Statement of Mr. James T. Edmonds Chairman, Port Commission Port of Houston Authority

To the U.S. Commission on Ocean Policy March 7, 2002

The unencumbered flow of trade is a most critical issue in maintaining the economic vitality of the United States, the State of Texas and the Greater Houston Region. As the largest port in the United States for foreign trade, almost one in three jobs in Greater Houston are connected with international trade and commerce. It is an economic pillar of our society.

But that pillar today faces a serious challenge, and that is the concern for maritime and port security. The challenge is how best to design and implement a security strategy that insures the security of our seaports and maritime industry against threatened terrorism while maintaining the flow of cargo and preserving the efficiencies of our transportation system critical to maintaining our economic vitality. For example, in 2001 America's international trade was shipped in approximately 18 million containers representing 70% of our nations commerce. This percentage is expected to increase to 90% by 2010 as our and the world's economies continues to grow and become more dependent on international trade.

Port security covers a wide range of issues, waterways, industries, and facilities. It impacts both public and private facilities, both waterside and landside. It includes all

intermodal conveyances and facilities: container terminals, cruise terminals, barge facilities, liquid bulk facilities, bridges, pipelines, railroads, the list is endless. The immediate challenges are to design the security process and to deploy the necessary assets to detect, intercept and prevent our transportation system from being used to bring terrorism to our shores and prevent our facilities from being targets themselves.

It is critical to move the first line of defense off our shores, to the ports of origin. We need to be in partnership with our trading allies and with our maritime customers to insure that containers and vessels heading to our ports contain the cargo as declared, and that responsible parties have so verified. This program could be very much like the "Super Carriers Initiative" and would be reciprocal. If there were concerns about a vessel, crewmember or cargo, the vessel, would still be boarded and inspected by the Coast Guard prior to that vessel entering into the port. In order to be successful it is imperative that all the Federal Agencies continue to share databases, improve lines of communication, and provide appropriate information to local agencies and police forces.

For US ports its important to maintain, through the Captain of the Port, the ability for individual port communities to address their security needs based on their specific risk and vulnerability assessments. All ports must have a security plan, but that plan should be based on their specific needs and requirements and not on a mandated national standard. There must be clear Federal guidelines and objectives, but the design and implementation of the security plan should remain in the hands of the local Security Committee as headed by the US Coast Guard's Captain of the Port.

As the Port Security Committees and the Coast Guard design and implement their local port security plans, there is a fundamental need for financial assistance. The infrastructure and personnel cost are great. The Coast Guard has a critical need for both manning and on the water assets. The port's requirement for perimeter security; fencing, lighting, security cameras, security gates, and port ID systems is the next most critical area in need for financial assistance.

My focus thus far has been on port security, but it is imperative not to lose sight of the other requirements critical to keeping our ports open and efficient. In addition to its role in security, US Customs must still attack the curse of drug smuggling, as well as inspect cargoes and collect duties. The Customs Service is in need of personnel and new technologies to increase the speed and volume of container inspections. Additional noninvasive technologies such as container x-ray and gamma ray equipment are in critical need. The Coast Guard even with the huge mandate for security still must provide Marine Safety inspections as well as maintaining their Search and Rescue mission. We must all continue to perform those activities that insure that commerce continues to move, but all with in the parameters of required law.

There are other Federal Programs that need attention. Today's navigation charts, though electronically available, are old and outdated. New surveys and new data must be collected and incorporated into our marine charts. The implementation of low visibility navigation systems should have a high federal priority due to their safety and commercial

impact. Throughout the US, millions of dollars are lost due to delays and many crew and vessel's safety is impacted by fog and other low visibility conditions. There should also be continued funding for further development of beneficial use of dredge materials. We must continue to look for ways to use all of the millions of cubic yard of material generated every year in a manner that would be beneficial to the ports and also the environment. The present method of disposal, creating large spoil sites or trying to disperse the material in the ocean is very expensive and environmentally undesirable.

And lastly, we must not forget our continuing need for dredging. This is an ongoing challenge as Federal Funds become more and more scarce. But in today's world economy in order for American exports to remain competitive it is imperative that we have efficient, cost effective transportation, and properly dredged and maintained harbors help ensure that competitive edge for American made goods. The reestablishment of regional dredging teams to review and prioritize projects would also be of great value for the maritime industry.

I therefore challenge the US Commission on Ocean Policy to work with ports in obtaining the funding necessary to assure that US Ports remain efficient and productive thus helping all Americans reap the benefits of today's Global Economy.