

118TH CONGRESS
1ST SESSION

S. 794

To require a pilot program on the participation of non-asset-based third-party logistics providers in the Customs-Trade Partnership Against Terrorism.

IN THE SENATE OF THE UNITED STATES

MARCH 14, 2023

Mr. CORNYN (for himself and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To require a pilot program on the participation of non-asset-based third-party logistics providers in the Customs-Trade Partnership Against Terrorism.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Customs Trade Part-
5 nership Against Terrorism Pilot Program Act of 2023”
6 or the “CTPAT Pilot Program Act of 2023”.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

1 (1) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means—

4 (A) the Committee on Homeland Security
5 and Governmental Affairs and the Committee
6 on Finance of the Senate; and

7 (B) the Committee on Homeland Security
8 and the Committee on Ways and Means of the
9 House of Representatives.

10 (2) CTPAT.—The term “CTPAT” means the
11 Customs Trade Partnership Against Terrorism es-
12 tablished under subtitle B of title II of the Security
13 and Accountability for Every Port Act (6 U.S.C.
14 961 et seq.).

15 **SEC. 3. PILOT PROGRAM ON PARTICIPATION OF THIRD-**
16 **PARTY LOGISTICS PROVIDERS IN CTPAT.**

17 (a) ESTABLISHMENT.—

18 (1) IN GENERAL.—The Secretary of Homeland
19 Security shall carry out a pilot program to assess
20 whether allowing entities described in subsection (b)
21 to participate in CTPAT would enhance port secu-
22 rity, combat terrorism, prevent supply chain security
23 breaches, or otherwise meet the goals of CTPAT.

24 (2) FEDERAL REGISTER NOTICE.—Not later
25 than one year after the date of the enactment of this

1 Act, the Secretary shall publish in the Federal Reg-
2 ister a notice specifying the requirements for the
3 pilot program required by paragraph (1).

4 (b) ENTITIES DESCRIBED.—An entity described in
5 this subsection is—

6 (1) a non-asset-based third-party logistics pro-
7 vider that—

8 (A) arranges international transportation
9 of freight and is licensed by the Department of
10 Transportation; and

11 (B) meets such other requirements as the
12 Secretary specifies in the Federal Register no-
13 tice required by subsection (a)(2); or

14 (2) an asset-based third-party logistics provider
15 that—

16 (A) facilitates cross border activity and is
17 licensed or bonded by the Federal Maritime
18 Commission, the Transportation Security Ad-
19 ministration, U.S. Customs and Border Protec-
20 tion, or the Department of Transportation;

21 (B) manages and executes logistics services
22 using its own warehousing assets and resources
23 on behalf of its customers; and

1 (C) meets such other requirements as the
2 Secretary specifies in the Federal Register no-
3 tice required by subsection (a)(2).

4 (c) REQUIREMENTS.—In carrying out the pilot pro-
5 gram required by subsection (a)(1), the Secretary shall—

6 (1) ensure that—

7 (A) not more than 10 entities described in
8 paragraph (1) of subsection (b) participate in
9 the pilot program; and

10 (B) not more than 10 entities described in
11 paragraph (2) of that subsection participate in
12 the program;

13 (2) provide for the participation of those enti-
14 ties on a voluntary basis;

15 (3) continue the program for a period of not
16 less than one year after the date on which the Sec-
17 retary publishes the Federal Register notice required
18 by subsection (a)(2); and

19 (4) terminate the pilot program not more than
20 5 years after that date.

21 (d) REPORT REQUIRED.—Not later than 180 days
22 after the termination of the pilot program under sub-
23 section (c)(4), the Secretary shall submit to the appro-
24 priate congressional committees a report on the findings
25 of, and any recommendations arising from, the pilot pro-

1 gram concerning the participation in CTPAT of entities
2 described in subsection (b), including an assessment of
3 participation by those entities.

4 **SEC. 4. REPORT ON EFFECTIVENESS OF CTPAT.**

5 (a) IN GENERAL.—Not later than one year after the
6 date of the enactment of this Act, the Comptroller General
7 of the United States shall submit to the appropriate con-
8 gressional committees a report assessing the effectiveness
9 of CTPAT.

10 (b) ELEMENTS.—The report required by subsection
11 (a) shall include the following:

12 (1) An analysis of—

13 (A) security incidents in the cargo supply
14 chain during the 5-year period preceding sub-
15 mission of the report that involved criminal ac-
16 tivity, including drug trafficking, human smug-
17 gling, commercial fraud, or terrorist activity;
18 and

19 (B) whether those incidents involved par-
20 ticipants in CTPAT or entities not participating
21 in CTPAT.

22 (2) An analysis of causes for the suspension or
23 removal of entities from participating in CTPAT as
24 a result of security incidents during that 5-year pe-
25 riod.

1 (3) An analysis of the number of active CTPAT
2 participants involved in one or more security inci-
3 dents while maintaining their status as participants.

4 (4) Recommendations to the Commissioner of
5 U.S. Customs and Border Protection for improve-
6 ments to CTPAT to improve prevention of security
7 incidents in the cargo supply chain involving partici-
8 pants in CTPAT.

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