very high with the law enforcement folks who are on our platforms out there. They are alert to that and I think they can do whatever they needed to do to stop that from happening.

Senator BREAUX. Do they have the fire power if that vessel just decided to keep coming right on in through your perimeter and to pull alongside a vessel to stop it?

Rear Admiral CARMICHAEL. Sir, they carry weapons, and I suppose in the scheme of risk assessment it's an issue that needs to be analyzed with whether we have all the tools that are necessary on board the platforms right to stop that.

Senator BREAUX. I noticed that you had alongside the QE II one of their lifeboats basically that is stationed out there?

Rear Admiral CARMICHAEL. Yes, sir.

Senator BREAUX. I take it that it's unarmed?

Rear Admiral CARMICHAEL. It is unarmed, yes, sir.

Senator BREAUX. I saw two sheriff's boats, center console, 20-foot category type of a vessel. Are they armed?

Rear Admiral CARMICHAEL. Yes, sir, they are.

Senator BREAUX. With what?

Rear Admiral CARMICHAEL. Side arms, I believe, sir.

Senator BREAUX. Hand guns?

Rear Admiral CARMICHAEL. Yes, sir.

Senator BREAUX. How many Coast Guard small vessels are patrolling that perimeter?

Rear Admiral CARMICHAEL. Sir, we have several vessels that are stationed at Station Fort Lauderdale, that from time to time, share responsibility for patrolling.

At any one time we have vessels out there on a 24-hour basis that are patrolling the security zone. It is not necessarily just Coast Guard, but it's a shared operation, a coordinated operation with the other law enforcement folks in the area.

Senator BREAUX. Are you comfortable with the ability of the system that we have set up now to permit that type of attack on a vessel in port?

Rear Admiral CARMICHAEL. Sir, we reduced the vulnerability in the vulnerability context in which we are currently working.

If we had a specified threat, I think we would put more resources out there to try to address it if we knew that there was specifically something coming, but the vulnerability has been reduced by the presence, sir.

Senator BREAUX. I congratulate you and Customs for the recent drug bust on the Miami River which I think occurred just yesterday.

You talked about preliminary information. Obviously, that had a major factor in finding out what that ship had or did have on it and we congratulate you for that.

Obviously, that has to be one of the ways of preventing those types of attacks is the preliminary information that one is being planned.

You have a unique situation in this port as far as the access to the high seas that's right there. They don't have a lot of steps to stop the traffic before it gets right into the middle of the port.

Rear Admiral CARMICHAEL. Yes, sir.

Senator BREAUX. Mr. Winkowski, Mr. Bulger, both Congressman Clay Shaw and I were merging your two agencies a few minutes ago.

I'm not sure what kind of reaction we will get from the heads of those agencies, but I can only imagine what I could get.

But is there enough cooperation, and sharing of information, or is there anything, Mr. Bulger, in your operation that the Coast Guard has that you cannot get that you would like?

Mr. Winkowski, is there any information that Mr. Bulger has, or that Admiral Carmichael has that you would like to have, that you don't have, or is there any information that any of you three gentlemen has that the other does not have that you would like to have that you do not have access to?

Mr. WINKOWSKI. It's been my experience, Senator, that the relationship between the Customs Service and INS and the Coast Guard is outstanding.

I know, as a Port Director here at Miami International Airport, that regularly recurring meetings took place between myself and the INS Port Director sharing intelligence, sharing of information, the APIS system, the Advanced Passenger Information System, is a system that is shared amongst Immigration and certainly, obviously, the Customs Service.

My strong sense is, as the Acting Director of Field Operation, and I have been in the position 4 days, that our relationship with the Coast Guard is outstanding and there's a lot of back and forth information and new strategies and better ways of conducting the business that we do.

Senator BREAUX. Is there any information that Mr. Bulger has that you suspect that you would like to have that you don't get?

Mr. WINKOWSKI. No.

Senator BREAUX. Mr. Bulger.

Mr. BULGER. No. The bulk of the information that we have that is of value to both of our agencies is contained in that interagency boarder inspection system along with the State Department information and has been online for a good many years now and serves as a real foundation for our cooperation between the two agencies.

The other thing that I would point out here, and throughout Florida, and particularly in South Florida, the cooperation that exists among all the Federal agencies, as well as State and local law enforcement, is something that is truly remarkable.

There are a number of task forces that are in place now and most recently the Governor's office has established seven zones of deterrence for anti-terrorism.

The local version of that, which incorporates State, local and Federal law enforcement, is under the direction of both the U.S. attorney, and the chair here is the Sheriff of Broward County, Ken Jenne, and that serves as a real clearinghouse for information and

a formal mechanism for the kind of intelligence information sharing that's so necessary to combat terrorist activity.

Senator BREAUX. That is one of the real problems where at any time in an operation we have got so many divisions of government involved and some of them are not even here.

The FBI is not here. They have to be involved in terrorist threats. We have got the CIA for international terrorism and they have got information and the FBI has information.

In the past, they haven't shared it very well and that has created a problem. The Coast Guard is involved in this and we have got other military institutions involved.

We have Customs. We have Immigration. We have got so many different parts of our government that are involved in this and the problem is the cooperation and the coordination between the various agencies within our own government.

That is why I always go back to the point, "When everybody's in charge, nobody's in charge." We have got to make sure that there is a great deal of cooperation, otherwise you may know a little bit, or you all don't know as much as he knows, and he knows more than what you know and everybody will be put to a real disadvantage. That is a hard thing to accomplish.

I don't want you all to have meetings to the point where you get tired of having meetings, but you have to have shared cooperation in all of this.

Mr. BULGER. Certainly, if I may, Senator, our experience here since September 11th, particularly with the Joint Terrorism Task Force, which includes assets from a variety of agencies headquartered at FBI Headquarters here, that has been a real keystone, I believe, in our efforts.

For example, when we encounter someone at one of our airports, or seaports, who appears to be of interest, or may have some ties, or leanings toward certain terrorist groups, we get immediate response from our special agents assigned to that Joint Terrorist Task Force as well as FBI personnel whom are assigned to that.

Senator BREAUX. Mr. Zagami, I have two points to raise with you. No. 1, the private security forces have gotten an incredible amount of criticism in how they have done inspections in the airports on the airport's security, and you know probably better than I what people have argued as to why it wasn't working.

What does your company do to ensure that those criticisms that we heard about with private inspectors in the airline security operations is not applied to the inspections that you do at ports here in Port Everglades?

Mr. ZAGAMI. One of the areas that we have concentrated on is, very high-speed identification and credentializing is an important factor in people going on and off vessels as well as airlines.

The systems that we have developed, and the technology that we know of has augmented the human process to eliminate the necessity for someone to go back into the system and look at credentialing again and again, and if proof positive, every time someone boards a vessel, or enters or exits a ship, their identity is being tracked.

They are both time and date stamped and they are following a pattern that inspection people can readily rely on and go back to

and look at it for investigative purposes and for checkpoint security.

Senator BREAUX. The system that we saw this afternoon was excellent. It showed who was on board and it showed when they come back on or if they came back on, but what about inspecting all of that luggage that goes on board?

Mr. ZAGAMI. The next step highly relies on x-ray equipment and physical inspection and what's available out there in the training of operators. Those are the big issues at the airlines and I guess the cruise lines are also facing.

The critical issue is inspection personnel to know what they are looking at.

The equipment will go so far and give you what the parameters are, but the human element involved in identifying what it is, whether it's contraband, explosives, or some type of biological type of application, is identified readily by the individual.

Senator BREAUX. For instance, if it was loading 10,000 pieces of luggage this afternoon, how long does an operator sit in front of that machine looking at it?

Mr. ZAGAMI. Quite a long time. There's a long time involved and it probably shouldn't be more than 2 hours at a clip because you will get——

Senator BREAUX. Because I would go to sleep after 30 minutes.

Mr. ZAGAMI. Yes. It's a laborious process, so some things can get missed.

Senator BREAUX. Is it a legitimate concern if an operator stares at that machine for 2 hours, because after an hour, I probably wouldn't know what kind of bag it is or I probably wouldn't even care.

Mr. ZAGAMI. I definitely think it's a concern. I think, as for the operations part of it, people have to be recirculated through the process periodically because otherwise you're going to have the syndrome of being hired and that will creep into the process and you're going to miss things.

It's a natural process with human beings. As you go through a route of entry, there's a period of time where you're alert and then it drops off to a period of non-alertness, and then things start to skip. Plus, there are a lot of distractionary measures that come into play. There's the design and configuration of x-ray machines and where they are placed right now are relative to the geometry of the facilities.

In the future you're going to see much more restrictive areas, and much less distraction and people will have more procedural effects on what to look for, and how to look for it.

The equipment itself will start to allow algorithms that will also pinpoint some targets right away so that the human element can relax a little bit and concentrate on the bulk of the transition that's going through the system.

Senator BREAUX. Congressman Shaw.

Mr. SHAW. A thought just occurred to me while we're sitting here, and particularly as Senator Breaux was questioning the vulnerability of the ships with respect to some unanticipated fast boat coming in that's loaded with high explosives and I think it would

be very very difficult to stop that type of vessel from doing some real damage.

My question is: Have you all thought or have you considered some submerged netting connected to buoys to keep people out of those areas and to restrict them at some point from their coming into that area at least while the current threat is going on?

Rear Admiral CARMICHAEL. Sir, I believe that there's some of that being used in some navy ports around some navy vessels. We haven't considered purchasing that for this security zone in this port yet, but that's a good suggestion.

Senator BREAUX. Thank you.

Mr. SHAW. We have had a very good hearing and we are very appreciative of you spending your time with us to come down here to Port Everglades.

Senator BREAUX. It is always a pleasure to spend any time in January in South Florida.

This is important. We have hearings tomorrow in New Orleans and the day after tomorrow in Houston and we will be listening to important people just like you and we're all trying to make sure what we're doing back in Washington is working with you.

We are all on the same team here. We all need to work together. We are not being critical, and in fact, many of the things that we observed here deserves high praise from people in other ports to recognize that you have been a leader in many areas, and you ought to be commended for that, the cruise industry in particular, as well as port officials and our Federal officials.

It has been very helpful and we thank everyone who has helped us to put this hearing together, who stay here in this area, you have been so helpful and so productive.

Mr. SHAW. Next time get a better schedule so you can stay with us.

Senator BREAUX. With that, that concludes the Subcommittee hearing.

[Whereupon, the Subcommittee adjourned.]

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