

H.R. 3328 includes a provision requiring the TSA to develop a template for agreements with foreign partners for Federal air marshals to carry out security operations on flights departing or arriving on foreign soil.

As Mr. KATKO mentioned, just last week there were news reports that the DHS and the TSA had acknowledged that intelligence indicates that terrorists are plotting another massive attack on U.S. aircraft.

In the current climate of aviation security threats, the United States has a critical role to play in raising the baseline of global aviation security to keep the traveling public safe, in coordination with our international partners.

Mr. Speaker, I urge support for H.R. 3328, and I yield back the balance of my time.

Mr. KATKO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues to support this bill for the reasons that I have already spoken about, but I do want to note that there are two things in this bill that are very important. One is to give us the ability to examine whether or not the airports in Cuba are indeed safe.

As you heard from the statements earlier during this colloquy from myself, from Mr. VELA, and from Mr. MCCAUL, there are gaps in our knowledge of Cuba that are simply unique to most of the other aviation communities. It is incumbent upon us to try and find out what is going on down there.

As my colleague, Mr. MCCAUL, stated, we were denied visas because they knew we were coming to look at their airports. They allow very little oversight from the TSA at their airports.

They or someone in their country have attacked our embassy employees. The communist Cuban party controls the vast majority of what happens with aviation with very little knowledge of what the internal workings of that are. They are not collaborative partners at all, and that is a major concern.

The other part of the bill is reviewing international aviation standards.

Are they keeping up to date with evolving threats, such as the laptop threat and others that we know of around the world? Are they adhering to the standards that are set by the ICAO? And are those standards sufficient going forward?

Those are all things we need to take a look at. I urge my colleagues to pass this bill because it is a Homeland Security bill. I hope that my colleagues in the Senate, including Senator RUBIO, my good friend who is championing the companion bill, I hope that he pushes it over there quickly; and I hope we get this to the President's desk for signature because we can't mess with things that involve homeland security.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr.

KATKO) that the House suspend the rules and pass the bill, H.R. 3328.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

## C-TPAT REAUTHORIZATION ACT OF 2017

Ms. MCSALLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3551) to amend the Security and Accountability for Every Port Act of 2006 to reauthorize the Customs-Trade Partnership Against Terrorism Program, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3551

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "C-TPAT Reauthorization Act of 2017".

### SEC. 2. CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM.

(a) IN GENERAL.—Subtitle B of title II of the Security and Accountability for Every Port Act of 2006 (6 U.S.C. 961 et seq.) is amended to read as follows:

#### "Subtitle B—Customs-Trade Partnership Against Terrorism

#### "SEC. 211. ESTABLISHMENT OF THE CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM PROGRAM.

"(a) IN GENERAL.—There is established within U.S. Customs and Border Protection a voluntary government-private sector partnership program to be known as the Customs-Trade Partnership Against Terrorism (C-TPAT).

"(b) PURPOSE.—The purposes of the C-TPAT program are to—

"(1) strengthen and improve the overall security of the international supply chain and United States border security;

"(2) facilitate the movement of secure cargo through the international supply chain;

"(3) ensure compliance with applicable law; and

"(4) serve as the Authorized Economic Operator program for the United States.

"(c) DIRECTOR.—There shall be at the head of the C-TPAT program a Director, who shall report to the Executive Assistant Commissioner of the Office of Field Operations (in this subtitle referred to as the 'Executive Assistant Commissioner') of U.S. Customs and Border Protection.

"(d) DUTIES.—The Director of the C-TPAT program shall—

"(1) oversee the activities of the C-TPAT program, including certification of C-TPAT participants;

"(2) evaluate and make revisions to security criteria pursuant to subsections (c) and (d) of section 213;

"(3) ensure that participants receive a tangible and measurable benefit for participation; and

"(4) carry out other duties and powers prescribed by the Executive Assistant Commissioner.

#### "SEC. 212. ELIGIBLE ENTITIES AND NOTICE OF BENEFITS.

"(a) ELIGIBLE ENTITIES.—Importers, exporters, customs brokers, forwarders, air,

sea, and land carriers, contract logistics providers, and other entities in the international supply chain and intermodal transportation system are eligible to apply for participation in the C-TPAT program.

"(b) TIERED PARTICIPATION.—

"(1) IN GENERAL.—Applicants may be eligible to participate as Tier 1 or Tier 2 participants.

"(2) IMPORTERS.—Importers may be eligible to participate as Tier 3 participants.

"(3) EXTENSION.—The Executive Assistant Commissioner may, in his or her discretion, extend Tier 3 participation to other entity types, if appropriate.

"(c) NOTICE OF BENEFITS.—

"(1) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection shall publish, on the U.S. Customs and Border Protection website and through other appropriate online publication, information about benefits to C-TPAT program participants.

"(2) CHANGES.—The Commissioner of U.S. Customs and Border Protection shall publish, on the U.S. Customs and Border Protection website and through other appropriate online publication, notice of any changes to benefits to C-TPAT program participants not later than 30 days before any such changes take effect.

#### "SEC. 213. PARTICIPATION ELIGIBILITY.

"(a) IN GENERAL.—The Executive Assistant Commissioner shall review all documentation submitted by an applicant pursuant to subsection (b)(2), conduct a background investigation of such applicant, and vet such applicant.

"(b) GENERAL REQUIREMENTS.—To be eligible for participation in the C-TPAT program, an entity shall, at a minimum—

"(1) have a designated company employee authorized to bind such entity that is a direct company employee and will serve as the primary point of contact responsible for participation of such entity in the C-TPAT program;

"(2) at the time of initial application and annually thereafter, including in advance of any recertification or revalidation, submit an international supply chain security profile, which shall identify how such entity meets the minimum security criteria of the C-TPAT program established by the Commissioner of U.S. Customs and Border Protection and how such entity will maintain and enhance internal policies, procedures, and practices related to international supply chain security; and

"(3) meet any specific requirements for eligible entities, as established by the Commissioner.

"(c) MINIMUM SECURITY CRITERIA.—The Commissioner of U.S. Customs and Border Protection shall establish minimum security criteria for participants in the C-TPAT program, review such minimum security criteria not less than once every two years, and update such minimum security criteria as necessary. Such minimum security criteria shall seek to address security vulnerabilities in the international supply chain.

"(d) ADDITIONAL AND UPDATED CRITERIA.—The Commissioner of U.S. Customs and Border Protection may establish additional and updated security criteria for individual C-TPAT program participants, categories of C-TPAT program participants, or particular entity types to meet in order to address a security vulnerability in the international supply chain.

"(e) CONSULTATION.—When establishing or updating security criteria in accordance with subsection (c), and when establishing additional or updated security criteria in accordance subsection (d), the Commissioner of U.S. Customs and Border Protection shall consult with C-TPAT program participants and other interested parties, and shall—

“(1) conduct a cost benefit analysis of such proposed new, additional, or updated security criteria in consultation with the Commercial Customs Operations Advisory Committee established under section 109 of the Trade Facilitation and Trade Enforcement Act of 2015 (Public Law 114-125; 19 U.S.C. 4316);

“(2) determine operational feasibility and, where appropriate, conduct a phased implementation of such proposed additional or updated security criteria; and

“(3) provide C-TPAT program participants and other interested parties a 90-day comment period to review and comment on such proposed additional or updated security criteria.

“(f) **WAIVER.**—The Commissioner of U.S. Customs and Border Protection may waive the requirements of subsection (e) if the Commissioner determines there is a significant and imminent risk to the national security of the United States and such a waiver is necessary to protect such national security. Not later than 120 days after the issuance of any such waiver, the Commissioner shall announce on the U.S. Customs and Border Protection website and through other appropriate online publication the Commissioner's intent to either withdraw such waiver or maintain such waiver while commencing efforts to establish minimum security criteria or establish additional or update existing security criteria in accordance with subsection (c) or (d), respectively.

**“SEC. 214. BENEFITS FOR C-TPAT PROGRAM PARTICIPANTS.**

“(a) **IN GENERAL.**—The Executive Assistant Commissioner shall extend certain benefits to each C-TPAT program participant. Minimum benefits for each such participant shall include the following:

“(1) Assignment of a U.S. Customs and Border Protection Supply Chain Security Specialist.

“(2) Access to the C-TPAT program's web-based Portal system and training materials.

“(3) A periodic and unclassified update on regional and other relevant threats to the international supply chain.

“(b) **PUBLIC AVAILABILITY.**—The Executive Assistant Commissioner shall make publicly available on the C-TPAT portal an annual assessment of the tangible benefits being realized by C-TPAT program participants.

“(c) **ANNUAL ASSESSMENT.**—The Executive Assistant Commissioner shall conduct, on an annual basis, an assessment of the benefits conferred to C-TPAT program participants. The Executive Assistant Commissioner shall determine a process to carry out such assessments, to include projected milestones and completion dates for addressing data reliability issues and, as necessary, correcting data weaknesses, so that U.S. Customs and Border Protection can produce accurate and reliable annual assessments that can be compared year-to-year.

**“SEC. 215. TIER 1 PARTICIPANTS.**

“(a) **CERTIFICATION.**—The Executive Assistant Commissioner shall certify the security measures and international supply chain security practices of all applicants to and participants in the C-TPAT program in accordance with section 213(b)(2) and the guidelines referred to in subsection (c) of this section. Certified participants shall be Tier 1 participants.

“(b) **BENEFITS FOR TIER 1 PARTICIPANTS.**—Upon completion of the certification under subsection (a), a C-TPAT program participant shall be certified as a Tier 1 participant. The Executive Assistant Commissioner shall extend limited benefits to a Tier 1 participant.

“(c) **GUIDELINES.**—Not later than 180 days after the date of the enactment of this sub-

title, the Commissioner of U.S. Customs and Border Protection shall update the guidelines and criteria for certifying a C-TPAT program participant's security measures and supply chain security practices under this section. Such guidelines shall include a background investigation and review of appropriate documentation, as determined by the Commissioner.

“(d) **TIMEFRAME.**—To the extent practicable, the Executive Assistant Commissioner shall complete the Tier 1 certification process within 90 days of receipt of an application for participation in the C-TPAT program.

**“SEC. 216. TIER 2 PARTICIPANTS.**

“(a) **VALIDATION.**—The Executive Assistant Commissioner shall validate the security measures and international supply chain security practices of a Tier 1 C-TPAT program participant in accordance with the guidelines referred to in subsection (c) to validate such participant as a Tier 2 participant. Such validation shall include on-site assessments at appropriate foreign and domestic locations utilized by such Tier 1 participant in its international supply chain.

“(b) **BENEFITS FOR TIER 2 PARTICIPANTS.**—The Executive Assistant Commissioner, shall extend benefits to each C-TPAT participant that has been validated as a Tier 2 participant under this section. Such benefits may include the following:

“(1) Reduced scores in U.S. Customs and Border Protection's Automated Targeting System.

“(2) Reduced number of security examinations by U.S. Customs and Border Protection.

“(3) Priority examinations of cargo.

“(4) Access to the Free and Secure Trade (FAST) Lanes at United States ports of entry.

“(5) Recognition as a trusted trade partner by foreign customs administrations that have signed Mutual Recognition Arrangements with U.S. Customs and Border Protection.

“(6) In the case of importers, eligibility to participate in the Importer Self-Assessment Program (ISA) or successor compliance program.

“(c) **GUIDELINES.**—Not later than 180 days after the date of the enactment of this subtitle, the Commissioner shall develop a schedule and update the guidelines and criteria for validating a C-TPAT participant's security measures and supply chain security practices under this section.

“(d) **TIMEFRAME.**—To the extent practicable, the Executive Assistant Commissioner shall complete the Tier 2 validation process for a C-TPAT program participant under this section within one year after certification of such participant as a Tier 1 participant.

**“SEC. 217. TIER 3 PARTICIPANTS.**

“(a) **IN GENERAL.**—The Commissioner shall establish a third tier of C-TPAT program participation that offers additional benefits to C-TPAT program participants that are importers or other entity types, in accordance with section 212(b), that demonstrate a sustained commitment to maintaining security measures and international supply chain security practices that exceed the guidelines established for validation as a Tier 2 participant in the C-TPAT program under section 216.

“(b) **BEST PRACTICES.**—The Executive Assistant Commissioner may designate a Tier 2 C-TPAT program participant as a Tier 3 participant based on a review of best practices in such participant's international supply chain that reflect a continued approach to enhanced international supply chain security, including—

“(1) compliance with any additional or updated criteria established by the Commissioner of U.S. Customs and Border Protection under section 213(d) that exceed the guidelines established pursuant to section 216 for validating a C-TPAT program participant as a Tier 2 participant; and

“(2) any other factors that the Executive Assistant Commissioner determines appropriate.

“(c) **BENEFITS FOR TIER 3 PARTICIPANTS.**—The Executive Assistant Commissioner, in consultation with the Commercial Customs Operations Advisory Committee established under section 109 of the Trade Facilitation and Trade Enforcement Act of 2015 (Public Law 114-125; 19 U.S.C. 4316) and the National Maritime Security Advisory Committee established under section 70112 of title 46, United States Code, shall extend benefits to each C-TPAT program participant that has been validated as a Tier 3 participant under this section, which may include the following:

“(1) Further reduction in the number of examinations by U.S. Customs and Border Protection.

“(2) Front of the line inspections and examinations.

“(3) Exemption from Stratified Exams.

“(4) Shorter wait times at United States ports of entry.

“(5) Access to the Free and Secure Trade (FAST) Lanes at United States ports of entry.

“(6) Recognition as a trusted trade partner by foreign customs administrations that have signed Mutual Recognition Arrangements with U.S. Customs and Border Protection.

“(7) In the case of importers, eligibility to participate in the Importer Self-Assessment Program (ISA) or successor compliance program.

**“SEC. 218. CONSEQUENCES FOR LACK OF COMPLIANCE.**

“(a) **IN GENERAL.**—If at any time the Executive Assistant Commissioner determines that a C-TPAT program participant's security measures or international supply chain security practices fail to meet applicable requirements under this subtitle, the Executive Assistant Commissioner may deny such participant benefits otherwise made available pursuant to this subtitle, either in whole or in part. The Executive Assistant Commissioner shall develop procedures, in consultation with Commercial Customs Operations Advisory Committee, established under section 109 of the Trade Facilitation and Trade Enforcement Act of 2015 (Public Law 114-125; 19 U.S.C. 4316), that provide appropriate protections to C-TPAT program participants, including advance notice and an opportunity for such participants to provide additional information to U.S. Customs and Border Protection regarding any such alleged failure, before any of such benefits are withheld. Such procedures may not limit the ability of the Executive Assistant Commissioner to take actions to protect the national security of the United States.

“(b) **FALSE OR MISLEADING INFORMATION; LACK OF COMPLIANCE WITH LAW.**—If a C-TPAT program participant knowingly provides false or misleading information to the Commissioner of U.S. Customs and Border Protection, the Executive Assistant Commissioner, or any other officers or officials of the United States Government, or if at any time the Executive Assistant Commissioner determines that a C-TPAT program participant has committed a serious violation of Federal law or customs regulations, or if a C-TPAT program participant has committed a criminal violation relating to the economic activity of such participant, the Executive Assistant Commissioner may suspend

or expel such participant from the C-TPAT program for an appropriate period of time. The Executive Assistant Commissioner, after the completion of the process described in subsection (d), may publish in the Federal Register a list of C-TPAT program participants that have been so suspended or expelled from the C-TPAT program pursuant to this subsection.

“(c) NATIONAL SECURITY.—If at any time the Executive Assistant Commissioner determines that a C-TPAT program participant poses a significant and imminent risk to the national security of the United States or has committed a serious violation of Federal law or customs regulations, or if a C-TPAT program participant has committed a criminal violation relating to the economic activity of such participant, the Executive Assistant Commissioner may suspend or expel such participant from the C-TPAT program for an appropriate period of time. The Executive Assistant Commissioner, after the completion of the process described in subsection (d), may publish in the Federal Register a list of C-TPAT program participants that have been so suspended or expelled from the C-TPAT program pursuant to this subsection.

“(d) RIGHT OF APPEAL.—

“(1) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection shall establish a process for a C-TPAT program participant to appeal a decision of the Executive Assistant Commissioner under subsection (a). Such appeal shall be filed with the Commissioner not later than 90 days after the date of such decision, and the Commissioner shall issue a determination not later than 90 days after such appeal is filed.

“(2) APPEALS OF OTHER DECISIONS.—The Commissioner of U.S. Customs and Border Protection shall establish a process for a C-TPAT program participant to appeal a decision of the Executive Assistant Commissioner under subsections (b) and (c). Such appeal shall be filed with the Commissioner not later than 30 days after the date of such decision, and the Commissioner shall issue a determination not later than 90 days after such appeal is filed.

#### **“SEC. 219. VALIDATIONS BY OTHER DHS COMPONENTS.**

“(a) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection may recognize regulatory inspections conducted by other components of the Department of Homeland Security of entities as sufficient to constitute validation for C-TPAT program participation in cases in which any such component's inspection regime is harmonized with validation criteria for the C-TPAT program. Such regulatory inspections shall not limit the ability of U.S. Customs and Border Protection to conduct a C-TPAT program validation.

“(b) REVALIDATION.—Nothing in this section may limit the Commissioner of U.S. Customs and Border Protection's ability to require a revalidation by U.S. Customs and Border Protection.

“(c) CERTIFICATION.—Nothing in this section may be construed to authorize certifications of C-TPAT applicants to be performed by any party other than U.S. Customs and Border Protection.

#### **“SEC. 220. RECERTIFICATION AND REVALIDATION.**

“(a) RECERTIFICATION.—The Commissioner of U.S. Customs and Border Protection shall implement a recertification process for all C-TPAT program participants. Such process shall occur annually, and shall require—

“(1) a review of the security profile and supporting documentation to ensure adherence to the minimum security criteria under section 213; and

“(2) background checks and vetting.

“(b) REVALIDATION.—The Commissioner of U.S. Customs and Border Protection shall implement a revalidation process for all Tier 2 and Tier 3 C-TPAT program participants. Such process shall require—

“(1) a framework based upon objective, risk based criteria for identifying participants for periodic revalidation at least once every four years following the initial validation of such participants;

“(2) on-site assessments at appropriate foreign and domestic locations utilized by such a participant in its international supply chain; and

“(3) an annual plan for revalidation that includes—

“(A) performance measures;

“(B) an assessment of the personnel needed to perform such revalidations; and

“(C) the number of participants that will be revalidated during the following year.

“(c) REVALIDATION UNDER A MUTUAL RECOGNITION ARRANGEMENT.—

“(1) IN GENERAL.—Upon request from the Commissioner of U.S. Customs and Border Protection, all Tier 2 and Tier 3 C-TPAT program participants shall provide any revalidation report conducted by a foreign government under a Mutual Recognition Arrangement.

“(2) RECOGNITION.—The Commissioner of U.S. Customs and Border Protection may recognize revalidations of entities conducted by foreign governments under a Mutual Recognition Arrangement as sufficient to constitute a revalidation for C-TPAT program participation under subsection (b).

“(3) NO LIMITATION.—Nothing in this subsection may be construed to limit the Commissioner of U.S. Customs and Border Protection's ability to require a revalidation by U.S. Customs and Border Protection.

“(d) DESIGNATED COMPANY EMPLOYEES.—Only designated company employees of a C-TPAT program participant under section 213(b)(1) are authorized to respond to a revalidation report. Third-party entities are not authorized to respond to a revalidation report.

#### **“SEC. 221. NONCONTAINERIZED CARGO AND THIRD PARTY LOGISTICS PROVIDERS.**

“The Commissioner of U.S. Customs and Border Protection shall consider the potential for participation in the C-TPAT program by importers of noncontainerized cargoes and non-asset-based third party logistics providers that otherwise meet the requirements under this subtitle.

#### **“SEC. 222. PROGRAM MANAGEMENT.**

“(a) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection shall establish sufficient internal quality controls and record management, including record-keeping (including maintenance of a record management system in accordance with subsection (b)) and monitoring staff hours, to support the management systems of the C-TPAT program. In managing the C-TPAT program, the Commissioner shall ensure that the C-TPAT program includes the following:

“(1) A 5-year plan to identify outcome-based goals and performance measures of the C-TPAT program.

“(2) An annual plan for each fiscal year designed to match available resources to the projected workload.

“(3) A standardized work program to be used by agency personnel to carry out the certifications, validations, recertifications, and revalidations of C-TPAT program participants.

“(4) In accordance with subsection (e), a standardized process for the Executive Assistant Commissioner to receive reports of suspicious activity, including reports regard-

ing potentially compromised cargo or other border or national security concerns.

“(b) DOCUMENTATION OF REVIEWS.—

“(1) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection shall maintain a record management system to document determinations on the reviews of each C-TPAT program participant, including certifications, validations, recertifications, and revalidations.

“(2) STANDARDIZED PROCEDURES.—To ensure accuracy and consistency within the record management system required under this subsection, the Commissioner shall develop, disseminate, and require utilization of standardized procedures for agency personnel carrying out certifications, validations, recertifications, and revalidations to report and track information regarding the status of each C-TPAT program participant.

“(c) CONFIDENTIAL INFORMATION SAFEGUARDS.—In consultation with the Commercial Customs Operations Advisory Committee established under section 109 of the Trade Facilitation and Trade Enforcement Act of 2015 (Public Law 114-125; 19 U.S.C. 4316), the Commissioner of U.S. Customs and Border Protection shall develop and implement procedures to ensure the protection of confidential data collected, stored, or shared with government agencies or as part of the application, certification, validation, recertification, and revalidation processes.

“(d) RESOURCE MANAGEMENT STAFFING PLAN.—The Commissioner of U.S. Customs and Border Protection shall—

“(1) develop a staffing plan to recruit and train staff (including a formalized training program) to meet the objectives identified in the 5-year strategic plan under subsection (a)(1); and

“(2) provide cross-training in post incident trade resumption for the C-TPAT Director and other relevant personnel who administer the C-TPAT program.

“(e) ENGAGEMENT.—In carrying out the standardized process required under subsection (a)(4), the Commissioner shall engage with and provide guidance to C-TPAT program participants and other appropriate stakeholders on submitting reports described in such subsection.

“(f) REPORT TO CONGRESS.—In connection with the President's annual budget submission for the Department of Homeland Security, the Commissioner of U.S. Customs and Border Protection shall report to the appropriate congressional committees on the progress made by the Commissioner to certify, validate, recertify, and revalidate C-TPAT program participants. Each such report shall be due on the same date that the President's budget is submitted to Congress.”

(b) SAVING CLAUSE.—

(1) IN GENERAL.—The amendments made by this Act shall take effect and apply beginning on the date that is 30 days after the date of the enactment of this Act with respect to applicants for participation in the C-TPAT program.

(2) EXCEPTION.—Paragraph (1) shall not apply in case of C-TPAT program participants who are such participants as of the date specified in such paragraph. Such participants shall be subject to the amendments made by this Act upon revalidation of such participants to participate in such program. Until such time, such participants shall be subject to the requirements of the C-TPAT program as in existence on the day before the date of the enactment of this Act.

(c) CLERICAL AMENDMENTS.—The table of contents in section 1(b) of the Security and Accountability for Every Port Act of 2006 is amended by striking the items relating to subtitle B of title II and inserting the following new items:

“Subtitle B—Customs-Trade Partnership Against Terrorism

“Sec. 211. Establishment of the Customs and Trade Partnership Against Terrorism program.

“Sec. 212. Eligible entities and notice of benefits.

“Sec. 213. Participation eligibility.

“Sec. 214. Benefits for C-TPAT program participants.

“Sec. 215. Tier 1 participants.

“Sec. 216. Tier 2 participants.

“Sec. 217. Tier 3 participants.

“Sec. 218. Consequences for lack of compliance.

“Sec. 219. Validations by other DHS components.

“Sec. 220. Recertification and revalidation.

“Sec. 221. Noncontainerized cargo and third party logistics providers.

“Sec. 222. Program management.”

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Arizona (Ms. MCSALLY) and the gentlewoman from California (Ms. BARRAGÁN) each will control 20 minutes.

The Chair recognizes the gentlewoman from Arizona.

#### GENERAL LEAVE

Ms. MCSALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arizona?

There was no objection.

Ms. MCSALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 3551, the Customs-Trade Partnership Against Terrorism Reauthorization Act of 2017. The Customs-Trade Partnership Against Terrorism, or C-TPAT, is the U.S. Customs and Border Protection's flagship global supply chain security program. C-TPAT is recognized throughout the world as the premier cargo pre-vetting program.

My legislation reauthorizes the program for the first time in 11 years to ensure that the program is ready to meet the dynamic threats currently facing the global supply chain, and that C-TPAT participants receive tangible benefits for their partnership with CBP.

When a company joins C-TPAT, they agree to work with CBP to protect the supply chain, identify security gaps, and implement specific security measures and best practices.

In order to receive benefits such as shorter wait times and fewer inspections at ports of entry, applicants must enhance security throughout their supply chain by undergoing vetting and a site visit by CPB.

While the SAFE Port Act of 2006, which established the program, set a strong foundation for the current success of C-TPAT, this bill not only codifies the structure of the current program, but also makes sure C-TPAT remains a true partnership between CBP and private industry.

Under this bill, CBP will be required to formally liaise with industry stake-

holders when implementing new or updated security criteria, and provide tangible benefits to all participants at various stages of the CBP vetting process.

My legislation also reduces redundant inspections on pre-vetted cargo and provides CBP with a mechanism to suspend or expel participants from the program if they fail to abide by security requirements or pose a threat to national security.

Furthermore, it establishes a process for CBP with congressional oversight requirements to continuously vet participants, review their security measures, and conduct site visits of their facilities to ensure compliance with and continued dedication to security measures.

Reducing wait times and inspections for participants who enhance the global supply chain greatly enhances cross-border trade and economic growth while reducing the workload of already overworked officers at CBP. C-TPAT achieves this in a way that also strengthens our national security through rigorous initial and recurrent background checks and site visits.

I am proud to sponsor the reauthorization of this highly successful program in order to expand its reach and increase its benefits to private industry.

Mr. Speaker, I urge Members to join me in supporting this bill, and I reserve the balance of my time.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON WAYS AND MEANS,  
Washington, DC, October 23, 2017.

Hon. MICHAEL MCCAUL,  
Chairman, Committee on Homeland Security,  
Washington, DC.

DEAR CHAIRMAN MCCAUL: I am writing with respect to H.R. 3551, the “C-TPAT Reauthorization of 2017.” This bill contains provisions within the Rule X jurisdiction of the Committee on Ways and Means.

The Committee on Ways and Means will not seek a sequential referral on H.R. 3551 so that it may proceed expeditiously to the House floor for consideration. This is done with the understanding that the jurisdictional interests of the Committee on Ways and Means over this and similar legislation are in no way diminished or altered. In addition, the Committee reserves the right to seek conferees on H.R. 3551 and requests your support when such a request is made.

I would appreciate your response confirming this understanding with respect to H.R. 3551 and ask that a copy of our exchange of letters on this matter be included in the Congressional Record during consideration of the bill on the House floor.

Sincerely,

KEVIN BRADY,  
Chairman.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON HOMELAND SECURITY,  
Washington, DC, October 23, 2017.

Hon. KEVIN BRADY,  
Chairman, Committee on Ways and Means,  
Washington, DC.

DEAR CHAIRMAN BRADY: Thank you for your letter regarding H.R. 3551, the “C-TPAT Reauthorization Act of 2017.” I appreciate your support in bringing this very important legislation before the House of Representatives, and appreciate the willingness of the Committee on Ways and Means to forego seeking a sequential referral.

The Committee on Homeland Security concurs with the mutual understanding that by foregoing a sequential referral on this bill at this time, the Committee on Ways and Means does not waive any jurisdiction over the subject matter contained in this bill or similar legislation in the future. In addition, should a conference on this bill be necessary, I would support your request to have the Committee on Ways and Means represented on the conference committee for provisions within your jurisdiction.

I will insert copies of this exchange in the Congressional Record during consideration of this bill on the House floor. I thank you for your cooperation in this matter.

Sincerely,

MICHAEL T. MCCAUL,  
Chairman,  
Committee on Homeland Security.

Ms. BARRAGÁN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3551, the C-TPAT Reauthorization Act of 2017.

H.R. 3551 reauthorizes, for the first time in 11 years, the Customs-Trade Partnership Against Terrorism Program, also known as C-TPAT.

C-TPAT is a voluntary public-private sector partnership program where CBP works with the trade community to provide high-level cargo security through close cooperation with the principal stakeholders of the international supply chain, such as importers, carriers, consolidators, licensed customs brokers, and manufacturers.

Today, more than 11,400 certified partners spanning the gamut of the trade community have been accepted into the program. CBP pre-vets and certifies C-TPAT partners they consider to be low risk in exchange for benefits, such as fewer examinations and access to expedited or dedicated lanes.

This bill incorporates Democratic amendments, including one of my own that establishes a standard system for C-TPAT partners to report suspicious activity instead of the patchwork system that exists now.

Another important amendment offered by my colleague, Mr. CORREA, was adopted in committee to ensure that when CBP changes up the rules and security criteria for C-TPAT, stakeholders are given adequate notice to comply.

Furthermore, I would like to thank the majority for working with us to recognize that suspension and expulsion from the C-TPAT program has serious economic and repudiation ramifications for companies. The majority agreed to include Democratic language supported by the Border Trade Alliance and other stakeholders that urges CBP not to publish suspended C-TPAT participants, as is the current practice, until appeals and complete due process is carried out. We found some cases where companies were reinstated in the appeals process, but since they were tagged as a suspended company by CBP in the Federal Register, their business suffered. This language would prevent that from reoccurring.

Mr. Speaker, at a time when U.S. ports, like the Port of Los Angeles in my district, are experiencing CBP staffing shortages, the C-TPAT program helps the supply chain be more efficient and safe. I support the program's reauthorization.

Mr. Speaker, H.R. 3551 is an important piece of legislation that has strong support on both sides of the aisle and a broad range of stakeholders.

C-TPAT offers importers and other partners a win-win situation where they voluntarily allow CBP to prescreen them in exchange for benefits, such as shorter wait times and dedicated services. The more we know about our supply chain, the safer we will be.

C-TPAT is a big way we stay informed. As such, I encourage my colleagues to support H.R. 3551, and I yield back the balance of my time.

Ms. MCSALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I once again urge my colleagues to support this legislation. I appreciate the bipartisan support, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Arizona (Ms. MCSALLY) that the House suspend the rules and pass the bill, H.R. 3551, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Ms. MCSALLY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

□ 1700

## ASIA-PACIFIC ECONOMIC COOPERATION BUSINESS TRAVEL CARDS ACT OF 2017

Ms. MCSALLY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 504) to permanently authorize the Asia-Pacific Economic Cooperation Business Travel Card Program.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 504

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Asia-Pacific Economic Cooperation Business Travel Cards Act of 2017".

### SEC. 2. ASIA-PACIFIC ECONOMIC COOPERATION BUSINESS TRAVEL CARDS.

(a) IN GENERAL.—Subtitle B of title IV of the Homeland Security Act of 2002 (6 U.S.C. 211 et seq.) is amended by inserting after section 417 the following:

#### "SEC. 418. ASIA-PACIFIC ECONOMIC COOPERATION BUSINESS TRAVEL CARDS.

"(a) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection is authorized to issue an Asia-Pacific Economic

Cooperation Business Travel Card (referred to in this section as an 'ABT Card') to any individual described in subsection (b).

"(b) CARD ISSUANCE.—An individual described in this subsection is an individual who—

"(1) is a citizen of the United States;

"(2) has been approved and is in good standing in an existing international trusted traveler program of the Department; and

"(3) is—

"(A) engaged in business in the Asia-Pacific region, as determined by the Commissioner of U.S. Customs and Border Protection; or

"(B) a United States Government official actively engaged in Asia-Pacific Economic Cooperation business, as determined by the Commissioner of U.S. Customs and Border Protection.

"(c) INTEGRATION WITH EXISTING TRAVEL PROGRAMS.—The Commissioner of U.S. Customs and Border Protection shall integrate application procedures for, and issuance, renewal, and revocation of, ABT Cards with existing international trusted traveler programs of the Department.

"(d) COOPERATION WITH PRIVATE ENTITIES AND NONGOVERNMENTAL ORGANIZATIONS.—In carrying out this section, the Commissioner of U.S. Customs and Border Protection may consult with appropriate private sector entities and nongovernmental organizations, including academic institutions.

"(e) FEE.—

"(1) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection shall—

"(A) prescribe and collect a fee for the issuance and renewal of ABT Cards; and

"(B) adjust such fee to the extent the Commissioner determines necessary to comply with paragraph (2).

"(2) LIMITATION.—The Commissioner of U.S. Customs and Border Protection shall ensure that the total amount of the fees collected under paragraph (1) during any fiscal year is sufficient to offset the direct and indirect costs associated with carrying out this section during such fiscal year, including the costs associated with operating and maintaining the ABT Card issuance and renewal processes.

"(3) ACCOUNT FOR COLLECTIONS.—There is established in the Treasury of the United States an 'Asia-Pacific Economic Cooperation Business Travel Card Account' into which the fees collected under paragraph (1) shall be deposited as offsetting receipts.

"(4) USE OF FUNDS.—Amounts deposited into the Asia-Pacific Economic Cooperation Business Travel Card Account established under paragraph (3) shall—

"(A) be credited to the appropriate account of the U.S. Customs and Border Protection for expenses incurred in carrying out this section; and

"(B) remain available until expended.

"(f) NOTIFICATION.—The Commissioner of U.S. Customs and Border Protection shall notify the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate not later than 60 days after the expenditures of funds to operate and provide ABT Card services beyond the amounts collected under subsection (e)(1).

"(g) TRUSTED TRAVELER PROGRAM DEFINED.—In this section, the term 'trusted traveler program' means a voluntary program of the Department that allows U.S. Customs and Border Protection to expedite clearance of pre-approved, low-risk travelers arriving in the United States."

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of the Homeland Security Act of 2002 is amended by inserting after the item relating to section 417 the following new item:

"Sec. 418. Asia-Pacific Economic Cooperation Business Travel Cards."

### SEC. 3. ACCOUNT.

(a) IN GENERAL.—Notwithstanding the repeal of the Asia-Pacific Economic Cooperation Business Travel Cards Act of 2011 (Public Law 112-54; 8 U.S.C. 1185 note) pursuant to section 4(b)(1), amounts deposited into the APEC Business Travel Card Account established pursuant to such Act as of the date of the enactment of this Act are hereby transferred to the Asia-Pacific Economic Cooperation Business Travel Card Account established pursuant to section 418(e) of the Homeland Security Act of 2002 (as added by section 2(a) of this Act), and shall be available without regard to whether such amounts are expended in connection with expenses incurred with respect to an ABT Card issued at any time before or after such date of enactment.

(b) AVAILABILITY.—Amounts deposited in the Asia-Pacific Economic Cooperation Business Travel Card Account established pursuant to section 418(e) of the Homeland Security Act of 2002, in addition to the purposes for which such amounts are available pursuant to such subsection, shall also be available for expenditure in connection with expenses incurred with respect to ABT Cards issued at any time before the date of the enactment of such section.

(c) TERMINATION.—After the completion of the transfer described in subsection (a), the Asia-Pacific Economic Cooperation Business Travel Card Account established pursuant to the Asia-Pacific Economic Cooperation Business Travel Cards Act of 2011 shall be closed.

### SEC. 4. CONFORMING AMENDMENTS AND REPEAL.

(a) CONFORMING AMENDMENTS.—Section 411(c) of section 411 of the Homeland Security Act of 2002 (6 U.S.C. 211(c)) is amended—

(1) in paragraph (17), by striking "and" at the end;

(2) by redesignating paragraph (18) as paragraph (19); and

(3) by inserting after paragraph (17) the following:

"(18) carry out section 418, relating to the issuance of Asia-Pacific Economic Cooperation Business Travel Cards; and"

(b) REPEAL.—

(1) IN GENERAL.—The Asia-Pacific Economic Cooperation Business Travel Cards Act of 2011 (Public Law 112-54; 8 U.S.C. 1185 note) is repealed.

(2) SAVING CLAUSE.—Notwithstanding the repeal under paragraph (1), an ABT Card issued pursuant to the Asia-Pacific Economic Cooperation Business Travel Cards Act of 2011 before the date of the enactment of this Act that, as of such date, is still valid, shall remain valid on and after such date until such time as such Card would otherwise expire.

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to the rule, the gentlewoman from Arizona (Ms. MCSALLY) and the gentlewoman from California (Ms. BARRAGÁN) each will control 20 minutes.

The Chair recognizes the gentlewoman from Arizona.

GENERAL LEAVE

Ms. MCSALLY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and include any extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Arizona?

There was no objection.