

# Senator Patty Murray: America's New Port Champion

US Senator Patty Murray talks with Rob Starbuck about Port Security



**Q:** *Congratulations from Port Technology International on being named 'Port Person of the Year' by the American Association of Port Authorities (AAPA). In presenting you with the award, the association described you as "an exceptional and tireless champion of ports." What should port leaders know about the debates taking place in Washington, D.C. over port security?*

Your readers have a lot at stake this year. In Congress, there is a real debate over how much security we'll have and who will pay for it. The Bush Administration, Secretary Tom Ridge, and the Republicans who run Congress want to shift the costs of security onto our ports, shippers and local communities.

I think that's wrong. Our states and local communities are already facing record budget shortfalls. They don't have the resources to pay for port security on their own. If ports have to pick up the tab, they'll be forced to impose new fees on shippers. That will make American ports more expensive and less competitive.

I've always believed that port security is primarily a government responsibility. If Congress is going to impose new security mandates on ports and shippers, it has to do its part to fund those mandates.

Unfortunately, President Bush has proposed a budget that will eliminate Operation Safe Commerce (OSC). The Republican budget will cut port security grants by 63 percent, and the White House only wants to provide seven percent of the funding needed to fully implement the Maritime Security Transportation Act. A seven percent security system is not enough. We need a real commitment from the federal government for a security system that will protect our country and our economy.

Presenting the award, Charlie Sheldon of the Port of Seattle said that Senator Murray "has been an exceptional and tireless champion of ports throughout the last year, and well beyond. The name Senator Patty Murray is one that resonates, not only with those of us from Washington State fortunate enough to claim her as one of our own, but throughout the entire port industry."

**Q:** *You created OSC two years ago to test new ways to track and monitor cargo from the point of origin to the final destination. Last year, the White House tried to divert funding from OSC to pay for aviation security. You stood up to the White House and won, forcing them to spend the money on port security as the Congress intended. Can you give us an update on what's happening with Operation Safe Commerce?*

It was a long fight to get OSC funded, but today we're seeing the fruits of that investment. On March 15th, I was at the Port of Tacoma to celebrate the first container shipment protected by OSC. Right now, OSC activities are underway at America's three largest load centres – New York/New Jersey, LA/Long Beach and Seattle/Tacoma. It's being used to test 19 different supply chains. It will tell us if cargo has been tampered with by terrorists – or by thieves and smugglers – before the cargo even reaches American shores. It literally "pushes out" our borders and begins the security process in factories overseas. It starts at the earliest point in the supply chain instead of waiting until cargo is unloaded here in the U.S. I think we're going to learn a lot from OSC, and we'll be able to apply those lessons throughout our entire port system.

At the award presentation, John Mohr, Executive Director of the Port of Everett said, "Senator Murray has shown the utmost interest and regard for the safety and security of the maritime industry and the people of the United States. For Everett it means that we're able to move Boeing parts and pieces and other cargoes into our community with a sense of security and safety, to be able to efficiently operate the Boeing manufacturing facilities and employ a lot of people in our community."



Senator Murray is presented with the American Association of Port Authorities' "Port Person of the Year" at the Association's Spring Conference on March 23, 2004

From left to right: **Senator Patty Murray**; **Charlie Sheldon**, Managing Director, Seaport Division, Port of Seattle, WA; **Jack Fabulich**, Assistant Secretary of the Port Commission, Port of Tacoma, WA; **Rick Larrabee**, Director of Port Commerce, NY/NJ Port Authority; and **John Mohr**, Executive Director, Port of Everett, WA.



*In February 2004, Secretary Ridge appeared before the Senate and you asked him to explain the 93% budget shortfall to implement MTSA. Secretary Ridge explained that “The gap is a place where we need to have a public debate as to whether or not since these basically are intermodal facilities where the private sector moves goods in and out for profit that they would be responsible for picking up most of the difference.” What’s your reaction to his statement?*

I like Secretary Ridge, but frankly, I could not disagree more. The Administration is suggesting that developing a comprehensive port security regime is not the government’s responsibility. If the federal government walks away and sticks our local ports and businesses with a billion dollar bill this year, we won’t get the security we need, and our families, economy, and country will remain just as vulnerable to attack.

Putting our nation’s security in competition with other local budget needs is a risk I am not willing to take. Words won’t help protect our nation’s seaports, but Operation Safe Commerce, other cargo security initiatives, adequate support for our Coast Guard, and funding for port security plans *will* make our ports safer. The President’s budget abandons the progress that our government, ports and shippers have worked together to achieve. Our national security and economic stability depend on doing better than the President’s request, and that’s what I’m fighting for.

Speaking at the award presentation, Bill Wyatt, Port of Portland executive director said, “Senator Murray’s appreciated dedication to Northwest ports has elevated our regional needs to national priorities. Her steadfast support of the lower Columbia River transportation infrastructure is crucial to making Northwest ports more efficient trade gateways.”



*Many in the international trade community are concerned that government mandates will create costly delays that slow down trade. Do you share those concerns?*

Absolutely. I want to make sure that as we make our ports more secure we don’t kill the efficiency that makes them so effective. Our ports create jobs and boost economic development. Over the years, everyone in the trade community has worked hard to build an efficient cargo system. We don’t want to lose that efficiency as we make our ports more secure. It’s really about working smarter and not just working harder. That’s why programs like Operation Safe Commerce are so important. Rather than searching every inch of the haystack, OSC helps us figure out which areas need the most attention.



*How did you get involved in port security?*

I learned about the importance of trade and global commerce at a young age. When I was growing up, my dad ran a dime store on Main Street in Bothell, Washington. Several times a year, my dad would go to Seattle for trade fairs. At those trade fairs, he bought the products that were sold in the store. I knew that the price of those imports affected our family’s ability to put food on the table. I’ve never forgotten that our quality of life depends on our ability to trade with other countries.

Today, my home state of Washington is the most trade-dependent state in the nation. International trade supports good jobs throughout Washington. It is the lifeblood of our economy. Over the years, in my role on the Transportation Subcommittee, I’ve been proud to support infrastructure for our ports and funding for freight mobility. So I guess my education on international trade started very early, and I’ve used what I’ve learned to improve our ports.



American Association of Port Authority (AAPA) Award.



*How can our readers get the latest on the budget debates you’ve mentioned?*

I’ve got a special section on my web page that deals with port security. The address is <http://murray.senate.gov/portsecurity>



Senator Murray speaks about Operation Safe Commerce at the Port of Tacoma (Washington) on August 14th, 2003.

#### ABOUT SENATOR PATTY MURRAY

**Patty Murray** was born in Bothell, Washington and today is the first woman to represent Washington State in the United States Senate. In the 1980’s she taught preschool and then earned a seat in the Washington State Senate. Originally known for her work on education, she has become a national leader on transportation, port and border security, trade and economic development. Today, she is the Ranking Member of the Senate’s Transportation Appropriations Subcommittee and a leading voice for working families.

**Charlie Shelden, Managing Director of the Port of Seattle introduces and presents Senator Murray with the AAPA ‘Port Person of the Year’ award at the associations annual conference in March 2003.**

“Each year, AAPA asks its member ports to nominate individuals for its most prestigious annual award – Port Person of the Year. The award is made in recognition of an individual whose outstanding work or service has made a significant contribution to public port authorities or maritime commerce in the Western Hemisphere. Nominees may be recognised for positive contributions with international impact, or for benefits to ports within a country or region.

AAPA’s Executive Committee reviews the nominations and determines the winner. Recent past recipients have been Congressman Jim Oberstar from Minnesota, U.S. Trade Representative Robert Zoellick, Senator John Breaux from Louisiana, and Senator Kay Bailey Hutchinson from Texas.

That brings us to 2004, to today, where we have the privilege of honouring the individual who has been an exceptional and tireless champion of ports throughout the last year, and well beyond. The name Senator Patty Murray is one that resonates, not only with those of us from Washington State fortunate enough to claim her as one of our own, but throughout the entire port industry.

Senator Murray was nominated by the Port of Seattle, which I represent; the Port Authority of New York and New Jersey, represented here today by Rick Larabee, Director of the Port Commerce Department; and the Port of Tacoma, represented today by Commissioner Jack Fabulich. It was clear to all of us that Senator Murray deserved to be Port Person of the Year for many reasons.

She is responsible for advancing numerous maritime initiatives in her role as Ranking Member of the Transportation, General Government and Treasury Appropriations Subcommittee and her seats on the Homeland Security Appropriations Subcommittee and the Energy and Water Resources Appropriations Subcommittee. As Chair of the Senate

Transportation Appropriations Subcommittee, she held hearings on port and cargo security. She helped institute the port security grant program providing funds vital to help ports meet security requirements in accordance with the Maritime Transportation Security Act, and she continues to steadfastly advocate for much-needed increased funding for the grant program.

Senator Murray’s efforts also resulted in a budget increase for the U.S. Coast Guard to help protect port assets with a greater presence of waterborne “SWAT” teams.

She created and championed Operation Safe Commerce, a supply chain pilot project at three major seaport container load centres. The innovative program is designed to ensure tamper-proof security of ocean containers from foreign ports to their final U.S. destinations. In addition to obtaining an initial \$58 million appropriated for the program in 2003, she was instrumental in securing continued funding in the FY 2004 appropriations bill.

Senator Murray has long supported increased funding for energy and water development projects that will benefit ports. Crusading against proposed cuts to the U.S. Army Corps of Engineers budget for dredging projects, she played a key role in Congress’ restoration of \$288 million of a proposed \$445 million budget cut. She has also fought to ensure that transportation funding, especially for freight movements, has been adequately addressed in TEA-21 and annual appropriations.

Senator Murray’s exposure to world trade began at an early age, when she frequently accompanied her father to trade shows to buy goods produced throughout the world for the variety store he owned. Through this experience she quickly gained an appreciation for the impact of international trade, realising that it was responsible for the livelihood of her family and of people throughout the world.

The beneficiary now of her very early education and appreciation for ports is all of us, the port industry. I am genuinely honoured to present AAPA’s Port Person of the Year award to Senator Patty Murray.”

**Senator Murray’s speech upon accepting the award**

I want to thank every member of the American Association of Port Authorities for this great honour.

I am really proud of all of our ports, large and small, river and ocean, for the way you create jobs and boost economic development. And since September 11, 2001, you’ve had to deal with a whole new series of government rules and mandates. I know how hard you’ve worked to build an efficient cargo system. I know how hard you’ve worked to attract commerce in such a competitive field. And I know that unless we make the right the decisions in Washington, D.C., our security, our economy, and your competitiveness will be threatened.

Today, I’m very concerned about what I see happening in Washington, D.C. Our port security system is not adequately coordinated, and it’s not being adequately funded. This morning I want to talk about what that means for our security, your ports and your ability to compete in the global marketplace.

But first, for those of you who don’t know me, I’d like to give you a sense of why I’m so concerned about port security. I learned about the importance of trade and global commerce at a young age. When I was growing up, my dad ran a dime store on Main Street in Bothell, Washington. Several times a year, my dad would go to Seattle for trade fairs. At those trade fairs, he bought the products that were sold in the store. I knew that the price of those imports affected our family’s ability to put food on the table. I’ve never forgotten that our quality of life

depends on our ability to trade with other countries.

Today, my home state of Washington is the most trade-dependent state in the nation. International trade supports good jobs throughout Washington. It is the lifeblood of our economy. Over the years, in my role on the Transportation Subcommittee, I’ve been proud to support infrastructure for our ports and funding for freight mobility.

As you know, after the attacks on September 11th, commercial air traffic was grounded. In addition to the horrible human toll of the attacks, we were also hit with the enormous economic costs of the ground-stop. That hurt our economy, especially in the Pacific Northwest where our aviation industry experienced massive layoffs.

In the United States Senate, we began exploring areas that are vulnerable to terrorist threats. And, for obvious reasons, port security was high on my list. I’m concerned that a terrorist attack launched on – or through – our ports could shut down commerce for days or weeks and could have immense costs.

If our nation’s ports were locked down after a terrorist attack, the economic impact would be astounding. Stores in every state wouldn’t be able to stock their shelves. Businesses wouldn’t have the supplies they need. Everyone who works at or relies on our ports would be threatened. And our exports could be stuck on the docks – instead of being sold overseas.

I’m reminded of the challenge we face every time I come home to Washington. My office is located on the 29th floor of

*continued overleaf*

the Jackson Federal building. From my window, I can see the Port of Seattle, container ships, and all the economic activity they generate. I can also see the many people who live and work near the Port. Tacoma is no different. I want to make sure that both the Ports of Seattle and Tacoma – and all of America's ports are safe.

That's why I've used my positions on the Homeland Security and Transportation Appropriations Subcommittees to review our governments security efforts. I've held hearings on port and cargo security. Throughout this process, I learned that we don't always know enough about what's in the containers that enter our ports, where they've come from, or where they're going.

It was clear we needed a system to help track and monitor container cargo from the point of origin to the ultimate destination. But it's not possible to physically inspect every container – so I knew we had to work smarter, not just harder. We needed a coordinated approach between federal agencies, the ports, shippers, operators, and shipping companies. That's why I wrote and funded Operation Safe Commerce.

Operation Safe Commerce creates an electronic shield around the cargo containers that enter our ports every day. It bolsters our security, and it improves the supply chain that American families and businesses rely on. We can't search every container that comes into our country. With more than 6 million a year, the haystack is just too big. So instead we're using technology and intelligence to make the haystack smaller and show us which containers pose a security risk.

I want to point out that we didn't tell the ports how to do it. We didn't pick a specific technology or system in Washington, D.C. Instead, we said "work together, come up with your best ideas, and we'll provide funding so you can test them out."

I was able to follow that initial funding with an additional \$30 million to ensure we had a robust test of 19 different supply chains, employing many different methods and technologies chosen by our partners.

There are tremendous challenges facing everyone involved in the global supply chain. Operation Safe Commerce allows us to test and learn from new ways to track cargo from the point of origin overseas to the point of distribution here in the U.S. The lessons it shows us will be applied throughout our entire port system. Ultimately, Operation Safe Commerce will create an international standard for trade.

Last year, I had to take-on the Administration when they attempted to divert port security funding to the FAA. Unfortunately, as we worked to create a new standard in supply chain security, the Administration was scheming to use the \$58 million to fill holes in their budget plan. After some tense meetings and phone calls with the highest levels of the Administration, I was able to convince them to release the funding, so we could get started.

Last week, I was at the Port of Tacoma, when the first cargo containers protected by Operation Safe Commerce were unloaded. We are starting to see the fruits of that investment.

We are starting to learn what works and what doesn't as we try to create a new port security regime. But unfortunately, the White House wants to eliminate funding for Operation Safe Commerce. The President has provided no funding for OSC in his budget. That is just one of a series of decisions that undermine our ability to create a coordinated, comprehensive port security regime.

So let me turn to the two big problems I see with the Administration's approach to port security. First, they are not building a coordinated system that makes the best use of our resources. And second, they are now trying to push more and more of the costs onto our ports. Let me say a word about each of those.

To make our ports more secure, we need a coordinated approach, but that's not what's happening. The Customs Service appears to be turning its back on Operation Safe Commerce, but just recently put out a request for proposals for technologies that are similar to the ones we're testing through OSC. We should have a more coordinated approach that will make the best use of our resources.

My other concern is the lack of funding for port security. The administration wants to push more and more of the costs onto our local ports and communities, and I don't have to tell you how that threatens your competitiveness or our overall security. Let me give you a few quick examples of the funding problems. The first deals with port security grants. The Republican budget resolution that would cut port security grants by 63 percent. Last month, I offered an amendment on the Senate Budget Committee to increase port security grants by \$454 million for Fiscal Year 2005. My amendment would bring the total port security grant funding up to \$500 million and would go a long way to addressing the \$1 billion in security needs ports have identified. But on a party-line, the Senate Budget Committee rejected my amendment. That is just the latest instance of sticking local communities with unfunded security mandates at a time when they are facing tight budgets.

Here's another example. The Administration is failing to fund the Maritime Transportation Security Act. Last year, Admiral Collins testified before Congress that it would take \$7.3 billion over 10 years to implement the MTSA. He said we would need a down payment of \$1.5 billion for fiscal year 2005. But the President calls for spending only \$100 million for fiscal year '05 – that's just 7 percent of what Admiral Collins says we need. A 7 percent security system is just not good enough.

Last month, I asked Secretary Ridge about this discrepancy. While I was prepared for Secretary Ridge to give me a less than satisfactory answer – I have to say that I was truly not prepared for his actual answer. He said – and I am quoting:

"The gap is a place where we need to have a public debate as to whether or not since these basically are intermodal facilities where the private sector moves goods in and out for profit that they would be responsible for picking up most of the difference." Not to put too fine a point on this, but I hear the Administration saying that "developing a comprehensive port security regime" is not the government's responsibility. I couldn't disagree more.

If the Federal Government walks away and sticks our local ports and businesses with a billion dollar bill this year, we won't get the security we need, and our families, economy, and country will remain just as vulnerable to attack.

Putting our nation's security in competition with other local budget needs is a risk I am not willing to take. Words won't help protect our nation's seaports, but Operation Safe Commerce, adequate support for our Coast Guard, and funding for port security plans will make our ports safer.

The President's budget abandons the progress that our government, ports and shippers have worked together to achieve. Our national security and economic stability depend on doing better than the President's request, and that's what I'm fighting for.

I want to make sure that as we work to make our ports more secure we don't kill the efficiency that makes you so effective. If we don't address port security in a coordinated, comprehensive way: The American people will not be safe, and our economy will be threatened.

And as long as I have a voice in the United States Senate, I will continue to make sure we are protecting our citizens, protecting our communities, and maintaining the efficient commerce system that supports jobs and our economy.