



**TESTIMONY OF
RADM KEVIN S. COOK
DIRECTOR OF PREVENTION POLICY**

**ON THE
TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL (TWIC)**

**BEFORE THE
SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

MAY 10, 2011

Good morning Chairman Rockefeller, Ranking Member Hutchison and distinguished Members of the Committee. I am Rear Admiral Kevin Cook, U.S. Coast Guard Director of Prevention Policy. It is a pleasure to be here today to update you on how the Coast Guard, in partnership with the Transportation Security Administration (TSA), continues to implement the Transportation Worker Identification Credential (TWIC) program, which strengthens the security of our nation's ports while facilitating trade by adding a layer of security which allows vetted employees with a biometric credential to have unescorted access to secure areas.

TWIC enrollment began in 2007 and today, maritime vessels and facilities within all 42 Coast Guard Captain of the Port (COTP) Zones are in compliance with the TWIC program. In April of this year, we reached more than 1.8 million enrollments for TWIC with no significant impact to commerce and the maritime transportation system. Since the Coast Guard and TSA published the TWIC requirements on January 25, 2007 in a Final Rule, we have been developing regulations, policies, systems and capabilities to serve as a solid foundation for enrollment and compliance. The deliberate process and careful steps taken to lay this foundation ensure that we gain the full security benefit from TWIC.

BACKGROUND

The TWIC program builds on the security framework established by Congress in the Maritime Transportation Security Act (MTSA) of 2002. Coast Guard regulations stemming from MTSA established security requirements for maritime vessels and facilities posing a high risk of being involved in a transportation security incident. The MTSA also required the Secretary of Homeland Security to issue a biometric transportation security card to all licensed and documented U.S. mariners, as well as those individuals granted unescorted access to secure areas of MTSA-regulated vessels and facilities. TSA was assigned this requirement, and because of our overlapping responsibilities, the Coast Guard and TSA formally joined efforts to carry out the TWIC program in November 2004. In this partnership, TSA is responsible for TWIC enrollment, security threat assessment and adjudication, card production, technology, TWIC issuance, conduct of the TWIC appeal and waiver process as it pertains to credential issuance, and management of government support systems. The Coast Guard is responsible for establishing and enforcing TWIC access control requirements for MTSA-regulated vessels and facilities.

TSA and the Coast Guard published a joint TWIC Notice of Proposed Rulemaking (NPRM) on May 22, 2006. Following the publication of the NPRM and the subsequent comment period, Congress enacted the Security and Accountability for Every Port Act of 2006 (the SAFE Port Act). The SAFE Port Act created new statutory requirements for the TWIC Program, including: the commencement of a pilot program to test the viability of TWIC cards and readers in the maritime environment; deployment of the program in priority ports by set deadlines; inclusion of a provision to allow newly hired employees to work while their TWIC application is being processed; and concurrent processing of the TWIC and merchant mariner applications.

TSA and the Coast Guard published the TWIC Final Rule on January 25, 2007, in which the Coast Guard's MTSA regulations and TSA's Hazardous Material Endorsement regulations were amended to incorporate the TWIC requirements. After receiving many comments regarding technology issues of the reader requirements as proposed in the NPRM, we removed from the final rule the requirement to install TWIC readers at vessels and facilities. This requirement is currently being addressed in a second rulemaking, which I will discuss later.

POLICY

The Coast Guard and TSA developed several supplementary documents to help those who are required to comply with the TWIC regulation. To explain in detail how the Coast Guard intends to apply TWIC regulations, we established policy guidance in the form of a Navigation and Vessel Inspection Circular (NVIC) and provided answers in 16 Policy Advisory Council documents that have been published since November 21, 2007.

The Policy Advisory Council was established during the original implementation of the MTSA regulations. It is made up of Coast Guard representatives from headquarters and field level commands that are charged with considering questions from stakeholders and/or field offices to ensure consistent interpretation of regulation. The latest Policy Advisory Council Decision 01-11 on the voluntary use of TWIC readers was published in the Federal Register on March 15, 2011. This guidance document will assist the maritime industry and general public with TWIC reader requirements and is designed to ensure consistent installation for the voluntary use of TWIC readers for electronic identity verification across MTSA-regulated facilities and vessels.

STAKEHOLDER ENGAGEMENT AND OUTREACH

Engagement with affected stakeholders continues to be crucial to successful implementation, and the regulatory process is one of the most important vehicles for the public to voice concerns and provide comment on the TWIC program. For example, responses received during the TWIC NPRM comment period provided valuable insight into the unique operational issues facing labor, maritime facilities and vessels required to comply with TWIC requirements. Comments regarding the technological and economic feasibility of employing the TWIC cards and card readers in the maritime environment led to splitting the rule, with the card reader requirements forming a separate, pending rulemaking. The Coast Guard published the TWIC Reader Requirements Advanced Notice of Proposed Rulemaking (ANPRM) on March 27, 2009, which again afforded the public and maritime community an opportunity to shape future TWIC requirements.

Since publication of the TWIC Final Rule and TWIC Reader Requirements ANPRM, the Coast Guard and TSA have conducted numerous outreach events at national venues such as: the American Trucking Association; Association of American Railroads; American Short Line and Regional Railroad Association; Passenger Vessel Association; American Waterways Operators; National Association of Charter Boat Operators; National Association of Waterfront Employers; National Petrochemical

Refiners Association meetings; smart card and biometric industry conferences; maritime union meetings; American Association of Port Authorities conferences; and many others. In addition, quarterly TWIC Stakeholder Communication Committee meetings are being held and remain an important avenue for keeping the public informed and creating the opportunity for open dialogue.

The Coast Guard, through COTP and Area Maritime Security Committees, continues to closely monitor and encourage enrollment for TWIC and work collaboratively with owners and operators of regulated facilities and vessels to ensure compliance and enforcement of the TWIC program.

READER PILOT TESTING

In accordance with the SAFE Port Act of 2006, a TWIC pilot is currently being conducted to evaluate the feasibility as well as technical and operational impact of implementing a transportation security card reader system. TSA and the Coast Guard have begun operational testing of the TWIC card readers at geographically and operationally diverse port and vessel locations and formal data collection should be completed on May 31, 2011. Thereafter, individual participant reports will be developed by an independent test agent and then reviewed by TSA and the Coast Guard. These individual participant-level reports, along with the direct feedback from the participants, will be the primary data source for the Coast Guard to move forward in the next phase of the TWIC reader rulemaking.

READER REQUIREMENTS

Per the SAFE Port Act, the Coast Guard is required to use the pilot report to inform a final reader rulemaking. The Coast Guard, with the support of TSA, is developing a second TWIC reader requirements rule that will serve to meet the requirement for electronic TWIC readers in the maritime environment. This rulemaking will apply requirements in a risk-based fashion to leverage security benefits and capabilities. The Coast Guard solicited and received valuable input and recommendations from the Towing Safety Advisory Committee, Merchant Marine Personnel Advisory Committee, and the National Maritime Security Advisory Committee on specific aspects of potential applications of readers for vessels and facilities. As in all aspects of the TWIC program, our goal is to enhance maritime security while balancing impacts on the stakeholders, who are at the forefront of providing that security. As we evaluate the economic and operational impact on the maritime industry we will continue to seek input and recommendations to develop and issue regulations requiring industry compliance.

COMPLIANCE

The Coast Guard has the primary responsibility for ensuring compliance with the TWIC regulations. We continue to work extensively with our DHS partners, including TSA and U.S. Customs and Border Protection, as well as state and local agencies to enhance partnerships and develop enforcement assistance protocols.

All of the approximately 2,700 maritime facilities impacted by the TWIC regulations are—and have been—in compliance as of the April 15, 2009 implementation date. The Coast Guard continues to conduct both announced and unannounced spot checks to ensure compliance with the TWIC regulations.

To fully leverage the security benefits of the TWIC and other credentials, the Coast Guard has deployed 218 multi-use biometric handheld readers nationwide. The use of these readers serves as the primary means of TWIC verification during Coast Guard compliance activities. Over the past two years since the national compliance date, the Coast Guard has verified more than 150,000 TWICs through a combination of visual and electronic verification methods.

The use of readers by the Coast Guard and industry alike reduces the risk of successful counterfeit attempts and further adds to the ability to identify authentic credentials that have been revoked at some point after activation and delivery.

THE WAY AHEAD

The Coast Guard continues to focus on the enforcement of the TWIC regulations and deployment of handheld readers will continue to enhance these efforts. Approximately 130 additional readers are scheduled for deployment in 2011.

We recently directed our COTPs to place higher priority on review and validation of TWIC verification procedures during required MTSA inspections. This review and validation is being done through direct engagement with Facility Security Officers to highlight the importance of properly trained guards and remind them of the training aids available.

Our ongoing compliance efforts in combination with the future reader requirements on commercial vessels and facilities through rulemaking are critical in ensuring the security of America's maritime transportation system.

CONCLUSION

We continue to work closely with TSA to facilitate outreach to the maritime industry in an effort to enhance the overall TWIC experience for workers and maritime operators - from improving the enrollment and activation processes to ensuring the necessary guidance and support is in place for maritime operator enforcement. We have accomplished important milestones, strengthened working relationships with public and industry stakeholders, and held a steadfast commitment to securing the maritime transportation system while facilitating commerce. As we continue to make improvements regarding compliance, enforcement, and continued industry engagement, we will ensure Congress remains informed of our progress.

Thank you for the opportunity to testify today. I look forward to your questions.