

**STATEMENT OF COMMISSIONER RAYMOND KELLY
U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION
HEARING ON THE REPORT OF THE INTERAGENCY COMMISSION ON
CRIME AND SECURITY IN U.S. SEAPORTS
October 4, 2000**

**MR. CHAIRMAN, SENATOR HOLLINGS, MEMBERS OF THE
COMMITTEE...**

**THANK YOU FOR THIS OPPORTUNITY TO TESTIFY ON THE REPORT
OF THE INTERAGENCY COMMISSION ON CRIME AND SECURITY IN U.S.
SEAPORTS.**

**I SIT BEFORE YOU TODAY IN TWO DIFFERENT ROLES: THE FIRST,
AS A CO-CHAIR OF THE INTERAGENCY COMMISSION, AND
CONTRIBUTOR TO ITS WORK. THE SECOND, AS HEAD OF ONE OF THE
FEDERAL AGENCIES MOST PROFOUNDLY IMPACTED BY THE
COMMISSION'S FINDINGS AND ITS RECOMMENDATIONS. I WOULD LIKE
TO OFFER YOU MY PERSPECTIVES FROM BOTH SIDES.**

**BEFORE I BEGIN, LET ME EXPRESS THE COMMISSION'S
GRATITUDE TO SENATOR GRAHAM OF FLORIDA. SENATOR GRAHAM'S
LEADERSHIP WAS CRUCIAL TO THE FOUNDING OF THE COMMISSION
AND THE SUCCESS OF ITS YEAR-LONG STUDY.**

**LET ME ALSO TAKE A MOMENT TO ACKNOWLEDGE MY FELLOW
CO-CHAIRS FOR THEIR CONTRIBUTIONS TO THE COMMISSION'S
REPORT... JAMES ROBINSON FROM THE DEPARTMENT OF JUSTICE,
AND CLYDE HART, OF THE MARITIME ADMINISTRATION. A SPECIAL
THANKS AS WELL TO ADMIRAL LOY OF THE COAST GUARD FOR HIS
PARTICIPATION AS A COMMISSION MEMBER.**

MR. CHAIRMAN, THE INTERAGENCY COMMISSION UNCOVERED A GREAT DEAL TO BE CONCERNED ABOUT AT OUR NATION'S MAJOR SEAPORTS. THESE INCLUDE:

SECURITY LAPSES THAT JEOPARDIZE OUR FIGHT AGAINST DRUG SMUGGLING; EXPOSURE TO INTERNAL CONSPIRACIES; TRADE FRAUD; CARGO THEFT; STOLEN VEHICLES; AND OTHER SERIOUS CRIME.

THE GOOD NEWS IS THE COMMISSION ALSO JUDGED PARTNERSHIP BETWEEN THE FEDERAL AND PRIVATE SECTORS AT THE 12 MAJOR SEAPORTS IT SURVEYED TO BE PRODUCTIVE. IT ALSO FOUND COORDINATION AMONG LAW ENFORCEMENT AGENCIES AT ALL LEVELS TO BE STRONG.

CLEARLY, THE BASIS FOR COOPERATION EXISTS TO IMPROVE CONDITIONS IN OUR SEAPORT ENVIRONMENT. OUR CHALLENGE NOW IS TO FOCUS THAT COOPERATION, AND PROVIDE THE PROPER RESOURCES TO MAKE IT EFFECTIVE.

THE RECOMMENDATIONS CONTAINED IN THE COMMISSION'S REPORT ARE THE RESULT OF EXTENSIVE RESEARCH, ON-SITE VISITS, AND PUBLIC LISTENING SESSIONS CONDUCTED WITH THE MAJOR STAKEHOLDERS IN SEAPORT SECURITY. I BELIEVE THESE PROPOSALS MEET THE PRESIDENT'S GOAL OF DEVISING SOLUTIONS THAT ARE VIABLE, COST-EFFECTIVE, AND SOUND.

FROM A CUSTOMS STANDPOINT, I BELIEVE IMPLEMENTATION OF THESE MEASURES WILL GO A LONG WAY IN ADDRESSING WEAKNESSES ALONG ONE OF THE MOST CRITICAL FRONTS IN OUR BORDER MISSION.

BOOMING ACTIVITY AT OUR NATION'S SEAPORTS IS YET ANOTHER WELCOME SIGN OF OUR PROSPEROUS TIMES. BUT IT ALSO PRESENTS UNIQUE CHALLENGES FOR OUR AGENCY. WE HAVE TO PROCESS ALL OF THAT ADDED COMMERCE WITH AN EYE TOWARDS PROTECTING AMERICA FROM CRIME.

THE FACT IS EVERY EXTRA SHIP, EVERY EXTRA CONTAINER, PRESENTS ADDED OPPORTUNITIES FOR DRUG SMUGGLERS. THE TWELVE SEAPORTS THE COMMISSION SURVEYED ACCOUNTED FOR 69 PERCENT OF ALL COCAINE BY WEIGHT SEIZED FROM COMMERCIAL CARGO SHIPMENTS AND VESSELS, OVER HALF OF ALL MARIJUANA, AND TWELVE PERCENT OF ALL HEROIN. CLEARLY, THERE IS A SERIOUS THREAT OUT THERE THAT WE MUST DO A BETTER JOB OF ADDRESSING.

HALF THE BATTLE WILL COME IN KNOWING EXACTLY WHAT WE'RE UP AGAINST. THE COMMISSION HAS PROPOSED AN ANNUAL THREAT ASSESSMENT FOR SEAPORTS HANDLING MAJOR VOLUMES OF INTERNATIONAL TRADE. THIS INFORMATION WILL LAY THE GROUNDWORK FOR A COORDINATED, FEDERAL RESPONSE TO THE PROBLEM OF DRUG SMUGGLING AND OTHER SERIOUS SEAPORT CRIME.

THE REPORT ALSO RECOMMENDS SEVERAL KEY INITIATIVES THAT WILL DIRECTLY IMPACT CUSTOMS' ABILITY IN TARGETING CONTRABAND. THESE INCLUDE:

ENHANCING THE QUALITY OF MANIFEST INFORMATION, THE SHIPPER'S DOCUMENTATION WE USE TO SELECT HIGH-RISK GOODS.

WE NEED REGULATORY CHANGES THAT STANDARDIZE MANIFEST INFORMATION, AND REQUIRE ITS ADVANCE DELIVERY TO CUSTOMS IN ELECTRONIC FORM.

WE MUST ALSO DEVELOP AND IMPLEMENT OUR NEW AUTOMATED SYSTEM FOR PROCESSING GOODS, THE AUTOMATED COMMERCIAL ENVIRONMENT, OR ACE. ACE, AS THE MEMBERS KNOW, REPRESENTS ONE OF CUSTOMS' MOST CRITICAL INFRASTRUCTURE NEEDS. AMONG ITS MANY FEATURES IS AN ENHANCED ABILITY TO USE MANIFEST INFORMATION FOR FOR SELECTING SUSPECT CARGO.

OF COURSE, THE BEST TARGETING PLANS CAN BE LAID TO WASTE BY INTERNAL CONSPIRACIES. THAT'S WHY WE NEED TO IMPLEMENT BETTER CONTROLS AT SEAPORT FACILITIES. CUSTOMS WELCOMES THE INTERAGENCY COMMISSION'S RECOMMENDATIONS TO ACHIEVE THIS THROUGH STRENGTHENING PHYSICAL SECURITY; TIGHTENING CONTROLS ON THE MOVEMENT OF GOODS; AND LIMITING WHO HAS ACCESS TO SENSITIVE AREAS.

CLEARLY, WE STAND TO BENEFIT AS WELL FROM ACQUIRING BETTER TECHNOLOGY. THE REPORT CALLS FOR A FIVE-YEAR CRIME AND SECURITY TECHNOLOGY PLAN TO IDENTIFY THE TOOLS WE NEED TO ENHANCE SECURITY AT OUR SEAPORTS. MUCH OF THIS CAN BE DRAWN FROM CUSTOMS' EXPERIENCE IN UTILIZING TECHNOLOGY AT OTHER POINTS ALONG OUR BORDERS.

RELATED TO OUR TECHNOLOGY NEEDS, WE MUST DEVISE COMMON SYSTEMS FOR SHARING INFORMATION ABOUT THE MOVEMENT OF VESSELS, PASSENGERS, AND GOODS THROUGH OUR SEAPORTS. THE REPORT CALLS FOR A COORDINATED EFFORT BY THE

PRINCIPAL FEDERAL AGENCIES INVOLVED IN NATIONAL SECURITY TO ACHIEVE THIS GOAL.

FINALLY, I WOULD HIGHLIGHT THE NEED FOR ADDED MANPOWER TO IMPLEMENT THESE CHANGES. THE FACT REMAINS THAT DESPITE THE GAINS TECHNOLOGY AND BETTER INFORMATION OFFER US, WE MUST HAVE THE PERSONNEL AVAILABLE TO CONTEND WITH OUR SPIRALING WORKLOAD.

MR. CHAIRMAN, THIS IS BY NO MEANS AN EXHAUSTIVE LIST. I FULLY SUPPORT ALL THE RECOMMENDATIONS MADE BY THE INTERAGENCY COMMISSION. TAKEN TOGETHER, THEY FORM AN EFFECTIVE START IN ADDRESSING THE PROBLEMS WE FACE AT OUR MAJOR SEAPORTS.

AGAIN, I AM PROUD OF THE WORK OF THE COMMISSION AND THE CONTRIBUTION OF ITS MEMBERS. BUT IN TRUTH, WE HAVE ONLY JUST BEGUN OUR WORK. I HOPE THAT WITH THE HELP OF THIS COMMITTEE, WE CAN TAKE THE NEXT IMPORTANT STEP, AND ADDRESS THE CRITICAL RESOURCE CHALLENGES THAT WE FACE IN STRENGTHENING SEAPORT SECURITY.

THANK YOU FOR THIS OPPORTUNITY TO TESTIFY. I'D BE HAPPY TO TAKE YOUR QUESTIONS NOW.