Hearing Statement of Chairman Thomas R. Carper "Examining Trade Enforcement and Entry of Merchandise at U.S. Ports" May 21, 2024

Good afternoon. It's my pleasure to call to order today's hearing before the Senate Finance Subcommittee on International Trade, Customs, and Global Competitiveness.

Thank you to our Ranking Member, Senator Cornyn, and his team for working with my staff and me to plan this hearing. We look forward to hearing the expertise that our witnesses have to offer, and I want to thank them for joining us to testify today.

I also want to thank Chairman Ron Wyden, Ranking Member Mike Crapo, and the Finance Committee staff for your policy expertise and for allowing us to borrow the Committee hearing room for the next couple hours.

Today's hearing provides us with an important opportunity to examine U.S. Customs and Border Protection policies and procedures for goods entering the United States. This hearing also provides us with a forum to discuss the ways in which the policies laid out by Congress can work to improve port operations while enhancing our supply chains.

Trade is an essential part of the American economy. In 2023, the United States exported over \$3 trillion in goods and services around the globe, while importing nearly \$4 trillion worth of goods in the same year.

And thanks to this exchange of products and services that come through the more than 300 points of entry across U.S. land, air, and sea, our daily lives are enhanced by access to goods from around the world.

Effective trade facilitation is like a puzzle. Strong port operations and resilient supply chains must fit together seamlessly to bring goods to the United States.

When it comes to port operations, most Americans may not realize that there are *thousands* of employees working every day to ensure that our imports are safe and secure. It takes considerable coordination by U.S. Customs and Border Protection inspectors, as well as specialized workers and longshoremen, like one of our witnesses here today, in order to hold our international trading partners accountable to the rules of the road.

For example, when goods come through the Port of Wilmington, it is the folks I just mentioned who are doing the due diligence to make sure that a shipping container does not contain counterfeit products.

Some of these rules of the road are set by Congress through laws like the bipartisan Trade Facilitation and Trade Enforcement Act and the bipartisan Uyghur Forced Labor Prevention Act, both of which are designed to ensure that our trading partners are paying their fair share of duties on the goods coming into the United States.

And it is our port workers, like those at the Port of Houston, that thoroughly inspect the goods that arrive in the U.S. for illegal contraband, like fentanyl, or clothing made with forced labor, before approving them to move on to their next destination.

Ultimately, all of these responsibilities, shared by port employees, work hand-in-hand to enhance our economy and our national security.

We also have to ensure that the other piece of the puzzle – our supply chains – are sufficiently strong to face the pressures that life throws at us.

For example, during the COVID-19 pandemic, supply chain resiliency was tested like never before. The pandemic exposed many unprecedented challenges like bottlenecks and delays for medical products that still affect us today.

And with the tragic collapse of the Francis Scott Key Bridge nearly two months ago, our supply chains had to quickly adapt to a single, but vital port of entry not operating at all.

Thankfully, we were able to divert key imports like automobiles, sugar, and farm equipment from Baltimore to nearby seaports. But the accident put a magnifying glass on questions about the preparedness of our nations' ports, and, by extension, our nation's supply chains, for emergency situations like this one.

As many of my colleagues can attest, I often like to quote Albert Einstein: "In adversity lies opportunity." Despite recent adversity, today we have an opportunity to learn from our witnesses' firsthand accounts of what's working and what's not working when it comes to implementing trade laws, like the ones I mentioned earlier, in port operations.

We also have an opportunity at today's hearing to better understand how we can and should invest in the long-term resiliency and security of our supply chains. In doing so, we can prevent future product shortages, shore up our ability to access life-saving products, and reduce the impact of unpredictable situations on American families.

There is an old African proverb that goes something like this: "If you want to go fast, go alone. If you want to go far, go together."

Throughout this hearing, I urge our colleagues on this committee to join Senator Cornyn and me in thinking about how we can go further and faster together. It is the shared responsibility of Congress, port workers, the Office of the U.S. Trade Representative, and global trade governing bodies to work together to protect the people we serve, while improving the safety and security of global trade.

Once more, let me thank our Ranking Member, all of our colleagues on this committee and our staffs, as well as the witnesses appearing before us today. With that, I'd like to turn it over to Senator Cornyn for his opening statement.