

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 18
Finance

(Senator Pipkin)

Environmental Matters

**Maryland Port Administration - Report to General Assembly on Funding to
Address Vulnerability Concerns**

This bill requires the Maryland Port Administration (MPA) to provide an annual report to the General Assembly based on the vulnerability assessment information that MPA provides to the U.S. Coast Guard concerning public terminals. The report must include an estimate of the costs to address the vulnerability concerns and state the amount of any grants or other federal funds that MPA has received or requested, as well as the status of pending requests. The report may not include any information that might compromise transportation security.

Fiscal Summary

State Effect: None. The bill's reporting requirements do not substantively affect State procedures or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The federal Maritime Transportation Security Act of 2002 requires the U.S. Coast Guard to assess the vulnerability of U.S. ports and to implement a national maritime transportation security planning system. The system will include a comprehensive national plan, specific area plans, and local vessel and marine facility plans. Accordingly, the owners and operators of over 10,000 vessels and 5,000 facilities in the U.S. had to develop and implement security plans by December 31, 2003. The

plan must address the likelihood of specific threats (bombs, smuggling, etc.) and indicate measures such as access control needed to improve security. The law directs owners and operators to implement their plan by July 1, 2004.

The Coast Guard must also assess the effectiveness of certain foreign ports and deny entry to vessels from ports that do not have adequate security. The law authorizes grants for improving security at U.S. ports, as well as researching and developing security technology.

Background: Due to the deliveries of petroleum and chemicals at Port of Baltimore terminals, the facility is considered a potential target. A vulnerability assessment of the port was last conducted in 2000. Since September 11, 2001, MPA has added guards and barriers at the Dundalk and Locust Point terminals and tightened visitor access to the World Trade Center (WTC). It is currently upgrading WTC building security and lighting at the Dundalk terminal.

In 2003, Congress allocated over \$5 million in federal grants to the port and private terminals there to improve security, in addition to \$3.2 million awarded in 2002. MPA plans to spend approximately \$9 million of federal grant and Transportation Trust Fund funds for additional measures such as a remote video surveillance and access control at the Dundalk terminal.

The Coast Guard (utilizing a contractor) will assess 55 ports nationwide that are considered critical; 10 assessments have been completed to date. The U.S. General Accounting Office has recommended increased federal oversight of the assessments due to problems with the contractor's methodology.

Information regarding receipt of federal transportation security grants is generally provided as part of MPA's budget request.

Additional Information

Prior Introductions: SB 418 and HB 913 of 2003 were withdrawn after they were heard in the Finance Committee and the Environmental Matters Committee, respectively.

Cross File: None.

Information Source(s): Maryland Department of Transportation, American Association of Port Authorities, Department of Legislative Services

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