

## Security White Paper I-95 Intermodal Leadership Forum

### ■ Background

Since the events of September 11, 2001, there has been heightened interest at the local, statewide, regional, and national levels in improving the security of the nation's freight shipments by strengthening security at freight facilities and along freight-rail, highway, and communication lines; by educating freight transportation workers and tightening personnel screening; by enhancing shipper, broker, and carrier control over their shipments; and by increasing the frequency and intensity of intermodal container and truck-trailer inspections. This is particularly true for shipments moving through the country's international freight gateways, including seaports, inland waterway ports, airports, and highway and rail border crossings.

The issue of freight transportation security is of particular concern to the I-95 Corridor Coalition, because the region includes several international freight gateways, including the Port of New York and New Jersey and the Port of Virginia, two of the largest marine ports on the East Coast; Newark International and JFK International Airports, which are among the top 20 cargo handling airports in the world; and several of the busiest border crossings between the United States and Canada, which combined to handle more than five million trucks and accounted for more than 21 percent of cross border rail tonnage in 2000.

Freight transportation security has attracted significant attention and resources from local, statewide, and federal agencies involved in ensuring the security of the nation's freight shipments. Several agencies have begun to develop and fund demonstration projects and initiatives designed to enhance freight transportation security while maintaining the safety and efficiency of freight movements. Understanding the various agencies and coalitions involved in freight security, along with their roles, responsibilities, and initiatives, is key to helping the Coalition better define its role in addressing freight transportation security in the region.

### ■ Key Issues

There are several key issues surrounding the security of freight shipments within the I-95 Corridor region. As freight shipments entering and departing the region are often part of a national and global transportation and distribution network, the issues affecting freight shipments in the region also affect the efficiency and security of shipments worldwide.

## Defining the Appropriate Role of States in Addressing Security Issues

Many states and metropolitan planning organizations (MPOs) are interested in better defining their roles and responsibilities in improving freight security. Defining roles and responsibilities is complex because many local, state, and federal agencies have significant missions in ensuring the safety and security of the nation’s freight shipments. Defining roles and responsibilities is especially complex in the case of international shipments, which often have origins and destinations outside the immediate jurisdiction of the state or MPO. For example, international shipments arriving at seaports are governed by the security regulations of the U.S. Customs; the US Department of Agriculture; the U.S. Coast Guard; state and local port authorities; and state and local police. Similarly, truck shipments moving through an international border crossing fall under the jurisdictions of United States and Canadian Customs; the U.S. Immigration and Naturalization Service; Citizenship and Immigration Canada; state and federal motor carrier safety agencies; and state, provincial, and local police.

Further confusing matters is the fact that several of the agencies involved in freight transportation security were reassigned to the newly-created Department of Homeland Security on March 1, 2003 and it is not yet clear how the freight security efforts of this new department and of state departments of transportation will be coordinated. Table 1 lists the various federal agencies that have been folded into the Department of Homeland Security and a brief description of their roles in freight security. Table 2 lists other agencies, not part of the Department of Homeland Security, that also have roles in freight security.

**Table 1. U.S. Homeland Security Agencies and Roles in Freight Security**

Agency	Role
Customs Service	Enforcement agency protecting the Nation's borders, responsible for conducting surveillance, detecting and interdicting suspected smugglers, and collecting import and export duties on freight shipments.
Immigration and Naturalization Service (INS)	Conducts immigration inspections of travelers entering (or seeking entry) to the United States as they arrive at ports of entry; regulates permanent and temporary immigration to the United States; identifies and removes people who have no lawful immigration status.
Animal and Plant Inspection Health Service (APHIS)	Formerly part of the Department of Agriculture, APHIS regulates the import of food and agricultural commodities into the United States and is responsible for keeping destructive foreign pests and diseases out of the country.
Border Patrol	The mobile, uniformed branch of the INS responsible for the detection and prevention of smuggling and illegal entry of aliens into the United States with the primary responsibility of maintaining control of U.S. borders.

**Table 1. (continued)**

Agency	Role
Coast Guard	Responsible for enforcing immigration and customs laws at sea and for protecting America's maritime borders from all intrusions by halting the flow of illegal drugs, aliens, and contraband into the United States through maritime routes; preventing illegal fishing; and suppressing violations of federal law in the maritime arena.
Transportation Security Administration (TSA)	Established in 2001, the TSA is responsible for security in all modes of transportation; developing policies, strategies, and plans for dealing with threats to transportation security, and ensuring the adequacy of security measures for the transportation of people and goods.
Critical Infrastructure Assurance Office (CIAO)	Formerly part of the Department of Commerce, the CIAO is responsible for assessing the risk exposure and dependencies on critical infrastructure, including transportation infrastructure. CIAO also develops strategies and programs to ensure that critical infrastructure components are less vulnerable to disruptions; and when disruptions occur, they are shorter in duration, limited in scale, and service is readily restored.

**Table 2. Other Federal Agencies and Roles in Freight Security**

Department	Agency	Role
Department of Justice	Federal Bureau of Investigation	Responsible for identifying and neutralizing national security threats, including threats to transportation infrastructure.
	Drug Enforcement Administration	Responsible for preventing smuggling of drugs and other contraband across U.S. borders.
	US Marshals Service	Responsible for tracking and returning domestic and international fugitives.
Treasury Department	Bureau of Alcohol, Tobacco, and Firearms	Responsible for enforcing federal laws and regulations relating to alcohol, tobacco, firearms, explosives, and arson; also regulates importers and exporters of alcohol, tobacco, and firearms.

Many of the agencies listed in Tables 1 and 2 have begun to develop and fund demonstration projects and initiatives designed to enhance freight transportation security while maintaining the safety and efficiency of freight movements; and, in some cases,

have expanded existing programs and initiatives to address freight security concerns. These security-related programs and initiatives range from programs designed to educate manufacturers, shippers and carriers in ways to prevent terrorist activity; to specific technology applications, which are designed to optimize freight flow efficiency while improving security. Some of these initiatives are listed in Table 3 below.

**Table 3. Freight Security Programs and Initiatives**

Lead Agency	Program or Initiative	Description
US Customs Service	Automated Commercial Environment (ACE)	A program to allow shipping companies to pre-notify and track imported goods crossing the United States-Canada border by truck through web-based electronic accounts.
	America’s Counter Smuggling Initiative (ACSI)	A U.S. anti-narcotics security program with industry and government throughout Central and South American and Mexico.
	Business Anti-Smuggling Coalition (BASC)	A voluntary, business-led, U.S. Customs-supported alliance created to combat the smuggling of contraband via commercial trade.
	Border Release Advanced Screening and Selectivity (BRASS)	A cargo processing system that uses barcode technology to expedite the release of high-volume, highly-compliant shipments at borders.
	Customs Automated Forms Entry System (CAFES)	A 2-D barcode system that reduces paperwork and waiting time at the border by allowing uploads to the Automated Commercial System (ACS).
	Carrier Initiative Program (CIP)	A cooperative program established in 1984 to combat drug smuggling- and more recently terrorism- within legitimate commercial cargoes.
	Container Security Initiative	A security initiative using various technologies and targeting ports that send large volumes of containerized freight to the United States.
	Customs Trade Partnerships Against Terrorism (C-TPAT)	A joint initiative between government and business designed to protect the security of cargo entering the United States while improving the flow of trade.
	Land Border Carrier Initiative Program (LBCIP)	A program designed to counter smuggling of illegal cargo via commercial land carriers.

Table 3. (continued)

Lead Agency	Program or Initiative	Description
US Customs Service	Pre-Arrival Processing System (PAPS)	A border pre-arrival bar code system that allows information on U.S.-bound Canadian products to be processed before the shipments arrive at the border.
Canada Customs and Revenue Agency (CCRA)	Advance Commercial Information (ACI)	An automated trade monitoring system that will provide information on all shipments prior to their arrival in Canada; the Canadian counterpart to ACE.
	Customs Self Assessment Program (CSA)	A program that streamlines border crossings for approved importers, approved carriers, and registered based on the identification of the approved importer, approved carrier, and registered driver.
	Partners in Protection (PIP)	An initiative that encourages importers and carriers to work with Canadian Customs to fight against contraband smuggling in the areas of intelligence, security, and joint training; the Canadian counterpart to C-TPAT.
	Pre-Arrival Review System (PARS)	A pre-arrival bar code system that allows information on Canadian-bound products to be processed before the shipments arrive at the border; the Canadian counterpart to PAPS.
	Free and Secure Trade (FAST)	FAST is a bilateral, harmonized clearance process for known low-risk shipments handled by C-TPAT-approved carriers.
US Immigration and Naturalization Service (INS)	Automated Biometric Identification System (IDENT)	A system that allows INS officers to match fingerprints and photos of immigration violators to a national database in order to identify criminal and non-criminal deportable aliens.
	Immigration and Naturalization Service Passenger Accelerated Service System (INSPASS)	An immigration inspection processing system, used at airports only, that combines automation with biometric technology to validate the claimed identity of an individual.
	National Security Entry-Exit Registration System (NSEERS)	A program that matches the fingerprints of a small percentage of foreign visitors entering the United States against the IDENT system, a list of wanted persons from IAFIS, and a database of known terrorists.

**Table 3. (continued)**

Lead Agency	Program or Initiative	Description
US Immigration and Naturalization Service (INS)	NEXUS	A bilateral, harmonized pass program that allows participants to obtain pre-approval for border crossings.
Citizenship and Immigration Canada (CIC)	CANPASS- Dedicated Commuter Lane	A program designed to simplify border crossings for low-risk travelers using identity cards to verify eligibility. Other programs included in the CANPASS initiative include CANPASS-Air, CANPASS- Private Boat, and CANPASS-Private Air.
American Trucking Associations (ATA)	Anti-Terrorism Action Plan (ATAP)	A security blueprint with a set of recommendations for a joint industry-government effort to evaluate and mitigate possible security risks to the trucking industry.
FHWA Office of Freight Management and Operations	Border Crossing Simulation Model (Border Wizard)	Border Wizard simulates all federal inspection activities at any land border station to determine infrastructure, facility, and operational needs to ensure safe and secure border crossing operations.
US Department of Transportation	Electronic Seals (E-seals)	E-seals are container locking devices that transmit data on locked containers, ensuring shipments are not diverted or tampered with.
	Surface Transportation Information Sharing & Analysis Center (ST-ISAC)	ST-ISAC collects, analyzes, and distributes critical security and threat information from worldwide resources.
US Federal Bureau of Investigation	Integrated Automated Fingerprint Identification System (IAFIS)	A system that allows federal, state, and local criminal justice agencies to electronically transmit fingerprint information to the FBI.
	Interagency Border Inspection System (IBIS)	A database that keeps track of information on suspect individuals, businesses, vehicles, aircraft, and vessels and makes this information available to the law enforcement community, the U.S. Department of State, and U.S. Consular officials.
Royal Canadian Mounted Police	Integrated Border Enforcement Team (IBET)	A multi-agency law enforcement organization that promotes intelligence sharing between the US and Canadian police forces in order to target cross-border criminal activity.

**Table 3. (continued)**

Lead Agency	Program or Initiative	Description
Transportation Security Administration	Operation Safe Commerce (OSC)	A program to fund business initiatives designed to improve security for container cargo entering and leaving the U.S.
Federal Motor Carrier Safety Administration	Safety Architecture for the FMCSA Enterprise (SAFE)	A project designed to develop a target architecture to improve the efficiency and effectiveness of the FMCSA's safety information systems.
US International Trade Commission	International Trade Data System (ITDS)	A program designed to implement an integrated government-wide system for the electronic collection, use, and dissemination of international trade data.

In addition to these programs and initiatives, several government agencies, shippers, carriers, brokers, forwarders, and other freight stakeholders, have become more involved in or have organized new multi-agency/multi-jurisdictional coalitions, task forces, and trade and industry groups. These groups, listed in Table 4, play an important role in the development, testing, and operation of security-related programs and strategies and are particularly important in the development of policies and processes related to freight security.

**Table 4. Freight Security Coalitions and Industry Groups**

Group	Membership	Role
AASHTO Task Force on Transportation Security	FHWA, state DOTs, and the Military Traffic Management Command	To establish guidance and share practices that help state DOTs prepare vulnerability assessments of their highway infrastructure assets; develop deterrence/surveillance/protection plans; develop emergency response plans and capabilities for handling traffic for major incidents on and off the transportation system; and assess and respond to military mobilization needs in each state.
Canadian/American Border Trade Alliance	Businesses, public and private sector organizations, and individuals involved in United States-Canadian trade and tourism	Organized in eight working committees (Customs/immigration; Infrastructure/facilities; Appropriations; Transportation; Trade issues; Tourism/retail; Environmental issues; and Research and evaluations) to provide policy guidance designed to improve the efficiency of United States-Canada border crossings.

**Table 4. (continued)**

<b>Group</b>	<b>Membership</b>	<b>Role</b>
Coalition for Secure and Trade-Efficient Borders	Canadian businesses	Recommends measures to facilitate the passage of low-risk people and goods across the border, strengthen Canadian security, and increase Canadian-United States cooperation.
Eastern Border Transportation Coalition (EBTC)	DOTs and Ministries of Transportation from 4 US states and 6 Canadian provinces	Provides a forum through which member states and provinces can work collaboratively toward the development of a seamless, multimodal transportation network which is secure, safe, efficient, and environmentally sustainable.
Freight Transport Security Consortium (FTSC)	Over 50 companies in the fields of asset tracking, vehicle monitoring, emergency response, rail and truck management systems, equipment finance, and insurance	To develop solutions to the threat of terrorist attacks on the freight transportation supply chain.
International Mobility and Trade Corridor Partnership (IMTC)	Coalition of US and Canadian businesses and government agencies	To improve cross-border mobility at the four land border crossings between British Columbia and Washington State by developing a region-wide network of automatic vehicle identification readers and track systems.
New York State Smart Border Coalition	New York business organizations	To streamline border crossing processes between New York and Canada, while still allowing for tighter security.

As can be seen in Tables 1 through 4, there are dozens of agencies, programs, initiatives, and coalitions addressing freight transportation security. Understanding the various agencies and coalitions involved in freight security, along with their roles, responsibilities, and initiatives, is key to helping states, MPOs, and the Coalition assess and take on new and effective freight safety and security responsibilities and initiatives.

### **Balancing Freight Efficiency and Security**

Even prior to the events of September 11, 2001, the movement of freight through international freight gateways, including marine ports and terminals, air cargo hubs, and international border crossings, was not operating at peak efficiency, due in part to the slow implementation of Intelligent Transportation Systems (ITS) as well as limited capacity at some gateways. In the aftermath of September 11, federal, state, and local governments, along with the motor carrier industry and other stakeholders, have taken steps to tighten freight transportation security, particularly motor carrier, port, and airport security. The federal governments of both the United States and Canada have taken steps

to enhance security at international border crossings and other ports of entry while intensifying motor carrier and passenger car inspections at these gateways; state, provincial, and local governments have begun to identify the strategic infrastructure components of their transportation systems and develop emergency response plans; the Port and Maritime Security Act of 2001 (S. 1214), the Maritime Transportation Anti-Terrorism Act of 2002 (H.R. 3983), and other legislative acts have imposed significant extra security measures at ports, terminals, and other freight facilities nationwide; and the private sector freight transportation industry has taken steps to more efficiently screen and track drivers, cargoes, and vehicles.

The significant new security measures and initiatives adopted by federal, state, and local government agencies and the private sector freight industry in the wake of September 11 will impact the smooth flow of goods through the region's freight gateways, it is important that the federal governments of the United States and Canada, along with states, MPOs, and regional coalitions, work together to strike a balance between freight security and freight movement efficiency in the region.

## **Funding of Security Initiatives**

Through the creation of the Department of Homeland Security, the deployment of the freight security-related programs and initiatives listed in Table 3, and the enactment of legislation such as Port and Maritime Security Act of 2001 (S. 1214) and the Maritime Transportation Anti-Terrorism Act of 2002 (H.R. 3983), the federal government has taken the lead in addressing the security of the nation's freight shipments. In many cases, however, the costs of these additional security requirements have trickled down to states, metropolitan areas, and port authorities, who have been forced to hire additional police, fire, and rescue personnel as well as increase overtime hours for existing personnel. Compounding the problem is the fact that many police and firefighters also are members of the armed forces reserve and recent call-ups have placed further strain on these important "first responder" agencies.

While some states have set aside money for homeland security programs, many have found it difficult to assign funding and staff to such programs, even with an interjection of federal homeland security funds. Of the I-95 Corridor Coalition states, only New Jersey and North Carolina have set aside funding for the creation of homeland security departments or to fund security-related initiatives. In the other states, homeland security efforts are assigned to existing state employees and funding is drawn from existing state agencies.

The nation's marine ports also are facing increased costs. According to the American Association of Port Authorities, its members have already spent \$49 million for security-related enhancements prompted by the September 11 attacks and are expected to request over \$275 million to secure their facilities in the future, a figure that far exceeds the \$93.3 million appropriated by Congress for these enhancements.

Finally, much of the funding for homeland security efforts to date have been targeted toward "first responder" agencies, such as police, fire, and rescue personnel, as well as security enhancements to the nation's aviation system. To date, homeland security

funding for other components of transportation infrastructure, including highways, rail lines, bridges and overpasses, ports, and border crossings, has been limited. This has forced states, MPOs, port and airport authorities, and other agencies to commit portions of their existing transportation budgets to improve security.

## ■ Future Strategies and Recommended Coalition Roles

As post-September 11<sup>th</sup> security requirements continue to evolve, the I-95 Corridor Coalition will play an important role in identifying and addressing regional freight security issues and in developing programs, strategies, and initiatives designed to enhance the safety, security, and efficiency of the region's freight shipments. Specifically, the Coalition could:

- **Provide a regional table through which to bring together the various agencies involved in freight transportation security to address evolving freight security and efficiency needs.** As shown in Tables 1 and 2, there are many federal, state, and local agencies that play a role in freight transportation security, from U.S. Customs, the Department of Agriculture, the Immigration and Naturalization Service, Border Patrol, and the Coast Guard, to port and terminal operators, state police, and local law enforcement. Each of these agencies brings a unique perspective on the issue of freight security and most have developed programs and strategies designed to improve the security of freight shipments through the nation's freight gateways. In many cases, however, some entities involved in freight security may not be aware of similar or complementary efforts by other agencies in addressing freight security needs. There is an opportunity for the Coalition to provide a regional table to bring these agencies, as well as other regional freight stakeholders, to the table and discuss common issues and concerns (especially those affecting freight productivity), allowing the various agencies involved in freight transportation security to leverage their efforts with the efforts of other agencies.
- **Enhance education and outreach initiatives to include freight security.** The I-95 Corridor Coalition always has promoted information exchange and the sharing of "lessons learned" through meetings, reports, presentations, and their web site as a means of providing educational and outreach materials, particularly in support of the development and deployment of ITS/CVO, ATIS, and other programs. There is an opportunity for the Coalition to broaden its educational and outreach efforts to include security-related issues. As discussed earlier, many entities involved in freight security may not be aware of similar or complementary efforts by other agencies. In addition, Coalition members may benefit from understanding lessons learned from the development, deployment, and funding of freight security initiatives by other members. By working with AASHTO and other organizations, the Coalition could play an important role in helping to guide the development, deployment, and funding of freight security initiatives within both the public and private freight communities.
- **Focus on operations.** The homeland security planning efforts of most states have focused on the identification of key transportation infrastructure components and the development of emergency plans to guide the response to incidents occurring on this infrastructure. Through its involvement in the FIRST, IS-COM, and ATIS projects, the

Coalition understands the operational issues affecting the transportation system at a regional level; this operational perspective often is missing from existing state emergency response plans. The Coalition currently is working with the New Brunswick and Maine Departments of Transportation, the Canadian Customs and Revenue Agency (CCRA), and the U.S. Customs Service (USCS) to facilitate the development of an ITS plan for the Calais/St. Stephen Area Border Crossing. There is an opportunity for the Coalition to further these types of efforts and lead states in the identification of other statewide and regional operational strategies to be included in state and local emergency response plans.

- **Work with Canadian provinces to address cross-border trade and security issues.** The United States and Canada are each other's largest trading partners, exchanging goods valued at over \$445 billion in 2001; much of this trade occurred between states within the Corridor region and the Eastern Canadian provinces. There may be an opportunity for the Coalition to partner with these provinces- as well as other regional coalitions, such as the Eastern Border Transportation Coalition- to address issues of regional significance, including border crossing delays, freight security issues, and cross-border trade impacts.