

118TH CONGRESS
1ST SESSION

S. 794

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

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

5 **SEC. 2. DEFINITIONS.**

6 In this Act:

7 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
8 **TEES.**—The term “appropriate congressional com-
9 mittees” means—

10 (A) the Committee on Homeland Security
11 and Governmental Affairs and the Committee
12 on Finance of the Senate; and

13 (B) the Committee on Homeland Security
14 and the Committee on Ways and Means of the
15 House of Representatives.

16 (2) **CTPAT.**—The term “CTPAT” means the
17 Customs Trade Partnership Against Terrorism es-
18 tablished under subtitle B of title II of the Security
19 and Accountability for Every Port Act (6 U.S.C.
20 961 et seq.).

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

23 (a) **ESTABLISHMENT.**—

24 (1) **IN GENERAL.**—The Secretary of Homeland
25 Security shall carry out a pilot program to assess
26 whether allowing entities described in subsection (b)

1 to participate in CTPAT would enhance port secu-
2 rity, combat terrorism, prevent supply chain security
3 breaches, or otherwise meet the goals of CTPAT.

4 (2) FEDERAL REGISTER NOTICE.—Not later
5 than one year after the date of the enactment of this
6 Act, the Secretary shall publish in the Federal Reg-
7 ister a notice specifying the requirements for the
8 pilot program required by paragraph (1).

9 (b) ENTITIES DESCRIBED.—An entity described in
10 this subsection is—

11 (1) a non-asset-based third-party logistics pro-
12 vider that—

13 (A) arranges international transportation
14 of freight and is licensed by the Department of
15 Transportation; and

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

19 (2) an asset-based third-party logistics provider
20 that—

21 (A) facilitates cross border activity and is
22 licensed or bonded by the Federal Maritime
23 Commission, the Transportation Security Ad-
24 ministration, U.S. Customs and Border Protec-
25 tion, or the Department of Transportation;

1 (B) manages and executes logistics services
2 using its own warehousing assets and resources
3 on behalf of its customers; and

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

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

9 (1) ensure that—

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

13 (B) not more than 10 entities described in
14 paragraph (2) of that subsection participate in
15 the program;

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

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

22 (4) terminate the pilot program not more than
23 5 years after that date.

24 (d) REPORT REQUIRED.—Not later than 180 days
25 after the termination of the pilot program under sub-

1 section (c)(4), the Secretary shall submit to the appro-
2 priate congressional committees a report on the findings
3 of, and any recommendations arising from, the pilot pro-
4 gram concerning the participation in CTPAT of entities
5 described in subsection (b), including an assessment of
6 participation by those entities.

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

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

13 (b) **ELEMENTS.**—The report required by subsection
14 (a) shall include the following:

15 (1) An analysis of—

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

22 (B) whether those incidents involved par-
23 ticipants in CTPAT or entities not participating
24 in CTPAT.

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

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

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

13 **SEC. 5. NO ADDITIONAL FUNDS AUTHORIZED.**

14 No additional funds are authorized to be appro-
15 priated for the purpose of carrying out this Act.

Passed the Senate July 18, 2023.

Attest:

Secretary.

118TH CONGRESS
1ST SESSION

S. 794

AN ACT

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