

107TH CONGRESS
2D SESSION

S. 2895

To enhance the security of the United States by protecting seaports, and
for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2002

Mrs. FEINSTEIN (for herself, Mr. KYL, Mrs. HUTCHISON, and Ms. SNOWE)
introduced the following bill; which was read twice and referred to the
Committee on Commerce, Science, and Transportation

A BILL

To enhance the security of the United States by protecting
seaports, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Comprehensive Sea-
5 port and Container Security Act of 2002”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) CAPTAIN-OF-THE-PORT.—The term “Cap-
9 tain-of-the-Port” means the United States Coast
10 Guard’s Captain-of-the-Port.

1 (2) COMMON CARRIER.—The term “common
2 carrier” means any person that holds itself out to
3 the general public to provide transportation by
4 water, land, or air of merchandise, whether or not
5 the person actually operates the vessel, vehicle, or
6 aircraft by which the transportation is provided, be-
7 tween a port or place and a port or place in the
8 United States.

9 (3) CONTAINER.—The term “container” means
10 a container which is used or designed for use for the
11 international transportation of merchandise by ves-
12 sel, vehicle, or aircraft.

13 (4) MANUFACTURER.—The term “manufac-
14 turer” means a person who fabricates or assembles
15 merchandise for sale in commerce.

16 (5) MERCHANDISE.—The term “merchandise”
17 has the meaning given that term in section 401 of
18 the Tariff Act of 1930 (19 U.S.C. 1401).

19 (6) OCEAN TRANSPORTATION INTERMEDIARY.—
20 The term “ocean transportation intermediary” has
21 the meaning given that term in section 515.2 of title
22 46, Code of Federal Regulations, on the date of en-
23 actment of this Act.

1 (7) SHIPMENT.—The term “shipment” means
2 cargo traveling in international commerce under a
3 bill of lading.

4 (8) SHIPPER.—The term “shipper” means—

5 (A) a cargo owner;

6 (B) the person for whose account the
7 ocean transportation is provided;

8 (C) the person to whom delivery of the
9 merchandise is to be made; or

10 (D) a common carrier that accepts respon-
11 sibility for payment of all charges applicable
12 under a tariff or service contract.

13 (9) UNITED STATES SEAPORT.—The term
14 “United States seaport” means a place in the
15 United States on a waterway with shoreside facilities
16 for the intermodal transfer of cargo containers that
17 are used in international trade.

18 (10) VESSEL.—The term “vessel” has the
19 meaning given that term in section 401 of the Tariff
20 Act of 1930 (19 U.S.C. 1401).

21 **TITLE I—LAW ENFORCEMENT AT** 22 **SEAPORTS**

23 **SEC. 101. DESIGNATED SECURITY AUTHORITY.**

24 (a) IN GENERAL.—Not later than 90 days after the
25 date of enactment of this Act, the Under Secretary of

1 Transportation for Security, after consultation with the
2 Director of the Office of Homeland Security, shall des-
3 ignate a Director of the Port who will be the primary au-
4 thority responsible for security at each United States sea-
5 port to—

6 (1) coordinate security at such seaport; and

7 (2) be the point of contact on seaport security
8 issues for civilian and commercial port entities at
9 such seaport.

10 (b) DELEGATION.—A Director of the Port may dele-
11 gate the responsibilities described in subsection (a) to the
12 Captain-of-the-Port.

13 **SEC. 102. FBI CRIME DATA COLLECTION.**

14 Not later than 180 days after the date of enactment
15 of this Act, the Director of the Federal Bureau of Inves-
16 tigation shall implement a data collection system to com-
17 pile data related to crimes at or affecting United States
18 seaports. Such data collection system shall be designed
19 to—

20 (1) identify patterns of criminal activity at par-
21 ticular seaports; and

22 (2) allow law enforcement authorities, including
23 the designated law enforcement authority for each
24 seaport described in section 101, to retrieve reliable
25 data regarding such crimes.

1 **SEC. 103. CUSTOMS SERVICE FACILITIES.**

2 (a) OPERATIONAL SPACE IN SEAPORTS.—Each enti-
3 ty that owns or operates a United States seaport that re-
4 ceives cargo from a foreign country, whether govern-
5 mental, quasi-governmental, or private, shall allow the use
6 of permanent suitable office and inspection space within
7 the seaport by United States Customs Service officers at
8 no cost to the Customs Service.

9 (b) INSPECTION TECHNOLOGY.—The Commissioner
10 of Customs shall maintain permanent inspection facilities
11 that utilize available inspection technology in the space
12 provided at each United States seaport pursuant to sub-
13 section (a).

14 **SEC. 104. REGULATION OF OCEAN TRANSPORT INTER-**
15 **MEDIARIES.**

16 (a) TRANSFER OF AUTHORITY.—The responsibility
17 to license, and revoke or suspend a license, as an ocean
18 transportation intermediary of a person who carries on or
19 wishes to carry on the business of providing intermediary
20 services is transferred from the Federal Maritime Com-
21 mission to the Commissioner of Customs.

22 (b) RULEMAKING AUTHORITY.—Not later than 1
23 year after the date of enactment of this Act, the Commis-
24 sioner of Customs shall issue final regulations to carry out
25 the requirements of subsection (a). Such regulations shall
26 require that ocean transportation intermediaries assist the

1 Commissioner of Customs in collecting data that can be
2 used to prevent terrorist attacks in the United States.

3 (c) INTERIM RULES.—The Commissioner of Customs
4 shall enforce the regulations in part 515 of title 46, Code
5 of Federal Regulations, as in effect on the date of enact-
6 ment of this Act, until the final regulations required by
7 subsection (b) are issued, except that any reference to the
8 Federal Maritime Commission in such regulations shall be
9 deemed to be a reference to the Commissioner of Customs.

10 (d) CONTINUING EFFECT OF LEGAL DOCUMENTS.—
11 All orders, determinations, rules, regulations, permits,
12 agreements, grants, contracts, certificates, licenses, reg-
13 istrations, privileges, and other administrative actions re-
14 lating to ocean transportation intermediary—

15 (1) which have been issued, made, granted, or
16 allowed to become effective by the President, any
17 Federal agency or official thereof, or by a court of
18 competent jurisdiction, in the performance of func-
19 tions which are transferred under subsection (a),
20 and

21 (2) which are in effect at the time this Act
22 takes effect, or were final before the effective date
23 of this Act and are to become effective on or after
24 the effective date of this Act,

1 shall continue in effect according to their terms until
2 modified, terminated, superseded, set aside, or revoked in
3 accordance with law by the President, the head of the Fed-
4 eral agency to which such functions are transferred under
5 this Act or other authorized official, a court of competent
6 jurisdiction, or by operation of law.

7 (e) PROCEEDINGS NOT AFFECTED.—

8 (1) IN GENERAL.—The provisions of this Act
9 shall not affect any proceedings, including notices of
10 proposed rule making, or any application for any li-
11 cense, permit, certificate, or financial assistance
12 pending on the effective date of this Act before the
13 Federal Maritime Commission with respect to func-
14 tions transferred by this Act, but such proceedings
15 or applications, to the extent that they relate to
16 functions transferred, shall be continued. Orders
17 shall be issued in such proceedings, appeals shall be
18 taken therefrom, and payments shall be made under
19 such orders, as if this Act had not been enacted, and
20 orders issued in any such proceedings shall continue
21 in effect until modified, terminated, superseded, or
22 revoked by the head of the Federal agency to which
23 such functions are transferred by this Act, by a
24 court of competent jurisdiction, or by operation of
25 law. Nothing in this subsection prohibits the dis-

1 continuation or modification of any such proceeding
2 under the same terms and conditions and to the
3 same extent that such proceeding could have been
4 discontinued or modified if this Act had not been en-
5 acted.

6 (2) REGULATIONS.—The Commissioner of Cus-
7 toms is authorized to issue regulations providing for
8 the orderly transfer of proceedings continued under
9 paragraph (1).

10 **TITLE II—PUSHING OUT THE** 11 **BORDER**

12 **SEC. 201. INSPECTION OF MERCHANDISE AT FOREIGN FA-** 13 **CILITIES.**

14 Not later than 180 days after the date of enactment
15 of this Act, the Commissioner of Customs, in consultation
16 with the Under Secretary of Transportation for Security,
17 shall submit to Congress a plan to—

18 (1) station inspectors from the Customs Serv-
19 ice, other Federal agencies, or the private sector at
20 the foreign facilities of manufacturers or common
21 carriers to profile and inspect merchandise and the
22 containers or other means by which such merchan-
23 dise is transported as they are prepared for ship-
24 ment on a vessel that will arrive at any port or place
25 in the United States;

1 (2) develop procedures to ensure the security of
2 merchandise inspected as described in paragraph (1)
3 until it reaches the United States; and

4 (3) permit merchandise inspected as described
5 in paragraph (1) to receive expedited inspection
6 upon arrival in the United States.

7 **SEC. 202. MANIFEST REQUIREMENTS.**

8 Section 431(b) of the Tariff Act of 1930 (19 U.S.C.
9 1431(b)) is amended—

10 (1) by striking “Any manifest” and inserting
11 the following:

12 “(1) IN GENERAL.—Any manifest”; and

13 (2) by adding at the end the following new
14 paragraphs:

15 “(2) REQUIRED INFORMATION.—

16 “(A) REQUIREMENT.—In addition to any
17 other requirement under this section, the pilot,
18 master, operator, or owner (or the authorized
19 agent of such owner or operator) of every vessel
20 required to make entry or obtain clearance
21 under the customs laws of the United States
22 shall, not later than 24 hours prior to departing
23 from any foreign port or place for a port or
24 place in the United States, transmit electroni-
25 cally the cargo manifest information described

1 in subparagraph (B) in such manner and form
2 as the Secretary shall prescribe. The Secretary
3 shall ensure the electronic information is main-
4 tained securely, and is available only to individ-
5 uals with Federal Government security respon-
6 sibilities.

7 “(B) CONTENT.—The cargo manifest re-
8 quired by subparagraph (A) shall consist of the
9 following information—

10 “(i) The port of arrival and departure.

11 “(ii) The carrier code assigned to the
12 shipper.

13 “(iii) The flight, voyage, or trip num-
14 ber.

15 “(iv) The date of scheduled arrival
16 and departure.

17 “(v) A request for a permit to proceed
18 to the destination, if such permit is re-
19 quired.

20 “(vi) The numbers and quantities
21 from the carrier’s master air waybill, bills
22 of lading, or ocean bills of lading.

23 “(vii) The first port of lading of the
24 cargo and the city in which the carrier
25 took receipt of the cargo.

1 “(viii) A description and weight of the
2 cargo (including the Harmonized Tariff
3 Schedule of the United States number
4 under which the cargo is classified) or, for
5 a sealed container, the shipper’s declared
6 description and weight of the cargo.

7 “(ix) The shipper’s name and address,
8 or an identification number, from all air
9 waybills and bills of lading.

10 “(x) The consignee’s name and ad-
11 dress, or an identification number, from all
12 air waybills and bills of lading.

13 “(xi) Notice of any discrepancy be-
14 tween actual boarded quantities and air
15 waybill or bills of lading quantities, except
16 that a carrier is not required by this clause
17 to verify boarded quantities of cargo in
18 sealed containers.

19 “(xii) Transfer or transit information
20 for the cargo while it has been under the
21 control of the carrier.

22 “(xiii) The location of the warehouse
23 or other facility where the cargo was stored
24 while under the control of the carrier.

1 “(xiv) The name and address, or iden-
2 tification number of the carrier’s customer
3 including the forwarder, nonvessel oper-
4 ating common carrier, and consolidator.

5 “(xv) The conveyance name, national
6 flag, and tail number, vessel number, or
7 train number.

8 “(xvi) Country of origin and ultimate
9 destination.

10 “(xvii) Carrier’s reference number in-
11 cluding the booking or bill number.

12 “(xviii) Shipper’s commercial invoice
13 number and purchase order number.

14 “(xix) Information regarding any haz-
15 ardous material contained in the cargo.

16 “(xx) License information including
17 the license code, license number, or exemp-
18 tion code.

19 “(xxi) Container number for contain-
20 erized shipments.

21 “(xxii) Certification of any empty con-
22 tainers.

23 “(xxiii) Any additional information
24 that the Secretary by regulation deter-
25 mines is reasonably necessary to ensure

1 aviation, maritime, and surface transpor-
2 tation safety pursuant to those laws en-
3 forced and administered by the Customs
4 Service.”.

5 **SEC. 203. PENALTIES FOR INACCURATE MANIFEST.**

6 (a) FALSITY OR LACK OF MANIFEST.—Section 584
7 of the Tariff Act of 1930 (19 U.S.C. 1584) is amended—

8 (1) in subsection (a)(1)—

9 (A) by striking “\$1,000” each place it ap-
10 pears and inserting “\$50,000”; and

11 (B) by striking “\$10,000” and inserting
12 “\$50,000”; and

13 (2) by adding at the end the following new sub-
14 section:

15 “(c) CRIMINAL PENALTIES.—Any person who ships
16 or prepares for shipment any merchandise bound for the
17 United States who intentionally provides inaccurate or
18 false information, whether inside or outside the United
19 States, with respect to such merchandise for the purpose
20 of introducing such merchandise into the United States
21 in violation of the customs laws of the United States, is
22 liable, upon conviction of a violation of this subsection, for
23 a fine of not more than \$50,000 or imprisonment for 1
24 year, or both; except that if the importation of such mer-
25 chandise into the United States is prohibited, such person

1 is liable for an additional fine of not more than \$50,000
2 or imprisonment for not more than 5 years, or both.”.

3 (b) PENALTIES FOR VIOLATIONS OF THE ARRIVAL,
4 REPORTING, ENTRY, AND CLEARANCE REQUIREMENTS.—

5 Subsections (b) and (c) of section 436 of Tariff Act of
6 1930 (19 U.S.C. 1436 (b) and (c)) are amended to read
7 as follows:

8 “(b) CIVIL PENALTY.—Any master, person in charge
9 of a vessel, vehicle, or aircraft pilot who commits any viola-
10 tion listed in subsection (a) is liable for a civil penalty of
11 \$25,000 for the first violation, and \$50,000 for each sub-
12 sequent violation, and any conveyance used in connection
13 with any such violation is subject to seizure and forfeiture.

14 “(c) CRIMINAL PENALTY.—In addition to being liable
15 for a civil penalty under subsection (b), any master, per-
16 son in charge of a vessel, vehicle, or aircraft pilot who in-
17 tentiously commits or causes another to commit any vio-
18 lation listed in subsection (a) is, upon conviction, liable
19 for a fine of not more than \$50,000 or imprisonment for
20 1 year, or both; except that if the conveyance has, or is
21 discovered to have had, on board any merchandise (other
22 than sea stores or the equivalent for conveyances other
23 than vessels) the importation of which into the United
24 States is prohibited, such individual is liable for an addi-

1 tional fine of not more than \$50,000 or imprisonment for
2 not more than 5 years, or both.”.

3 **SEC. 204. SHIPMENT PROFILING PLAN.**

4 (a) IN GENERAL.—The Commissioner of Customs,
5 after consultation with the Director of the Office of Home-
6 land Security and the Under Secretary of Transportation
7 for Security, shall develop a shipment profiling plan to
8 track containers and shipments of merchandise that will
9 be imported into the United States for the purpose of
10 identifying any shipment that is a threat to the security
11 of the United States before such shipment is transported
12 to a United States seaport.

13 (b) INFORMATION REQUIREMENTS.—The shipment
14 profiling plan described in subsection (a) shall at a
15 minimum—

16 (1) require common carriers, shippers, and
17 ocean transportation intermediaries to provide ap-
18 propriate information regarding each shipment of
19 merchandise, including the information required
20 under section 431(b) of the Tariff Act of 1930 (19
21 U.S.C. 1431(b)) as amended by this Act, to the
22 Commissioner of Customs; and

23 (2) require shippers to use a standard inter-
24 national bill of lading for each shipment that
25 includes—

- 1 (A) the weight of the cargo;
- 2 (B) the value of the cargo;
- 3 (C) the vessel name;
- 4 (D) the voyage number;
- 5 (E) a description of each container;
- 6 (F) a description of the nature, type, and
7 contents of the shipment;
- 8 (G) the code number from Harmonized
9 Tariff Schedule;
- 10 (H) the port of destination;
- 11 (I) the final destination of the cargo;
- 12 (J) the means of conveyance of the cargo;
- 13 (K) the origin of the cargo;
- 14 (L) the name of the precarriage deliverer
15 or agent;
- 16 (M) the port at which the cargo was load-
17 ed;
- 18 (N) the name of formatting agent;
- 19 (O) the bill of lading number;
- 20 (P) the name of the shipper;
- 21 (Q) the name of the consignee;
- 22 (R) the universal transaction number or
23 carrier code assigned to the shipper by the
24 Commissioner of Customs; and

1 (S) any additional information that the
2 Commissioner of Customs by regulation deter-
3 mines is reasonably necessary to ensure seaport
4 safety.

5 (c) CREATION OF PROFILE.—The Commissioner of
6 Customs shall combine the information described in sub-
7 section (b) with other law enforcement and national secu-
8 rity information that the Commissioner believes will assist
9 in locating containers and shipments that could pose a
10 threat to the security of the United States to create a pro-
11 file of every container and every shipment within the con-
12 tainer that will enter the United States.

13 (d) CARGO SCREENING.—

14 (1) IN GENERAL.—Customs Service officers
15 shall review the profile of a shipment that a shipper
16 desires to transport into the United States to deter-
17 mine if the shipment or the container in which it is
18 carried should be subjected to additional inspection
19 by the Customs Service. In making that determina-
20 tion, the Customs Service officers shall consider in
21 addition to any other relevant factors—

22 (A) whether the shipper has regularly
23 shipped cargo to the United States in the past;
24 and

1 (B) the specificity of the description of the
2 shipment's contents.

3 (2) NOTIFICATION.—The Commissioner of Cus-
4 toms shall notify the shipper and the person in
5 charge of the vessel on which a shipment is located
6 if the shipment will be subject to additional inspec-
7 tion as described in paragraph (1).

8 (e) CONSISTENCY WITH THE AUTOMATED COMMER-
9 CIAL ENVIRONMENT PROJECT.—The Commissioner of
10 Customs shall ensure that the automated commercial envi-
11 ronment project developed pursuant to section 411 of the
12 Tariff Act of 1930 (19 U.S.C. 1411) is compatible with
13 the shipment profile plan described under this section.

14 **TITLE III—SECURITY OF CARGO**
15 **CONTAINERS AND SEAPORTS**

16 **SEC. 301. SEAPORT SECURITY CARDS.**

17 (a) REQUIREMENT FOR CARDS.—Not later than 1
18 year after the date of enactment of this Act, a covered
19 individual described in subsection (b) shall not be per-
20 mitted to enter a United States seaport unless the covered
21 individual holds a seaport security card as described in
22 this section.

23 (b) COVERED INDIVIDUAL.—A “covered individual”
24 means an individual who is regularly employed at a United
25 States seaport or who is employed by a common carrier

1 that transports merchandise to or from a United States
2 seaport.

3 (c) ISSUANCE.—

4 (1) IN GENERAL.—The Under Secretary of
5 Transportation for Security shall issue a seaport se-
6 curity card under this section to a covered individual
7 unless the Under Secretary determines that the
8 individual—

9 (A) poses a terrorism security risk;

10 (B) poses a security risk under section
11 5103a of title 49, United States Code;

12 (C) has been convicted of a violation of
13 chapter 27 of title 18, United States Code; or

14 (D) has not provided sufficient information
15 to allow the Under Secretary to make the deter-
16 minations described in subparagraph (A), (B),
17 or (C).

18 (2) DETERMINATION OF TERRORISM SECURITY
19 RISK.—The Under Secretary shall determine that a
20 person poses a terrorism security risk under para-
21 graph (1)(A) if the individual—

22 (A) has been convicted of a felony that the
23 Under Secretary believes could be a terrorism
24 security risk to the United States;

1 (B) may be denied admission to the United
2 States or removed from the United States
3 under the Immigration and Nationality Act (8
4 U.S.C. 1101 et seq.); or

5 (C) otherwise poses a terrorism security
6 risk to the United States.

7 (3) CONSIDERATIONS.—In making a determina-
8 tion under paragraph (2), the Under Secretary shall
9 give consideration to the circumstances of any dis-
10 qualifying act or offense, restitution made by the in-
11 dividual, Federal and State mitigation remedies, and
12 other factors from which it may be concluded that
13 the individual does not pose a terrorism security risk
14 sufficient to warrant denial of the card.

15 (d) APPEALS.—The Under Secretary of Transpor-
16 tation for Security shall establish an appeals process
17 under this section for individuals found to be ineligible for
18 a seaport security card that includes notice and an oppor-
19 tunity for a hearing.

20 (e) DATA ON CARD.—The seaport identification cards
21 required by subsection (a) shall—

22 (1) be tamper resistant; and

23 (2) contain—

1 (A) the number of the individual's com-
2 mercial driver's license issued under chapter
3 313 of title 49, United States Code, if any;

4 (B) the State-issued vehicle registration
5 number of any vehicle that the individual de-
6 sires to bring into the seaport, if any;

7 (C) the work permit number issued to the
8 individual, if any;

9 (D) a unique biometric identifier to iden-
10 tify the license holder; and

11 (E) a safety rating assigned to the indi-
12 vidual by the Under Secretary of Transpor-
13 tation for Security.

14 **SEC. 302. SEAPORT SECURITY REQUIREMENTS.**

15 (a) REQUIREMENT.—Not later than 180 days after
16 the date of enactment of this Act, the Under Secretary
17 of Transportation for Security, after consultation with the
18 Commissioner of Customs, shall issue final regulations set-
19 ting forth minimum security requirements including secu-
20 rity performance standards at United States seaports. The
21 regulations shall—

22 (1) limit private vehicle access to United States
23 seaports to vehicles that are registered at the sea-
24 port and display a seaport registration pass;

1 (2) prohibit individuals, other than law enforce-
2 ment officers, from carrying firearms or explosives
3 inside a United States seaport without written au-
4 thorization from the Director of the Port described
5 in section 101(a) or, if authority is delegated under
6 section 101(b), the Captain-of-the-Port;

7 (3) prohibit individuals from physically access-
8 ing a United States seaport without a seaport spe-
9 cific access pass;

10 (4) require that Customs Service officers, and
11 other appropriate law enforcement officers, at
12 United States seaports be provided and utilize per-
13 sonal radiation detection pagers to increase the abil-
14 ity of the Customs Service to accurately detect ra-
15 dioactive materials that could be used to commit ter-
16 rorist acts in the United States;

17 (5) require that each United States seaport
18 maintain—

19 (A) a secure perimeter;

20 (B) secure parking facilities;

21 (C) monitored or locked access points;

22 (D) sufficient lighting; and

23 (E) secure buildings within the seaport;

24 and

1 (6) include any additional security requirement
2 that the Under Secretary determines is reasonably
3 necessary to ensure seaport security.

4 (b) LIMITATION.—Except as provided in subsection
5 (c), any United States seaport that does not meet the min-
6 imum security requirements described in subsection (a) is
7 prohibited from—

8 (1) handling, storing, stowing, loading, dis-
9 charging, or transporting dangerous cargo; and

10 (2) transferring passengers to or from a pas-
11 senger vessel that—

12 (A) weighs more than 100 gross tons;

13 (B) carries more than 12 passengers for
14 hire; and

15 (C) has a planned voyage of more than 24
16 hours, part of which is on the high seas.

17 (c) EXCEPTION.—The Under Secretary of Transpor-
18 tation for Security may waive 1 or more of the minimum
19 requirements described in subsection (a) for a United
20 States seaport if the Secretary determines that it is not
21 appropriate for such seaport to implement the require-
22 ment.

23 **SEC. 303. SECURING SENSITIVE INFORMATION.**

24 (a) REQUIREMENT.—Not later than 90 days after the
25 date of enactment of this Act, the Director of the Port

1 described in section 101(a) or, if authority is delegated
2 under section 101(b), the Captain-of-the-Port of each
3 United States seaport shall secure and protect all sensitive
4 information, including information that is currently avail-
5 able to the public, related to the seaport.

6 (b) SENSITIVE INFORMATION.—In this section, the
7 term “sensitive information” means—

8 (1) maps of the seaport;

9 (2) blueprints of structures located within the
10 seaport; and

11 (3) any other information related to the secu-
12 rity of the seaport that the Director of the Port de-
13 scribed in section 101(a) or, if authority is delegated
14 under section 101(b), the Captain-of-the-Port deter-
15 mines is appropriate to secure and protect.

16 **SEC. 304. CONTAINER SECURITY.**

17 (a) CONTAINER SEALS.—

18 (1) APPROVAL.—Not later than 90 days after
19 the date of enactment of this Act, the Under Sec-
20 retary of Transportation for Security and the Com-
21 missioner of Customs shall jointly approve minimum
22 standards for high security container seals that—

23 (A) meet or exceed the American Society
24 for Testing Materials Level D seals;

1 (B) permit each seal to have a unique
2 identification number; and

3 (C) contain an electronic tag that can be
4 read electronically at a seaport.

5 (2) REQUIREMENT FOR USE.—Within 180 days
6 after the date of enactment of this Act, the Under
7 Secretary of Transportation for Security shall deny
8 entry by a vessel into the United States if the con-
9 tainers carried by the vessel are not sealed with a
10 high security container seal approved under para-
11 graph (1).

12 (b) IDENTIFICATION NUMBER.—

13 (1) REQUIREMENT.—A shipment that is
14 shipped to or from the United States either directly
15 or via a foreign port shall have a designated uni-
16 versal transaction number.

17 (2) TRACKING.—The person responsible for the
18 security of a container shall record the universal
19 transaction number assigned to the shipment under
20 subparagraph (1), as well as any seal identification
21 number on the container, at every port of entry and
22 point at which the container is transferred from one
23 conveyance to another conveyance.

24 (c) PILOT PROGRAM.—

1 (1) GRANTS.—The Under Secretary of Trans-
2 portation for Security is authorized to award grants
3 to eligible entities to develop improved seals for
4 cargo containers that are able to—

5 (A) immediately detect tampering with the
6 seal;

7 (B) immediately detect tampering with the
8 walls, ceiling, or floor of the container that indi-
9 cates a person is attempting to improperly ac-
10 cess the container; and

11 (C) transmit information regarding tam-
12 pering with the seal, walls, ceiling, or floor of
13 the container in real time to the appropriate au-
14 thorities at a remote location.

15 (2) APPLICATION.—Each eligible entity desiring
16 a grant under this subsection shall submit an appli-
17 cation to the Under Secretary at such time, in such
18 manner, and accompanied by such information as
19 the Under Secretary may reasonably require.

20 (3) ELIGIBLE ENTITY.—In this subsection, the
21 term “eligible entity” means any national laboratory,
22 nonprofit private organization, institution of higher
23 education, or other entity that the Under Secretary
24 determines is eligible to receive a grant authorized
25 by paragraph (1).

1 (d) EMPTY CONTAINERS.—

2 (1) CERTIFICATION.—The Commissioner of
3 Customs shall issue regulations that set out require-
4 ments for certification of empty containers that will
5 be shipped to or from the United States either di-
6 rectly or via a foreign port. Such regulations shall
7 require that an empty container—

8 (A) be inspected and certified as empty
9 prior to being loaded onto a vessel for transpor-
10 tation to a United States seaport; and

11 (B) be sealed with a high security con-
12 tainer seal approved under subsection (a)(1) to
13 enhance the security of United States seaports.

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