



2018 Position Paper

U.S. Customs and Border Protection Services

Summary:

In recent years, Great Lakes ports have been working to develop new business in two distinct areas: containerized cargo shipping, and passenger cruise tourism.

These new business sectors have presented a challenge for U.S. Customs and Border Protection (CBP). The processing of shipping containers and passengers is more complicated than the processing of traditional Great Lakes bulk cargoes. Both require unique staffing, equipment and facilities. CBP officials have explained that they face both funding and staffing limitations and have denied service at some ports, limiting economic growth.

It is our fear that CBP's current service model will discourage the development of new commerce and jobs at Great Lakes ports. In a real sense, it asks commerce to shape itself to the inspection regime, rather than shaping the federal CBP inspection service to the efficient flow of commerce.

AGLPA Position:

Congress should provide more funding and staff for CBP services at seaports. Further, Congress should direct CBP to develop a small port clearance model that accommodates new start-up business at Great Lakes ports.

Additional Background:

The future growth of Great Lakes ports is dependent on developing new business opportunities. One such opportunity is containerized shipping. While common at coastal ports, container shipping has been rare in the Great Lakes. In 2013 the Port of Cleveland launched the first regularly scheduled container shipping service between the Great Lakes and Europe. Other Great Lakes ports are also exploring new container services.

The processing of shipping containers by CBP requires unique procedures, additional staff and specific facilities and equipment, including radiation portal monitors. Federal law requires that all shipping containers be scanned for dangerous materials. Monitors are used to detect such material in a non-intrusive way. For a port to initiate container shipping service, CBP must first determine if it can provide inspection staff. The agency stipulates the physical facilities it requires to enable inspections, and it may require the port to purchase equipment.

Another new business opportunity at Great Lakes ports is the development of cruise ship service and cruise tourism. During the summer of 2017 six cruise ships operated on the Great Lakes serving almost 10,000 passengers and visiting more than 15 ports. In 2018, eight cruise ships will serve the Great Lakes market.

The processing of cruise passengers by CBP is labor intensive and requires specific facilities and equipment. Prior to 2017, the agency had been utilizing mobile clearance technology to process passengers onboard vessels, thus eliminating the need for costly passenger terminals. In 2017, CBP decided to step away from this technology and threatened to end passenger clearance at Great Lakes ports. Although this problem was cooperatively resolved, Senator Tammy Baldwin (D-WI) championed the following language in the FY2018 Omnibus Appropriations Bill to ensure continued cooperation:

"CBP is directed to continue working with Great Lakes seaports, cruise vessel operators, and other Great Lakes Cruise Program stakeholders to develop a cruise passenger clearance plan for 2018 and thereafter. CBP shall continue using mobile onboard passenger clearance technology until such time as that plan has been implemented, and shall provide the Committees with a briefing, not later than 90 days after the date of enactment of this Act, detailing its stakeholder engagement efforts and outlining its plan and schedule for resolving this issue."

As CBP works with Great Lakes ports to address these staffing, facility and equipment needs, the agency confronts a nationwide staffing crisis. In 2015, Congress authorized CBP to hire 2000 new agents; however, only 20 have been assigned to the nation's seaports.

Unfortunately, the agency's cumbersome vetting procedures have hindered hiring. For this reason, AGLPA has endorsed S. 595, legislation to waive polygraph requirements for new applicant CBP officers who previously served in trusted positions such as veterans and local and state law enforcement. This legislation will streamline the hiring of new officers and help relieve chronic staff shortages.

Beyond staffing, CBP facility and equipment requirements create a "chicken and egg" problem for ports. By its very nature, new business at Great Lakes ports is tentative during the first years. This is true of both container cargo and cruise passenger services. Until business is proven and established, local ports are hesitant to invest in costly CBP-mandated facilities and equipment. CBP inspection requirements should never be so onerous that they snuff out new business. While CBP has been working cooperatively with Great Lakes ports on interim, temporary processing facilities, the agency should adopt a standardized service model for "start-up" business at small ports. Such a model should allow for temporary, low-cost facilities and borrowed or leased equipment until new business is established.