

NOMINATIONS TO THE DEPARTMENT OF  
COMMERCE, TRANSPORTATION SECURITY  
ADMINISTRATION, AND DEPARTMENT OF  
TRANSPORTATION

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HEARING

BEFORE THE

COMMITTEE ON COMMERCE,  
SCIENCE, AND TRANSPORTATION

UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

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JUNE 16, 2005

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

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**THURSDAY, JUNE 16, 2005**

U.S. SENATE,  
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,  
*Washington, DC.*

The Committee met, pursuant to notice, at 3:15 p.m. in room SR-253, Russell Senate Office Building, Hon. Ted Stevens, Chairman of the Committee, presiding.

**OPENING STATEMENT OF HON. TED STEVENS,  
U.S. SENATOR FROM ALASKA**

The CHAIRMAN. We've been delayed because of the Appropriations Committee—a Homeland Security bill has just been reported out—and also by two votes on the floor. I apologize to those who've been waiting.

William Jeffrey had been nominated to be the Director of the National Institute of Standards and Technology of the Department of Commerce. I understand that Senator Hutchison was here. He is joined by Senator Allen, who will introduce Mr. Jeffrey to the Committee. Before he does, Mr. Jeffrey, do you have family with you today that you would like to introduce for the record?

Dr. JEFFREY. Yes, I do. Thank you very much. I have two nieces, Courtney and Jennifer, who are sitting here, as well as several friends. And if Representative Ehlers were here, he would be proud to know they were from the State of Michigan.

The CHAIRMAN. Well, thank you for accompanying Mr. Jeffrey. Senator Allen?

**STATEMENT OF HON. GEORGE ALLEN,  
U.S. SENATOR FROM VIRGINIA**

Senator ALLEN. Thank you, Mr. Chairman.

It is my pleasure to present to the Committee Dr. William Jeffrey, of Herndon, Virginia, who's been nominated by the President to be the Director of the National Institute of Standards and Technology.

It's good to have your nieces here. Michigan was once a part of Virginia.

[Laughter.]

Senator ALLEN. To give you all a little history lesson here.

At any rate, we're honored that the President has once again chosen wisely. Technology-based innovation, as you know, Mr. Chairman, remains one of the nation's most important competitive challenges. Today, more than at any other time in our history, technological innovation and progress depend on the tools that NIST helps develop to measure, evaluate, and standardize the technologies that emerge. As a result of NIST's work on these tools, we're putting our companies, here in the United States, at the forefront of innovation.

When I say the President has made a wise choice, if you look at Dr. Jeffrey's technical leadership skills, his experience both in government and the private sector, make him, truly, an outstanding choice to serve as Director of NIST. He's been involved in science and technology programs and policies since 1988.

Dr. Jeffrey is currently the Senior Director for Homeland Security and National Security, and the Assistant Director for Space and Aeronautics at the Office of Science and Technology Policy within the Executive Office of the President. Prior to joining the Bush Administration, Bill was with DARPA—the Defense Advanced Research Projects Agency, which is obviously very well known for its contributions in the defense and technology community, including the invention of the Internet. Dr. Jeffrey served as the Deputy Director for the Advanced Technology Office, and Chief Scientist for the Tactical Technology Office. During his tenure there, he developed research programs in communications, computer network security, novel sensor development, and space operations.

Besides being a fellow Virginian, Bill and I also share a commitment to research and advancement in physical sciences, such as nanotechnology.

I'm confident, Mr. Chairman, your examination of Dr. Jeffrey's record will show that he is going to serve the President and, most importantly, the American people very well as the Director of NIST. I thank you for accommodating this hearing today so we can move forward with this outstanding nominee.

The CHAIRMAN. Thank you very much, Senator Allen. Do you have an opening statement to make, Senator?

**STATEMENT OF HON. DANIEL K. INOUE,  
U.S. SENATOR FROM HAWAII**

Senator INOUE. May I have it printed in the record?

The CHAIRMAN. The Co-Chairman wishes his statement to be placed in the record.

[The prepared statement of Senator Inouye follows:]

PREPARED STATEMENT OF HON. DANIEL K. INOUE,  
U.S. SENATOR FROM HAWAII

Good morning. I want to thank Chairman Stevens for calling this hearing to consider several of the nominations pending before our Committee. I congratulate each of the nominees for garnering the President's confidence and for making it to this important step in the process.

Each of you are slated to fill posts that are critical to America's future economic competitiveness. From new technologies to global trade, from advanced research to the security of our transportation system, the work performed at each of your respective agencies will help ensure that America remains a global, technological leader and that our economy remains vibrant and secure.

Obviously, these agencies face tremendous challenges:

- The Transportation Security Administration (TSA) has been in a near constant state of reorganization, which has made their essential security work all the more complicated.
- The National Institute for Standards and Technology (NIST) is facing aging infrastructure, and its critical assistance to America's struggling manufacturers is in jeopardy.
- The Research and Innovative Technology Administration (RITA) is a brand new agency that will need to define its role and establish itself amongst the other modal Administrations within the Department of Transportation.
- And, the Foreign Commercial Service must find new ways to balance the security demands of its overseas operations while maintaining an active, visible presence in the markets it seeks to open.

Add to each of these individual challenges the government-wide budget restraints brought on by historic deficits and the continual demands to improve performance, and your work is truly cut out for you.

I look forward to a spirited conversation today as we examine your credentials and your perspectives, and I thank each of you for your commitment to public service. Should you be confirmed, I can assure you that we will be in touch regularly.

The CHAIRMAN. Well, first, anyone who's been at DARPA, in my judgment, is an unsung hero. I don't think many people really understand DARPA the way some of us who have served on this Committee and on the Defense Appropriations Subcommittee do. And I congratulate you for your service on that.

Could you tell me, does your organization—now that you're joining the National Institute of Standards and Technology—have a significant role in homeland security now?

**STATEMENT OF DR. WILLIAM JEFFREY, NOMINEE TO BE DIRECTOR OF THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (NIST), DEPARTMENT OF COMMERCE**

Dr. JEFFREY. Thank you, Senator.

Yes, it does. The National Institute of Standards and Technology, NIST—

The CHAIRMAN. Pull that mike back toward you, please.

Dr. JEFFREY. Thank you. Yes, NIST actually has a very active role, currently, in supporting Homeland Security. NIST, given its technical expertise, is essentially one of the go-to places that the Federal Government has. For example, it's working heavily on biometrics research. It's been dealing heavily in—actually, in the Senate Office Building, at the anthrax attack, NIST took the lead in figuring out exactly what the filter should be for the mail system, to protect us. They're also taking a lead in the World Trade Center investigation. There's a variety of issues that we've been looking at, and they play a very significant role. And I would expect them to play a significant role in the future.

The CHAIRMAN. Do you know much about the screening technologies? Will you be involved in that at all? There's been some question about the adequacy and efforts in the screening technology. Will you be dealing with that?

Dr. JEFFREY. To be honest, sir, I don't know what involvement NIST has with screening. I know that they have supported, in terms of some of the standard devices, basically looking at different kinds of materials that would go through airport screening. They've helped to calibrate the sensors, but I don't have a lot of detail for

you today as to what the growth in that field would be. I would be glad to come back and respond to that.

The CHAIRMAN. With your background, do you have any ideas on how we can improve that system? Please let us know. We'd be pleased to work with you.

Dr. JEFFREY. Absolutely.

The CHAIRMAN. Does the Co-Chairman have anything to say about this witness?

Senator INOUE. I have no objection. Mr. Jeffrey has done a good job.

The CHAIRMAN. We look forward to reporting your nomination forward. Thank you.

[The prepared statement and biographical information of Dr. Jeffrey follows:]

PREPARED STATEMENT OF DR. WILLIAM JEFFREY, NOMINEE TO BE DIRECTOR OF THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (NIST), DEPARTMENT OF COMMERCE

Mr. Chairman, Co-Chairman Inouye, and Members of the Committee: Thank you for the opportunity to appear before you today regarding my nomination to be the Director of the National Institute of Standards and Technology. I am honored to be nominated to this position by President Bush and I wish to thank Commerce Secretary Gutierrez for his support.

I am excited by the prospect of leading NIST. For much of my professional career, I have been a user of NIST products including data, calibration sources, and technical assessments. As a graduate student, one of my most dog-eared books was the Handbook of Mathematical Functions which was edited by two NIST employees (at that time the National Bureau of Standards). Later when working on a Department of Defense infrared satellite I relied on NIST to ensure the sensor was calibrated properly so that data coming from that satellite was reliable. More recently, I have interacted with NIST on homeland security standards, their assessment of the efficacy of radiation to kill biological organisms in the mail, and their evaluation and recommendations for the use of biometric identifiers. These experiences span only a small subset of the types of programs within the NIST Laboratories. In all my experiences and interactions with NIST, I have been impressed by the technical depth, creativity, and responsiveness of the Institute. If confirmed, it would be a privilege to be part of that organization.

NIST is one of the crown jewels of the federal science and technology enterprise—both in terms of quality of the science as well as the tremendous positive impact that NIST has had in advancing manufacturing and services, facilitating trade, enhancing public safety and security, and in improving the quality of life. NIST's broad technical capabilities have also made it the "go to" source for new techniques and objective analyses to address critical national needs such as those that arose out of 9/11.

Maintaining NIST's technical excellence and relevance has never been more important to our nation. Winning the global war on terror, defending the homeland, and ensuring our economic security are the Administration's top priorities—and NIST plays a vital role in supporting all three. For example, numerous studies have shown the importance of basic research and technological change to economic growth. Whereas the United States is still the world leader in research and discovery, the political changes and technical advances in the last twenty years have allowed a larger fraction of the world to participate in the global economy—creating both increased economic competition and increased opportunity. The United States must remain the leader in innovation, continue to adapt to the increased pace of technological change, and be vigilant in ensuring fair and open trade practices. If confirmed, my goal would be to enable NIST to make even greater contributions to ensure U.S. success in these important respects.

NIST plays an important role as a leader in innovation and enabling industry to adapt to technological change. Somewhat analogous to an athlete competing in "extreme sports," NIST competes in "extreme science," working at the edge of current laboratory capabilities—enabling measurements at the most extreme temperatures, the shortest timescales, the smallest distances, and with the greatest accuracy and precision. As described by NIST, "To make it well, you must be able to control it.

To control it, you must be able to measure it.” The ability to push the envelope of the state-of-the-art has led to fundamental breakthroughs resulting in improved manufacturing quality and efficiency and garnering national and international scientific recognition. Maintaining and planning for upgrades to this capability—to ensure continued world-class capability—requires significant resources in terms of money and talent. In this regard, the Congress has provided important resources with recent examples being the Advanced Measurement Laboratory and the Advanced Chemical Sciences Laboratory. If confirmed, I will work with Congress to ensure the necessary world-class infrastructure and talent are in place—always with the goal of ensuring that NIST strengthens America’s infrastructure for innovation.

Relentlessly innovating and constantly adapting to technological change are requirements for success in the global economy—but they are not sufficient. Standards, for example, can be a powerful force multiplier in opening up new markets and developing new industries. However, standards can also be used to limit options and to negatively impact global trade. The technical expertise and credibility of NIST is critical to the Federal Government and private sector—providing the technical underpinning for measurement standards and helping to harmonize our standards with others around the world. NIST also supports the global recognition of U.S. standards, which are developed through consensus, in a transparent and open process, and are relevant, responsive, and performance-based. These are the guiding principles as articulated in the National Standards Strategy for the United States drafted by private and public sector organizations. If confirmed, it would be a top priority of mine to maintain NIST’s strong presence in the standards setting process and to continue to champion a consensus-driven and open process globally, working closely with the private sector.

NIST is also instrumental in improving the quality and performance of America’s businesses. The Baldrige National Quality Program is the premier U.S. award for performance excellence and quality achievement. One measure of its impact is the number of countries around the world that have established programs to mimic it. The Baldrige National Quality Program is a successful collaboration of the private sector and federal and state governments. It will reach an important milestone this year—with the 1,000th application since award inception. With modest funding, this program has achieved substantial returns. It is now beginning to have similar impacts among schools, hospitals and other education and healthcare organizations.

The Hollings Manufacturing Extension Partnership (MEP) assists small to medium-sized manufacturers in improving quality and efficiency. The MEP brings technical and managerial expertise to the largest segment of the nation’s manufacturing community (based on number of establishments and number of employees). The MEP has formed strong partnerships with state and local governments and the private sector allowing the program to grow in numbers and scope. With nearly 350 not-for-profit centers, the program has now achieved a presence across the United States. If confirmed, I look forward to working with the Congress to devise a long-term strategy consistent with the program’s value and overall budget priorities for NIST.

I have had the pleasure of meeting several of you and your staff since being nominated. For those whose schedules did not allow for a meeting prior to this hearing—I look forward to meeting with you soon. In these discussions, while there was some disagreement with the Administration on relative priorities of some programs, it was quite clear that there is consensus on the overall value of NIST, its mission, and the need to maintain its technical preeminence. Maintaining NIST’s capabilities can best be accomplished by working together to ensure consistency and stability in NIST’s long-term vision and direction. If confirmed, I will work with you and your staff towards this end.

I would be pleased to address any questions you may have.

#### A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): William Alan Jeffrey.
2. Position to which nominated:  
Director of the National Institute of Standards and Technology (NIST) Department of Commerce.
3. Date of Nomination: May 25, 2005.
4. Address (List current place of residence and office addresses):  
Residence: Not released to the public.  
Office: Office of Science and Technology Policy, 725 17th St., NW, Washington, DC 20502.
5. Date and Place of Birth: Arlington Heights, IL—January 13, 1960.

6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage): Not Applicable.

7. List all college and graduate degrees. Provide year and school attended.

Ph.D.—Harvard University 1983–1988.

M.A.—Harvard University 1983–1988.

B.Sc.—Massachusetts Institute of Technology 1978–1982.

8. List all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

Senior Director for Homeland and National Security and Assistant Director for Space and Aeronautics  
Office of Science and Technology Policy (OSTP)  
July 2002–Present.

Chief Technology Officer

Adroit Systems, Inc.

March 2002–July 2002.

Deputy Director, Advanced Technology Office (1999–2002)

Chief Scientist, Tactical Technology Office (1998–1999)

Defense Advanced Research Projects Agency (DARPA)

March 1998–March 2002.

Assistant Deputy Director for Advanced Technology

Defense Airborne Reconnaissance Office (DARO)

February 1997–March 1998.

Research Staff Member

Institute for Defense Analyses

March 1993–February 1997 and August 1988–August 1991.

Research Scientist

Grumman Aerospace

August 1991–March 1993.

9. List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, other than those listed above, within the last five years.

Drug Control Research, Data, and Evaluation Advisory Committee

Office of National Drug Control Policy

Executive Office of the President

April 2004–present.

Solar System Exploration Subcommittee Technical Assessment Group

National Aeronautics and Space Administration

Approximately March 2002–July 2002.

10. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational or other institution within the last five years.

Chantilly Highlands Homeowners Association

Board of Directors (volunteer position)

June 2000–February 2002.

11. Please list each membership you have had during the past ten years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age or handicap.

Chantilly Highlands Homeowners Association

All homeowners in subdivision are automatically members

September 1991–present.

Boy Scouts of America

No position held

Membership 2001 as adult supervisor for camping trip to Philmont, New Mexico.

American Institute of Aeronautics and Astronautics

Professional Technical Society

No position held

Automatic membership over the past 10 years when attending conferences.

12. Have you ever been a candidate for public office? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No.

13. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years.

Republican National Committee 2002	\$50
Republican National Committee 2003	\$83
Republican National Committee 2004	\$200
Republican National Committee 2005	\$100

Total: \$433

14. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognition for outstanding service or achievements.

Defense Advanced Research Projects Agency (DARPA) Coin #129  
Department of Defense  
February 2002.

Secretary of Defense Medal for Outstanding Public Service  
Department of Defense  
April 2001.

Exceptional Performance Certificate  
Intelligence Program Review Group  
December 1998.

15. Please list each book, article, column, or publication you have authored, individually or with others, and any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

List of articles and speeches are attached. Most are technical presentations and none are directly related to the position at NIST.

16. Please identify each instance in which you have testified orally or in writing before Congress in a non-governmental capacity and specify the subject matter of each testimony: None.

#### B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers: None.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation or practice with any business, association or other organization during your appointment? No.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

I have three sector-specific mutual funds which do not create a *per se* conflict of interest, but, because they are over the regulatory exemption for sector-specific mutual funds, I intend to sell them so as not to need to limit my ability to advise the Secretary of Commerce by recusing myself from matters affecting the sectors at issue.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated: None.

5. Describe any activity during the past 5 years in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy: None.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

I will consult with the ethics officials of the Department of Commerce and, if appropriate, divest myself of conflicting interests, recuse myself, or obtain a con-

flict of interest waiver under 18 U.S.C. Section 208(b) if the interest is not substantial.

#### C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? No.

2. Have you ever been investigated, arrested, charged, or held by any federal, state, or other law enforcement authority of any federal, state, county, or municipal entity, other than for a minor traffic offense? No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: No additional information.

6. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion or any other basis? No.

#### D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

#### **William Alan Jeffrey—Speeches**

*Aeronautics Science and Technology*, National Research Council Aeronautics and Space Engineering Board, March 2005.

*FY 2006 Space Science Budget*, National Research Council Space Studies Board, February 2005.

*Information Technology & Cyber Defense*, University of CA Engineering Symposium, November 2004.

*Ensuring 21st Century U.S. Civil Aeronautics Superiority*, Conference on Aeronautics, October 2004.

*Funding of Aeronautics Science and Technology*, National Research Council Aeronautics and Space Engineering Board, July 2004.

*Federal Research and Development*, Goddard Academy, July 2004.

*Importance of the Nation's Research and Development*, George Washington University, June 2004.

*Homeland Security: The Role of Science & Technology*, Innovation in CA Symposium, May 2004.

*Homeland Security: The Role of Science & Technology*, University of Wisconsin Symposium, May 2004.

*A Renewed Spirit of Discovery: The President's Vision for U.S. Space Exploration*, University of Wisconsin Symposium, May 2004.

*National Aerospace Initiative*, National Research Council Aeronautics and Space Engineering Board, August 2003.

*Homeland Security Science and Technology: Rising to the Challenge*, Armed Forces Communications and Electronics Association, April 2003.

*Homeland Security Science and Technology*, University of Texas Symposium, December 2002.

*Homeland Security: The Role of Science and Technology*, Department of Commerce Symposium, November 2002.

*The Engineer's Response to Homeland Security*, American Society of Mechanical Engineers, October 2002.

*Homeland Security Science and Technology*, National Defense University, September 2002.

#### Open Publications:

Jeffrey, W. *et al.*, July 2002, *Technical Roadmap to Reach the Outer Planets*, Solar System Exploration Subcommittee Technical Assessment Group, report to NASA.

Kohlberg, I., D. Brown, and W. Jeffrey, February 1997, “*Application of Similarity Techniques for Verification of RV Flow Field Models in the TMD Regime*”, IDA Document D-1935.

Perlman, S.E., C.K. Chuang, J.S. Draper, E.M. Powers, D.S. Frankel, H.E. Evans, L.N. Lillard, W.A. Jeffrey, and B.A. Hibbeln, 12–14 March 1996, “*Passive Ranging for Detection, Identification, Tracking, and Launch Location of Boost Phase TBMS*”, IRIS Conference on Passive Sensors.

Ratkowski, A.J., H.V. Baker, W. Jeffrey, R.W. Gobel, J. Hood, J. Fraser, J. Shanks, J.L. Boulay, 1995, “*MSTI-3 Passive Infrared and Visible Remote Sensing of Clouds and the Atmosphere*”, Proceedings of SPIE, 2578, 274.

W. Jeffrey, R. Roberts, C. Cook, M. Smith, R. Sullivan, 1995, “*NOAA-J External Independent Readiness Review*”, IDA Document.

Werderman, J., T. Suthar (PRA), C. Gaither, K. Shafer (ANSER), W. Jeffrey (IDA), 21 September 1995, “*Hera Piledriver Demonstration Mission Requirements Document (MRD) for AIRMS, Cobra Judy, ETS, HALO/IRIS, ROBS, & SLBD*”.

Gaither, C., C. Pedersen, K. Shafer (ANSER), W. Jeffrey (IDA), J. Werderman, (PRA), 18 August 1995, “*Hera Target Demonstration Mission Requirements Document (MRD) for ARES, AST, ETS, Cobra Judy, HALO/IRIS, HARP, ROBS, SFTS & SLBD*”, Revision 4.1.

W. Jeffrey, R. Roberts, C. Cook, M. Smith, 1995, “*EOS AM-1 External Independent Readiness Review*”, IDA Document.

Werderman, J., T. Suthar (PRA), C. Gaither, K. Shafer (ANSER), W. Jeffrey (IDA), 24 March 1995, “*Hera Propulsion Test Vehicle Demonstration Mission Requirements Document (MRD) for AIRMS, Cobra Judy, ETS, HALO/IRIS, ROBS, & SLBD*”, Revision 3.0.

Rehill, C., K. Shafer (ANSER), W. Jeffrey (IDA), J. Werderman (PRA), 13 March 1995, “*Navy LEAP FTV-4 Mission Requirements Document (MRD) for HALO/IRIS, AST, AIRMS*”, Revision 01.

Rehill, C., K. Shafer (ANSER), W. Jeffrey (IDA), J. Werderman, T. Suthar (PRA), 2 February 1995, “*Navy LEAP FTV-3 Mission Requirements Document (MRD) for HALO/IRIS, AST*”, Revision 03.

Gaither, C., C. Pedersen, K. Shafer (ANSER), W. Jeffrey (IDA), J. Werderman, T. Suthar (PRA), 18 January 1995, “*Unitary Storm Target Demonstration Mission Requirements Document (MRD) for AST, ETS, HALO/IRIS, ROBS, & SLBD*”, Revision 4.0.

R. Roberts, D. Braverman, C. Cook, H. Hagar, W. Jeffrey, M. Smith, 1994, “*ATLAS-3 External Independent Readiness Review*”, IDA P-2992.

Jeffrey, W., J. Fraser, R. Gobel, R. Matlock, and G. Schneider 1994, *MSTI: Pushing the Limits of Sensor and Bus Technology*, The European Symposium on Satellite Remote Sensing, SPIE, 2317, 206.

Jeffrey, W., J. Fraser and G. Schneider 1994, *MSTI-3 Science Objectives*, USU Small Satellite Conference, published in proceedings.

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The CHAIRMAN. Next, we will have Kip Hawley—

Oh, pardon me. In order to accommodate the Senator from Texas, may we call Mr. Hernandez to the stand, please?

Israel Hernandez has been nominated to be Assistant Secretary of Commerce, and become the head of the Foreign and Commercial Service. Senator Hutchison is here to introduce him. We welcome you, Senator.

But, before you do that, would you care to introduce your family or friends that are here, Mr. Hernandez?

Mr. HERNANDEZ. Yes, sir. Thank you, Senator.

I actually have my sister Elizabeth, my mother and my father, who came up from Austin and Eagle Pass, Texas. And I have a great number of friends from DC, which are many and plenty here, seated throughout the conference room. There's probably too many to name, so I will just say there's a good representation.

The CHAIRMAN. We welcome them all.

Senator Hutchison?

**STATEMENT OF HON. KAY BAILEY HUTCHISON,  
U.S. SENATOR FROM TEXAS**

Senator HUTCHISON. Thank you, Mr. Chairman.

Now, we know, as good politicians, when we want to build a crowd, we need to call Mr. Hernandez, because he has brought a crowd here today. Very good.

I'm very pleased to be able to introduce my fellow Texan, Israel Hernandez, who has been nominated for the positions of—to be Assistant Secretary of Commerce and Director General of the U.S. Foreign and Commercial Service. Mr. Chairman, he will be a superb Assistant Secretary and Director. He has worked for our President since he was Governor of Texas. He was one of the very first people employed by the new Governor Bush. His hard work and dedication earned him the position of Deputy Assistant to the President, after the President was elected. Mr. Hernandez assisted in strategic planning and intergovernmental affairs at the White House during the President's first term.

Currently, he is the Senior Advisor to the Secretary of Commerce and the Acting Under Secretary for International Trade. He has worked so hard his whole life, and this is the area in which he will excel for sure.

He graduated from the University of Texas, and he was in the first class to graduate from the George Bush—George H.W. Bush School of Government and Public Affairs at Texas A&M University. This is an indication that Mr. Hernandez is someday going into politics. If you have graduated from both the University of Texas and Texas A&M, this is a clue. So—

[Laughter.]

Senator HUTCHISON.—I do think that he's going to do a great job, and I highly recommend him to our Commerce Committee and for confirmation in the Senate.

Thank you, Mr. Chairman.

The CHAIRMAN. Well, Mr. Hernandez, you've been nominated to join one of the outstanding leaders, I think, of our country, in Mr. Gutierrez. And in your written statement you mention a strategic vision for foreign and commercial service. Tell us about that vision. How is that going to help us decrease our imbalance in trades, increase our exports?

**STATEMENT OF ISRAEL HERNANDEZ, NOMINEE TO BE  
ASSISTANT SECRETARY FOR TRADE PROMOTION AND  
DIRECTOR GENERAL, UNITED STATES AND FOREIGN  
COMMERCIAL SERVICE, DEPARTMENT OF COMMERCE**

Mr. HERNANDEZ. Yes, sir. We live in a very dynamic time at this point, and we need to recognize the changing economies in the United States and around the world. And one of my goals is to make sure that—with our budget, that we use the best resources for solutions to make sure that our small- and medium-sized businesses compete and have greater access to international markets. So, one of my goals is to constantly try to find ways—and work with our wide network of specialists, which are located here in the United States and in 80 countries around the world—to make sure we constantly try to find ways to increase exports, and we con-

stantly try to find ways to reduce the barriers so that small- and medium-sized companies have greater opportunities abroad.

The CHAIRMAN. Does that vision include some way to giving incentives to our small businesses to increase exports?

Mr. HERNANDEZ. Sir, what we do—what we would do, if confirmed, the functions of the Bureau would be inherently governmental, and—that is to create an opportunity for small businesses to create their—we don't subsidize, and we don't create incentives; we just create opportunities for small- and medium-sized companies. So, I would say that our function would be to make sure that we constantly keep in line the obligations of working agreements, that we work from government to government to try to create greater opportunities for our small- and medium-sized companies, and we constantly try to make sure that we trade—you know, decrease the barriers that exist today in foreign—in markets abroad.

The CHAIRMAN. Senator Inouye?

Senator INOUE. Mr. Chairman, I thank you.

I've had the privilege of meeting Mr. Hernandez in my office. And, after the in-depth conversation I had with him, I'm convinced he will make a superb Assistant Secretary.

Mr. HERNANDEZ. Thank you, Senator. It was a pleasure to meet you, and I appreciate the time you gave me. And you're actually one of the few Senators, or people, actually, in DC, who know about Eagle Pass, Texas. So, thank you for your time.

The CHAIRMAN. Thank you very much.

Mr. HERNANDEZ. Thank you, Senator.

[The prepared statement and biographical information of Mr. Hernandez follows:]

PREPARED STATEMENT OF ISRAEL HERNANDEZ, NOMINEE TO BE ASSISTANT SECRETARY FOR TRADE PROMOTION AND DIRECTOR GENERAL, UNITED STATES AND FOREIGN COMMERCIAL SERVICE, DEPARTMENT OF COMMERCE

Mr. Chairman, Co-Chairman Inouye, and distinguished Members of the Committee, thank you for granting me this hearing today. I am humbled and honored to be here as President Bush's nominee for the position of Assistant Secretary for Trade Promotion and Director General of the United States and Foreign Commercial Service.

I would first like to thank my senator from Texas, Senator Kay Bailey Hutchison, for her kind and generous introduction. I am proud of her service and her commitment to our great state and our country, and I am proud to call her my Senator.

I would also like to thank President Bush and Secretary Gutierrez for supporting my nomination and note how proud I will be to work under their leadership.

If confirmed, I look forward to working with each of you to ensure America builds on its status as the world's largest exporter.

In the world of the 21st century, opening our doors to trade is the surest way to create opportunity for all Americans. Trade is about more than economics. Free and open trade fosters the spread of ideas and the habits of liberty—and ultimately encourages the spread of democracy, economic stability, and stronger partnerships.

I come before this Committee during a transformational moment in history. A time when democracy is taking hold around the world and when there is great shift in our economy and in economies abroad.

Pursuit of liberty and new opportunities was a motivating force in bringing our Founding Fathers to this great land, and it is this freedom that has become the foundation for the entrepreneurial spirit embedded in the hearts and minds of the American people.

From the first electric light—to the first flight—to nanotechnology, the entrepreneurial spirit that exists today has created a dynamic and vibrant community of enterprises second to none. Government's role is to create an environment where entrepreneurs and risk takers can realize their dreams.

Giants like Ford and Microsoft were not so long ago small businesses striving to realize the dreams of Henry Ford and Bill Gates. Today, small businesses create 70 percent of new American jobs, employ the majority of American workers, and are responsible for the majority of our nation's economic output. Small business owners are economic patriots taking risks and pursuing dreams. A vibrant small business sector is necessary for the economic health of our country.

If confirmed, I pledge to define and lead the Commercial Service based on a clear and strategic mission to ensure that small and medium sized businesses gain greater access to international markets. I will hold myself and the entire organization to a standard of accountability that demands efficiency, consistency, and professionalism. I will ensure that the team of specialists within the Service has the tools necessary to anticipate the commercial interests of our American exporters and rapidly adapt on the ground to meet their needs.

The U.S. and Foreign Commercial Service, created by Congress a quarter century ago, does what no other entity in the United States can do—provide a global infrastructure in more than 80 countries and a domestic platform in 109 cities with the exclusive purpose of promoting American goods and services and ensuring a level playing field abroad. In 2004, the volume of those sales exceeded \$26 billion.

The Commercial Service offers end-to-end export solutions to help smaller firms increase profits and lower risks in accessing markets otherwise difficult to enter. The worldwide network of trade specialists provides export counseling, customized market research, trade leads, and advocacy to help companies compete in global markets. This worldwide network is essential to today's market economy in which 95 percent of the world's consumers live outside of the United States.

U.S. exports support millions of American jobs. About one of every five factory jobs—or 20 percent of all jobs in America's manufacturing sector—depends on exports. Research has shown that workers in jobs supported by exports typically earn wages higher than the national average.

If confirmed, I will be a disciplined and accountable steward of the people's money. I will commit to a thorough assessment of our resources to ensure that the Commercial Service not only meets but exceeds the highest expectations. I will work to build on the essential relationships with partners at the federal, state, and local level.

Theodore Roosevelt was right when he said, "The best executive is the one who has sense enough to pick good men to do what he wants done and self-restraint enough to keep from meddling with them while they do it." Any organization is only as good as its people, and I will work to foster a diverse environment where our men and women in the Service continue to grow in discipline and expertise and provide the highest quality of service to our constituents—American businesses and their employees, owners, and communities. Integrity, efficiency, and effectiveness will be at the core of everything I seek to accomplish.

I hail from the Southwest Texas border, often considered one of the last frontiers in the U.S. The privilege to be here with you today is a testament to America's place as a haven for dreamers and doers. My loved ones—my family and my friends—and our diverse community represent America's potential, and I wish to thank them for all they have done (and will do) to support me in the vast opportunities on which I embark.

Still today people from around the world see America as a land of freedom and opportunity. The President once said, "We in the United States live in liberty, trade in freedom, and grow in prosperity." We certainly face challenges, but we also face a world of great opportunities, and a choice on how to proceed. If confirmed, I look forward to the challenge of helping ensure that our nation—and its economy—remains a beacon for the world.

Thank you for your time. I will be happy to answer any questions you might have and welcome your comments.

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#### A. BIOGRAPHICAL INFORMATION

1. Name: Israel Hernandez.
2. Position to which nominated: Assistant Secretary for Trade Promotion and Director General of the United States and Foreign Commercial Service.
3. Date of Nomination: May 26, 2005.
4. Address:  
Residence: Not released to the public.  
Office: Department of Commerce, 15th & Constitution Avenue, Washington, DC.
5. Date and Place of Birth:

Date: January 8, 1970.

Location: Eagle Pass, Maverick County, Texas.

6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage): Not applicable.

7. List all college and graduate degrees. Provide year and school attended.

University of Texas, Austin, 1988–92, B.A. in Philosophy and Political Science, 1992.

George Bush School of Government and Public Service, Texas A&M, 1997–99, MPA in Public Administration, 1999.

8. List all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

05/2005 to Present

Department of Commerce, International Trade Administration  
Senior Advisor to the Secretary and Under Secretary,  
Washington, DC.

01/2001 to 05/2005

White House, Executive Office of the President  
Deputy Assistant to the President and Assistant to the Senior Advisor,  
Washington, DC.

9. List any advisory, consultative, honorary, or other part-time service or positions with federal, state, or local governments, other than those listed above, within the last five years.

01/1995 to 08/1997

Personal Aide to Governor George W. Bush, Office of the Governor, Austin, Texas.

10. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational or other institution within the last five years: Not Applicable.

11. Please list each membership you have had during the past ten years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent, or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Delta Sigma Phi Fraternity, Eta Chapter, University of Texas, 1989–1992.

12. Have you ever been a candidate for public office? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt.

I have never been a candidate for public office.

13. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years.

I have not donated more than \$500 to any individual, campaign organization, political party, or political action committee.

14. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements: Not Applicable.

15. Please list each book, article, column, or publication you have authored, individually or with others, and any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed: Not Applicable.

16. Please identify each instance in which you have testified orally or in writing before Congress in a non-governmental capacity and specify the subject matter of each testimony: None.

#### B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers: None.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association, or other organization during your appointment? None.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated: None.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated: None.

5. Describe any activity during the past 5 years in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy: None.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items: Not applicable.

#### C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject to any court, administrative agency, professional association, disciplinary committee, or other professional group? No.

2. Have you ever been investigated, arrested, charged, or held by a federal, state, or other law enforcement authority of any federal, state, county, or municipal entity, other than for a minor traffic offense? No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain: No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere* of any criminal violation other than a minor traffic offense? No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: Not Applicable.

6. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? No.

#### D. RELATIONSHIP WITH THE COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees?

Yes, if confirmed by the Senate, I will make it a high priority to ensure the Office of Trade Promotion and U.S. and Foreign Commercial Service Office complies with deadlines set by congressional committees.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures?

Yes, if confirmed by the Senate, I will make it a priority to ensure that the Office of Trade Promotion and U.S. and Foreign Commercial Service Office protects congressional witnesses and whistle blowers from reprisal.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee?

Yes, if confirmed by the Senate, I will make it a priority to ensure the Committee has access to witnesses and subject matter experts to assist in your oversight and policy development responsibilities.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

Yes, if confirmed by the Senate, it will be a personal priority to make myself available to appear and provide testimony before Congressional Committees.

The CHAIRMAN. Let me now call to the witness table Mr. Edmund "Kip" Hawley and Mr. Ashok Kaveeshwar.

[Pause.]

The CHAIRMAN. Mr. Hawley has been nominated to head the Transportation Security Administration. He's no stranger to this Committee. He's familiar with our work on transportation security over the years. TSA is now in its fourth year of existence, and faced a number of challenges. Foremost is streamlining the passenger screening process through programs like the Registered Traveler or through new technology. TSA must be able to accommodate a record number of passengers going through our airports in the coming year.

And, Mr. Kaveeshwar, you have been nominated to be the first Administrator of Research and Innovative Technologies Administration at the Department of Transportation.

Now, may I first ask if either of you have families you would like to introduce here today?

Mr. HAWLEY. Mr. Chairman, I'd like to thank the Committee for having this hearing on the Internet, because my family is not able to attend, and they are able to participate through the Internet. However, I did find a friend of my son's from high school, John Delpuro, who is—

[Laughter.]

Mr. HAWLEY.—who was here on a tour. And so—

[Laughter.]

Mr. HAWLEY.—John is my surrogate son.

[Laughter.]

The CHAIRMAN. Nobody's ever alone in the Internet days now. Very good.

Mr. Kaveeshwar, do you have any family you'd like to introduce?

Dr. KAVEESHWAR. Yes, Mr. Chairman. I'd like to introduce my wife Tuti, and my son Jay. I also have some friends who have traveled far and wide, and I won't mention all their names, but we're—I'm very glad that they're here.

The CHAIRMAN. Wonderful. Well, we thank you.

Mr. Hawley, Secretary Chertoff and the Inspector General, at the Department, have indicated that human screeners have limits with respect to accuracy and effectiveness, and that new screening technologies must be made available to improve security beyond the existing point. Can you give us the status of deploying the new detection systems, as passenger screening, the "puffer" systems, or other such systems nationwide? Have you been briefed on that?

**STATEMENT OF EDMUND S. "KIP" HAWLEY, NOMINEE TO BE ASSISTANT SECRETARY OF HOMELAND SECURITY, TRANSPORTATION SECURITY ADMINISTRATION**

Mr. HAWLEY. Yes, sir. The so-called "puffer" system, which is exceptionally good at detecting explosives, is being rolled out in a pilot. And I believe today there was an announcement of expanding that pilot to more airports. So, the focus on explosive detection and more sophisticated technologies—such that they can apply to passengers and passenger carry-on bags—is an important part of the ongoing program.

The CHAIRMAN. Well, how soon will you use the eye scan for a data bank that can be called up anywhere?

Mr. HAWLEY. The whole biometric solution, as Mr. Jeffrey was describing because NIST is a big partner in this—is being explored

via pilots with a variety of biometric ways, including eye scans. And the Department, as a whole, has made a lot of effort in the area of biometrics—including fingerprints, for US-VISIT. These efforts would be interesting for TSA to look at to see what we could leverage from other groups within the Department that we might be able to deploy in TSA's mission, if confirmed.

The CHAIRMAN. Do you have any questions for Mr. Hawley?

Senator INOUE. Well, thank you, Mr. Chairman. As you've indicated, Mr. Hawley's experience with the Transportation post, I think this experience would be most helpful in this new position.

Do you believe that TSA is the central place where direction and policymaking decisions be made involving all modes of transportation?

Mr. HAWLEY. Yes, sir. Almost by definition, the U.S. transportation network crosses all modes. And, I think that whether it's a package or a person, whether on a train, bus, airplane, truck, whatever—that's a matter of convenience and economics, but looking at the entire network of the United States is intermodal, and I believe that that is essentially the role of TSA.

Senator INOUE. As one who represents an island state, I'm obviously concerned about port security. Do you have any thoughts on that?

Mr. HAWLEY. It's a integral part of the network, and I know it is a subject of a lot of attention from the Secretary. In his review of departmental activities, I know it is a top priority. And TSA and the Coast Guard have significant expertise in the area. Customs/Border Patrol currently has major action on the port security. But, at the strategic level of the network, I believe, that TSA has a lot to add to that equation, and is a player, along with, obviously, the Coast Guard, which owns the ports, themselves.

Senator INOUE. Mr. Chairman, I'm satisfied that Mr. Hawley will do a good job.

The CHAIRMAN. Senator Pryor, do you have any comments for Mr. Hawley?

**STATEMENT OF HON. MARK PRYOR,  
U.S. SENATOR FROM ARKANSAS**

Senator PRYOR. I have a few questions.

The CHAIRMAN. Yes, sir.

Senator PRYOR. Thank you, Mr. Chairman.

First, Mr. Hawley, thank you for being here. And I think everybody would agree—I hope they would—that the Senate Commerce Committee has really led the way in pushing for increased federal efforts to help secure our nation's passenger and freight railroads. As a former railroad employee with Union Pacific, do you believe that the TSA is doing enough to help railroads meet security needs?

Mr. HAWLEY. I should first say I don't really know everything that TSA has done in the rail sector. However, in response to Senator Inouye's question about the network and the modes, rail is a vital part of the national transportation system, in both passenger and freight; and, as such, needs a very strong level of security as a major component of the network. So, with the rail infrastructure owned by the private sector, and many efforts executed by the pri-

vate sector, I know that there is a partnership between TSA the private sector and Amtrak and state and local governments, so that it all works together, although not necessarily by TSA employees.

Senator PRYOR. OK. Do you think that the TSA is doing enough—is TSA doing enough, as best you can tell?

Mr. HAWLEY. On rail?

Senator PRYOR. Yes.

Mr. HAWLEY. You know, I don't know enough to know the answer. My instinct is, the whole network——

Senator PRYOR. Yes.

Mr. HAWLEY.—is doing very well, and doing enough. I don't know exactly what the division of labor is. I know that the TSOC, which is the operating center for TSA, that all modes are looked at. And I know that the American freight railroads have been very active, from immediately after 9/11, to put in place their own security that was coordinated with the Federal Government. So, I think the overall security of that portion of the network is very strong. As to how much of it TSA is actually doing, hands on, I'm not——

Senator PRYOR. Do you——

Mr. HAWLEY.—exactly sure.

Senator PRYOR.—do you know enough to comment on Amtrak and what needs to be done to make Amtrak more secure?

Mr. HAWLEY. It's part of the overall network—obviously in the urban areas, particularly in the Northeast—and is a vital component, and there are other urban areas where passenger rail—Amtrak and other commuter rail—is critical. And I know there have been pilot studies done on various forms of screening. I mean, it's really all part of the Secretary's risk-based analysis of the transportation network as to the proper division of responsibility and investment.

Senator PRYOR. And, in your view, is TSA the right agency—are they the right agency to be the lead agency for rail security, or should——

Mr. HAWLEY. Yes.

Senator PRYOR.—this fall somewhere else?

Mr. HAWLEY. No, I think it is. I think it is, as part of its network responsibilities. And I should say that that's a—the Secretary is doing a review of the Department. Obviously, I'm a private citizen now, and whatever the Secretary determines will have——

Senator PRYOR. Let me switch gears, if I can, to air.

Mr. HAWLEY. Yes, sir.

Senator PRYOR. I don't know if you're familiar with so-called “inline baggage screening”——

Mr. HAWLEY. Yes, sir.

Senator PRYOR.—“systems.” Do you know about that?

Mr. HAWLEY. Yes, sir.

Senator PRYOR. Supposedly, there have been some studies, and the sense is that inline baggage screening systems would save money by increasing efficiency and effectiveness. Are you familiar with that?

Mr. HAWLEY. Yes, sir.

Senator PRYOR. And is one of your priorities going to be to try to expand inline——

Mr. HAWLEY. Senator, I think the priority would be to promote the security and efficiency, where, in certain conditions, particularly large airports, inline is the way to go; whereas, a lot of other, maybe, smaller airports with different physical characteristics, there are better solutions that can get the flow of bags going through more appropriately. Because there's a major capital cost and ongoing operating expenses that happen with the inline that you really have to have quite a bit of volume to make it cost out. And there are other kinds of machines. The Reveal technology is a good example of a smaller footprint, yet highly effective, explosive-detection system that can be deployed effectively, as well.

Senator PRYOR. OK, great. Now, one last line of questioning, if you will, and that is, after 9/11, you—as I understand it, you helped coordinate the federalized airport screening mission at TSA?

Mr. HAWLEY. The standup of the agency, yes, sir.

Senator PRYOR. Right. And since that time there's been a number of concerns about the screener staffing levels?

Mr. HAWLEY. Yes, sir.

Senator PRYOR. Right? And let me ask this. What role did you play in the contracting for services to develop the screener workforce?

Mr. HAWLEY. None, directly; although as part of the—the way I would describe what I did was on the architecture side. Secretary Mineta said we have the ATSA requirements. You know, the President signed the ATSA bill, and this Committee wrote most of it. The charge that Secretary Mineta had was, "Get those deadlines accomplished, figure out a way that we can roll out, hit those deadlines, get the agency up and standing, and do it within the timeframes. And, by the way, don't miss any deadlines." So, my major focus was to try to put in place the processes that would get the major pieces rolling and then come together in time to provide an effective security regime. Then, as the Department grew, that the agency would fill in the pieces. And so, with all the moving parts, my role was more at the level of, "OK, how do we keep this going and sequenced," as opposed to the actual execution of contracts.

Senator PRYOR. So, does that mean that, for example, you would—you were not involved in setting the staffing level for the number of screeners?

Mr. HAWLEY. You know, at a very high level, certainly, I was involved in the process, and I think, to the point of the 10-minute rule that the Secretary announced, which is, "We're going to have world-class security, world-class customer service"—and by that, I mean 10-minute average wait time at the checkpoint—and so that what I did with that was say, "OK, we have to design a process now, at this checkpoint, that starts with the 10-minute rule, and then work backwards," as opposed to say, "Let's put a process in, and whatever it is, it is." The Secretary was very clear, "I don't want people waiting more than an average of 10 minutes." And so, that drove the process to be able to have a consistent, repeatable, 10-minute process.

Senator PRYOR. Is it your opinion that we have enough screeners?

Mr. HAWLEY. I don't know. And I think that clearly, that is a major, major piece of the puzzle. Another major piece is the fund-

ing of the agency. At this point it is a little up in the air. And the right mix of machinery and people is the critical driver of this. The charge that, if confirmed, I have from Secretary Chertoff, is, "Secure the security, and do it efficiently, bring on the technology, in the right way that you can, so that it works."

Senator PRYOR. Mr. Chairman, that's all I have. Thank you.

The CHAIRMAN. Thank you.

Thank you very much, Mr. Hawley.

Mr. HAWLEY. Thank you.

The CHAIRMAN. We will be pleased to bring your name before the Committee at the next mark-up.

Mr. HAWLEY. Thank you, Mr. Chairman.

[The prepared statement and biographical information of Mr. Hawley follows:]

PREPARED STATEMENT OF EDMUND S. "KIP" HAWLEY, NOMINEE TO BE ASSISTANT SECRETARY OF HOMELAND SECURITY, TRANSPORTATION SECURITY ADMINISTRATION

Chairman Stevens, Senator Inouye, and distinguished Members of the Committee, I am honored to appear before you today. I am grateful to President Bush for nominating me to serve as Assistant Secretary of Homeland Security for TSA.

Thank you for your prompt consideration of my nomination and for the Committee making these proceedings available on the internet. My wife Janet and our two sons, not to mention my Mom & Dad, were unable to attend here today, so I know that they are all watching somewhere out there, no doubt offering suggestions for questions and answers.

As you know from my background material, I have spent most of my career in various parts of the transportation and technology worlds, in staff, operating, and executive jobs. Like many Americans, after 9/11 I wanted to do something about it, and I feel fortunate that I had that opportunity. Working for Secretary Mineta in the months following 9/11, I and a handful of private sector executives worked alongside Deputy Secretary Jackson and the many outstanding people at the Department of Transportation and elsewhere who came together to help stand-up TSA. I went home to California in May 2002, and back into business.

Three years later, I have had the chance to take a fresh look at TSA, and there appear to be two over-arching, but conflicting, realities.

First, the talent deployed at TSA, from top to bottom, from start-up to the present, has been excellent in my opinion. Very highly skilled people from all walks of life—public sector, private sector, science, academia, the military, the corporate world, basically everywhere, have stepped forward to work on this mission, motivated by the urgency and importance of TSA's mission. I have seen this first-hand.

The second, and conflicting, reality is that there is clearly widespread frustration with TSA's performance here on Capitol Hill. Members of the Committee have expressed that frustration to me during my courtesy calls and I have seen it watching hearings and reading transcripts on both the Senate and House sides.

If I am right about both observations, then bringing the second reality in line with the first requires more than a change of players at the top or anywhere. In other words I am not here to suggest that I am the answer for TSA, but rather that, if confirmed, I would seek to bring together those with a stake in TSA's mission and, together, line up in a common effort.

If confirmed, here's the approach I would take.

- Clarity of Mission: Secretary Chertoff has outlined a clear vision for the Department based on a disciplined risk-management approach to investment and operational priorities. I believe in that vision and would seek to make it fully operational at TSA and develop a clear sense of necessary priorities with employees, along with public and private stakeholders.
- Align Resources: The next step would be to take a fresh look at TSA's operations and investments to see if and where changes are needed to more efficiently and effectively accomplish the mission.
- Engage Employees: In just the short time that I have been re-introduced to TSA, the commitment of its employees—at all levels—is obvious. There are plenty of ideas and it would be a priority of mine to enable and encourage solution-oriented thinking throughout the organization.

- Partnership: Like most of DHS, TSA works as part of a network of players to do its job. The success of the network depends on all parties communicating openly as worthy partners.
- Management Systems: Tying this all together, I would work to get in place the training and performance management systems necessary to measure our progress and give the Administration, Congress, and TSA's stakeholders accurate and timely information with which to evaluate TSA's effectiveness.

The last three, Employees, Partners, and Management, were certainly priorities of the previous heads of TSA. I think what is different about these approaches is that the first two foundations—Clarity of Mission, and Aligning Resources—have yet to be done by TSA.

The TSA was created in an emergency situation and was in a full sprint for over a year to get the ATSA requirements in place and restore public confidence in the safety of America's transportation system. After the ATSA requirements were achieved, the TSA had the formidable job of trying to execute its daily mission while trying to fill in the management infrastructure and at the same time integrating into DHS. Not surprisingly, given the intense scrutiny of TSA, there were also plenty of other front-burner issues.

Secretary Chertoff's fresh look is really the first chance to review the Department's activities in a comprehensive way since 9/11. This is why I believe that TSA now has the opportunity to leverage the lessons learned and new ideas that have been generated by TSA's talent and others to recalibrate the mission and re-align TSA's resources as necessary.

I believe that my previous experience in government and in the private sector—mostly working on the nexus between transportation and technology—prepares me to understand and act on the input that would come from within and outside DHS/TSA.

I believe that TSA, in addition to having a critical national mission, is a special place. It is made up of highly-skilled and highly-motivated people, every one of whom stepped up to serve the country in the aftermath of 9/11. Should the Senate confirm me, it would be an honor to join them in service to the Department and to the nation.

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#### A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Edmund Summers Hawley nickname: Kip.
2. Position to which nominated: Assistant Secretary of Homeland Security
3. Date of Nomination: May 19, 2005.
4. Address (List current place of residence and office addresses): Not released to the public.
5. Date and Place of Birth: November 10, 1953—Waltham, MA.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).

Spouse: Janet Isak Hawley, self-employed at home.  
Children: Nicholas Isak Hawley (19), Christopher Isak Hawley (16).

7. List all college and graduate degrees. Provide year and school attended.

University of Virginia Law School, J.D. (May, 1980)  
8/76–5/77, 8/78–5/79.

Harvard Law School, Third Year Special Student  
8/79–5/80.

Brown University, A.B., Political Science (June, 1976)  
8/72–6/76.

8. List all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

5/76–8/76 John H. Chafee for Senate Campaign, Press and Research Assistant, Providence, RI.

5/77–8/78 U.S. Senator John H. Chafee, Legislative Assistant, Washington, DC.

5/79–8/79 Law Offices of Northcutt Ely, Summer Associate, Washington, DC.

8/79–5/80 Prof. Lyman Kirkpatrick (Brown University), Teaching/Research Assistant, Providence, RI.

8/80–1/81	Gaston Snow & Ely Bartlett (Law Firm), Associate, Boston, MA.
2/81–3/83	U.S. Dept. of Transportation, Office of Governmental Affairs, Executive Director, Deputy Assistant Secretary, Washington, DC.
3/83–4/85	White House Office of Intergovernmental Affairs Special Assistant to the President, Deputy Assistant to the President, Washington, DC.
5/85–8/87	Citicorp Mortgage, Inc., VP/Chief of Staff, Mid-Atlantic Region, McLean, VA.
8/87–12/91	Union Pacific Corporation, VP-External Relations, Washington, DC.
1/91–12/94	Union Pacific Railroad, VP-Transportation Services, VP-Reengineering, Omaha, NE.
1/95–10/98	Skyway, Inc. (Supply Chain Management company), President/Chief Executive Officer, Watsonville, CA.
11/98–11/99	Self-Employed/Investor, worked with technology start-ups including Casbah, Inc. (Intelligent Agent software company), as Board Member, Pebble Beach, CA.
11/99–10/01	Arzoon, Inc. (Supply Chain software company), Executive Vice President-Corporate Development, San Mateo, CA.
10/01–5/02	U.S. Department of Transportation, Senior Advisor to the Secretary (Led project team to establish Transportation Security Administration) Washington, DC.
5/02–12/03	Arzoon, Inc., Executive Vice President San Mateo, CA.
1/04–Present	Self-Employed, worked with technology start-ups.

9. List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, other than those listed above, within the last five years.

Senior Advisor to the Secretary, U.S. Department of Transportation, 2001–2002.

Air Traffic Services Committee, Federal Aviation Administration, 2002–2005.

10. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational or other institution within the last five years.

Juvenile Diabetes Research Foundation, San Francisco, CA Chapter, Board Member.

Casbah, Inc., Board Member.

Arzoon, Inc., Executive Vice President.

Trovatek, Inc., President.

11. Please list each membership you have had during the past ten years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age or handicap.

Juvenile Diabetes Research Foundation, San Francisco, CA Chapter, Board Member.

Carmel Valley Ranch, Carmel Valley, CA (Tennis Membership).

None restricts membership on the basis of sex, race, color, religion, national origin, age or handicap.

Massachusetts Bar Association, Inactive Member.

12. Have you ever been a candidate for public office? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No.

13. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years: None.

14. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognition for outstanding service or achievements.

U.S. Department of Transportation, Exceptional Public Service Award, 2002.

Transportation Security Administration, Honor Award, 2002.

15. Please list each book, article, column, or publication you have authored, individually or with others, and any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

Winter Meeting, American Pyrotechnics Association, 2/20/04.  
 Graduation Address, Defense Language Institute, 3/13/03.  
 Silicon Valley Chapter, Council of Logistics Management, 10/01/02.  
 Monterey Seminar, NIT League, 9/19/02.  
 NIT League Annual(?) Meeting, 5/18/02.

16. Please identify each instance in which you have testified orally or in writing before Congress in a non-governmental capacity and specify the subject matter of each testimony.

October 30, 2003 before House Subcommittee on Aviation on The FAA's Air Traffic Control Modernization programs on behalf of the FAA's Air Traffic Services Subcommittee.

<http://www.house.gov/transportation/aviation/10-31-03/hawley.pdf>

#### B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers: None.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation or practice with any business, association or other organization during your appointment? None.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

I own stock in Union Pacific Corporation and my son owns stock in Apple Computer. After consultation with Ethics Counsel at DHS, I have agreed to sell both stocks should I be confirmed.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated: None.

5. Describe any activity during the past 5 years in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy: None.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

I will follow the guidance of the DHS ethics counsel and will either divest myself of any interest that would be a conflict, or recuse myself as appropriate.

#### C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? No.

2. Have you ever been investigated, arrested, charged, or held by any federal, state, or other law enforcement authority of any federal, state, county, or municipal entity, other than for a minor traffic offense? No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

I was a Director of Casbah, Inc., a software company, which filed for Chapter 11 Bankruptcy Protection. There were no complaints or other action regarding my involvement in the company.

I was an Officer of Union Pacific Corporation and Skyway, Inc., and while both companies were involved in such proceedings, there were none specific to my roles in the companies to my knowledge.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

6. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion or any other basis? No.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

The CHAIRMAN. Mr. Kaveeshwar, I've got to confess, I've mislaid your background statement. Tell us a little bit about yourself.

**STATEMENT OF DR. ASHOK KAVEESHWAR, NOMINEE TO BE ADMINISTRATOR OF THE RESEARCH AND INNOVATIVE TECHNOLOGY ADMINISTRATION (RITA), DEPARTMENT OF TRANSPORTATION**

Dr. KAVEESHWAR. Thank you, Mr. Chairman.

I think, back in 1961, I left my hometown of Indor, in Central India, after receiving a 1-year scholarship to Fredonia State College in Upstate New York. And I guess I'm here before you today because of the goodwill of a lot of people, but I'd like to mention two—Bob McLaren and Professor Stanley Zarlock, who, in their own ways, helped me in my early times, one, to get me to pursue a Ph.D. in physics, another to tide me over a summertime.

The—other than that background, I did research in theoretical physics. And, following that, I left the academia and entered the private sector. I started as a technical project manager, then grew through a series of positions, and, ultimately, to run the company, as the chief operating officer, and then the company was sold. The company was called SD Systems Corporation. We used to call it SDX. It started as a small business. When I joined, it had about ten people, and I managed half of those; and then it grew to a substantial size, about a thousand people, or so. Our work was with NASA and NOAA and FAA and a lot of different government agencies around town. It was sold to Hughes Aircraft, so I moved over and became a part of a much larger organization, and part of my responsibility and challenge, if you will, was to take a company that was privately held, and become a part of a much larger organization—very large—aerospace and defense corporation. And when the business of Hughes Electronics was sold to Raytheon, I moved over to Raytheon Corporation and managed a large division of Raytheon Corporation.

So, that's been my background, in technical research, as well as technical management and general management.

The CHAIRMAN. Well, that's wonderful. You're to be involved now in an area of transportation that is fairly important to my own state. We have enormous transportation challenges—cold-weather temperatures, distance, the size of our state, so many other things,

pipelines, runways. Will this group now—you are with the Research and Innovative Technology Administration—will that look at ways to mitigate the effects of changing temperatures, new ways to deal with the changes of the climate system?

Dr. KAVEESHWAR. Mr. Chairman, the RITA, as you just stated, is a very new administration. It's—I will be the first administrator, as you mentioned. And I will be—if confirmed, look into that, and—but there will be an involvement from RITA to look at these kinds of problems, yes.

The CHAIRMAN. How many staff do you expect to have there?

Dr. KAVEESHWAR. The way RITA is configured now, we have the Volpe National Transportation System Center, which is in Boston, so—it has a staff of somewhere in the neighborhood of 500 or so. The Bureau of Transportation Statistics would also be part of RITA, because part of the responsibility is to do transportation statistics, and research and reporting. And then, in addition to that, the immediate staff will be—well, there is a university research—what you call technology centers—will also be part of this organization, and the Office of Intermodalism. So, all together there will be about 850 people.

The CHAIRMAN. Sounds like they're mostly East-Coast oriented. Is that right?

Dr. KAVEESHWAR. No, we have some people in Alaska, as well, and we are—I understand that there is some things that we are working on to—with the FAA Administrator—that will get resolved. If I get confirmed, I'll work with your staff.

The CHAIRMAN. Senator Inouye?

Senator INOUE. Thank you, Mr. Chairman.

As you've noted, you'll be the first Administrator of RITA, so you would have a wide latitude in shaping the goals and policy of this new agency within DOT. What are your highest priorities?

Dr. KAVEESHWAR. When I had the conversation with Secretary Mineta, one of his charges in—first when he recommended that the Congress form this agency, and when he—what he told me was that he would like to see this agency coordinate the research that's going—R&D work that's going on across DOT. So, my highest priority is really twofold. One is to identify the challenges that face the—America's transportation system, the identification, itself; and then, second, to coordinate the research that DOT is undertaking. It's in the neighborhood of about a billion dollars a year. And this agency, RITA, is not the one that's going to be doing it. All the modal administrators will be doing—but I would be involved in coordinating that.

Senator INOUE. I had an opportunity to ride on the so-called Bullet train in Japan, and there's a similar one in Beijing. Do you think we'll ever have something like that here in the United States?

Dr. KAVEESHWAR. Senator, that's certainly not speaking as a, if confirmed, Administrator of RITA, but if I have to, as a private citizen, and if I have to guess, I believe we will.

Senator INOUE. Well, there's been no movement, until now.

Dr. KAVEESHWAR. That's correct.

Senator INOUE. But will your RITA participate in developing such a train?

Dr. KAVEESHWAR. One of the other charges that Secretary Mineta has talked to me about, and—when they created the RITA—is that the word “innovative technology,” although this Bullet train you mentioned is not necessarily innovative, in the sense that it is already functioning in a couple of places—but the answer is yes.

Senator INOUE. Mr. Chairman, I’m convinced he’ll make a good administrator.

The CHAIRMAN. Yes, we welcome you, and welcome this new innovative entity in transportation. I was sitting here thinking of a friend of mine, now deceased, who was spending his time trying to figure out how to use helium-filled balloons to lift containers off the ground and propel them, with some sort of an engine, so that they would move throughout the country without being on the roads. Somewhere, there’s an answer to this—to all this congestion that we’ve got.

Dr. KAVEESHWAR. Absolutely.

The CHAIRMAN. So, we look forward to working with you, and welcome you to this entity—this agency.

That will complete our hearing today. We’ll take up these nominations at the next—I think it’s next Thursday.

Thank you very much.

Dr. KAVEESHWAR. Thank you.

[The prepared statement and biographical information of Dr. Kaveeshwar follows:]

PREPARED STATEMENT OF DR. ASHOK KAVEESHWAR, NOMINEE TO BE ADMINISTRATOR OF THE RESEARCH AND INNOVATIVE TECHNOLOGY ADMINISTRATION (RITA), DEPARTMENT OF TRANSPORTATION

Thank you Chairman Stevens, Senator Inouye and other distinguished Members of the Committee.

It is a tremendous honor to have been nominated by President Bush and to appear before you today. If confirmed, I look forward to joining Secretary Mineta and his superb leadership team at the Department of Transportation, and to working closely with you and your staff.

I am very happy that my wife, Tuti, and our son, Jaya, are here with me today, and with your indulgence, I would like to recognize and express my appreciation to them. I know my 93-year old father in India, Gajanan Kaveeshwar, whom we call Bhau, is thrilled beyond imagination. Unfortunately, because of his advanced age and great distance, he cannot join us today. I would also like to recognize my late and beloved mother, Kaki, who passed away recently. In addition, I would like to acknowledge my many other family members and friends, some of whom are here today.

Although there are commonalities in every immigrant’s journey toward the American dream, each path is unique. In 1961, I left my hometown of Indore in central India after receiving a one-year scholarship to Fredonia State College in upstate New York. I’m here before you today, because of the goodwill of people like Bob McLarin, whose family took me in for a summer, and Professor Stanley Zarlock, who took a special interest in me and encouraged me to pursue a Ph.D. in Physics. Bob McLarin, Professor Zarlock, and millions of Americans like them, represent the special character and spirit of this nation that makes the American dream a reality for so many.

Mr. Chairman, Members of the Committee, I come before you today as President Bush’s nominee to be the first Administrator of the Department of Transportation’s Research and Innovative Technology Administration (RITA).

It is a great honor to be asked to serve in this capacity. As envisioned by Secretary Mineta and enacted by Congress through last year’s passage of the Norman Y. Mineta Research and Special Programs Improvement Act, RITA is the Administration primarily dedicated to Research, Development and Technology coordination throughout DOT. Hence, by its very nature, RITA will have a cross-modal focus that will ensure that all RD&T investments are effective and directly tied to DOT’s strategic goals.

RITA's mission is to identify and facilitate solutions to the challenges and opportunities facing America's transportation system.

I believe my background in academic research and in industry make me well suited to carry out the responsibilities of RITA. I began my professional career as a researcher in theoretical physics. In 1974, I left academia to join a small company as a technical project manager and then progressively rose through the ranks and ultimately became the chief operating officer. The company provided research and technology development to a wide range of Federal Government agencies. In 1991, the company was acquired and I successfully managed our transition from an independent company to an integrated member of a large aerospace and defense corporation. This varied background—from technical research to managing a large organization—provides that combination of technical and leadership skills that will allow me to successfully lead RITA and to achieve its goals.

Mr. Chairman, Members of the Committee, if confirmed, I look forward to working with you, others in the Administration, DOT's stakeholders in the private and public sectors, and with RITA's capable and talented staff to fulfill the vision that resulted in the creation of RITA.

Again, I thank you for the opportunity to appear before you today, and I look forward to answering any questions you may have.

#### A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used):

Name: Ashok G. Kaveeshwar.

Former Name: Vishwanath Gajanan Kaveeshwar.

2. Position to which nominated: Administrator of the Research and Innovative Technology Administration, Department of Transportation.

3. Date of Nomination: May 25, 2005.

4. Address (List current place of residence and office addresses):

Residence: Not released to the public.

Office Address: Orange Technologies, Inc., 400 Professional Drive Suite 420, Gaithersburg, MD 20879.

5. Date and Place of Birth: January 8, 1942—Khandwa, M.P., India.

6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).

Spouse: Hariastuti Kaveeshwar

Place of Employment: N/A

Son: Jaya Ashok Kaveeshwar

Age: 30

7. List all college and graduate degrees. Provide year and school attended.

B.S. major in Physics, Holkar College, Indore, M.P. India, 1961.

Ph.D. in Physics, State University of New York at Buffalo, Buffalo, NY, 1968.

8. List all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

Position: Senior Research Fellow.

Location: SUNY at Buffalo, Buffalo, New York.

Period: 1968–1973.

Responsibilities: Research in theoretical atomic physics, under grants from the Atomic Energy Commission and its successor agencies.

Position: Executive Vice President and Chief Operations Officer.

Company: ST Systems Corporation (STX), Lanham, MD.

Period: 1974–1991.

Responsibilities: Started in 1974 as a technical project manager, then progressively moved to a series of technical and management positions, including: Program Manager, Division Manager, and Vice President. Eventually became the Executive Vice President and Chief Operating Officer of the company in 1984. The corporation provided research and engineering support to a wide range of Federal Government agencies. Major customers included NASA, NOAA, FAA, EPA, DoD. Major projects included Oceanic Air Traffic Control Systems, VHF Direction Finder Systems, Information Technology, Remote Sensing, and Global Climate Data Set Development.

Position: President.

Company: Hughes STX Corporation, subsidiary of Hughes Electronics Corporation.

Period: 1991–1998.

Responsibilities: Hughes acquired STX in September of 1991. Successfully transitioned the company from a small company culture to be a part of a very large Aerospace and Defense Corporation. Revenue growth was from \$70 million in 1991 to over \$150 million in 1997. The major focus of the organization continued along the same lines as that of STX.

Position: Senior Vice President.

Company: Raytheon Technical Services Company.

Period: 1998–2002.

Responsibilities: Raytheon acquired the Defense business of Hughes Electronics in 1998. Appointed as the Senior Vice President and Division Manager of Scientific and Technical Services Division in 1998. Managed over \$450M in revenue and over 4,000 employees scattered around the world including the Antarctic continent. Supported major research and technology programs for FAA, NASA, NOAA, NSF, and DoD.

Position: Chief Operating Officer.

Company: Orange Technologies, Inc.

Period: 2002–present.

Responsibilities: Orange Technologies provides technical training and Information Technology services to various federal and commercial industries. In addition, Orange Technologies, through its CADPIPE software, is a world leader in 3D modeling for industrial and commercial markets. Responsible for all aspects of running Orange Technologies and positioning the company for future growth.

9. List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, other than those listed above, within the last five years: None.

10. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational or other institution within the last five years.

Position: Senior Vice President.

Company: Raytheon Technical Services Company, Reston, VA.

Period: 1998–2002.

Position: Chief Operating Officer.

Company: Orange Technologies, Inc., Gaithersburg, MD.

Period: 2002–present.

Position: Director.

Organization: Wolf Trap Foundation.

Period: 1999–2005.

Position: Vice Chairman.

Organization: Wolf Trap Foundation.

Period: 2003–2004.

Position: Chairman, Dean's Advisory Council.

Organization: College of Arts & Sciences, University at Buffalo.

Period: 1992–2004.

Position: Trustee.

Organization: UB Foundation.

Period: 2005–present.

Position: Member, Advisory Council.

Organization: Northern Virginia Campus, GW University.

Period: 1999–2002.

11. Please list each membership you have had during the past ten years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age or handicap.

Wolf Trap Foundation, Vienna, VA

Donor.

Congressional Country Club, Bethesda, Maryland

1997–present, Member.

Marathi Kala Manlal, Maryland  
 1976–present, Member.  
 Cato Institute  
 Donor.  
 American Meteorological Society  
 1990–2003, Member.  
 National Space Club  
 1980–2002, Corporate Member.  
 Mercatus Center, George Mason University  
 Donor.

12. Have you ever been a candidate for public office? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No.

13. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years.

2/29/96 (\$1,000.00) Hughes Electronics Corporation Active Citizenship Fund.  
 8/8/96 (\$1,000.00) Friends of Larry Pressler.  
 6/12/98 (\$250.00) Tom Davis for Congress.  
 8/5/98 (\$500.00) Raytheon Company PAC.  
 10/19/00 (\$500.00) RNC.  
 10/29/99 (\$750.00) Raytheon Company PAC.  
 5/20/99 (\$250.00) Tom Davis for Congress.  
 10/7/00 (\$1,000.00) Lazio 2000, Inc.  
 3/16/00 (\$500.00) Friends of George Allen.  
 10/21/00 (\$500.00) Friends of George Allen.  
 6/2/01 (\$500.00) RNC.  
 4/17/02 (\$500.00) RNC.  
 11/10/02 (\$1,000.00) USINPAC.  
 1/22/03 (\$500.00) RNC.  
 2/25/04 (\$1,000.00) RNC.  
 8/31/04 (\$2,000.00) Bush/Cheney Reelection Committee.  
 4/27/05 (\$1,000.00) RNC.

14. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognition for outstanding service or achievements.

Full Scholarship to attend Fredonia State College, Fredonia, NY for one year in 1961–1962.

Research Fellowship for graduate work in physics at the State University of New York at Buffalo, 1962–1968.

Distinguished Alumni Award from College of Arts & Sciences, University at Buffalo, Buffalo, NY, in 2005.

15. Please list each book, article, column, or publication you have authored, individually or with others, and any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

1. “Fully Coupled Hartree-Fock Calculations of the Refractive Index, Dynamic Polarizability, and Verdet Coefficients of Helium, Beryllium and Neon” V.G. Kaveeshwar, Kwong T. Chung, R.P. Hurst, Phys. Rev. Vol. 172,35 (1968).

2. “Frequency-dependent dipole shielding factors” V.G. Kaveeshwar, A. Dalgarno, and R.P. Hurst, J. Phys.B (atom.Molec.Phys) Vol. 2 (1969).

3. “Dynamic Polarizabilities, Refractive Index, Verdet Coefficients, and Shielding Factors of Closed-Shell Atoms and Ions” V.G. Kaveeshwar, Ph.D. Dissertation, SUNY at Buffalo (1969).

4. “Hartree-Fock Theory of Third-Harmonic and Intensity Dependent Refractive-Index”, R. Klingbeil, V.G. Kaveeshwar, and R.P. Hurst, Phys. Rev. A Vol. 4 (1971).

5. “Third Harmonic Coefficient of Li<sup>+</sup>”, R. Klingbeil, V.G. Kaveeshwar, and R.P. Hurst, Phys. Rev. A Vol. 9 (1974).

6. “Frequency-dependent electric dipole properties of Magnesium”, R. Klingbeil, V.G. Kaveeshwar, J. Chem. Phys., Vol. 62 (1975).

7. Linear time-dependent electric dipole properties of Argon”, V.G. Kaveeshwar, R. Klinbeil, and R.P. Hurst, Phys. Rev. 14,882 (1976).

8. “Total Ozone Determination from the Backscattered Ultraviolet (BUV) Experiment”, K.F. Klenk, P.K. Bhartia, A.J. Fleig, V.G. Kaveeshwar, R.D. McPeters, and P.M. Smith, Journal of Applied Meteorology, Vol. 21, No. 11 (1982).

9. “Passionate Advocate . . .”, Blair Boone, UB to-day, Spring/Summer 2002, A Publication of the UB Alumni Association.

16. Please identify each instance in which you have testified orally or in writing before Congress in a non-governmental capacity and specify the subject matter of each testimony: N/A.

#### B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers.

I continue to receive compensation from various Raytheon programs, including the Deferred Compensation Program, Excess Savings Program, Qualified Pension, and a Non-Qualified Pension.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation or practice with any business, association or other organization during your appointment? No.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

Please refer to General Counsel’s Opinion Letter.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated: None.

5. Describe any activity during the past 5 years in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy: None.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

In case of potential conflict, I will recuse myself from the matter at hand and complete the necessary paperwork to document such recusal.

#### C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? No.

2. Have you ever been investigated, arrested, charged, or held by any federal, state, or other law enforcement authority of any federal, state, county, or municipal entity, other than for a minor traffic offense? No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? None.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

6. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion or any other basis? No.

#### D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

[Whereupon, at 3:50 p.m., the hearing was adjourned.]

## A P P E N D I X

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. DANIEL K. INOUE TO  
EDMUND S. "KIP" HAWLEY

*Question 1.* Many on the Committee believe that TSA must do a better job of deploying new technologies at airports. TSA has certified Next-Generation EDS technology that is far smaller and less expensive than the current generation of screening systems. And I am told a significant number of airports have asked that TSA provide them with these Next-Generation EDS systems because for their situation they would: (1) enhance security, (2) are less costly to operate, and (3) do not require the costly construction of baggage systems. This seems like a win/win situation since some airports want Next-Generation EDS, and their deployment will save taxpayer dollars. Will you commit to move quickly to follow Congress's direction and expeditiously deploy these Next Generation systems?

Answer. If confirmed, I will be forward leaning in exploring the best ways to maximize checked baggage screening effectiveness and throughput. TSA will continue to devote the necessary resources to ensure there is 100 percent checked baggage screening at all of the nation's commercial airports and exploring the universe of emerging technologies.

It is my understanding that TSA's next generation research and development efforts have yielded two new products during FY 2005. The Reveal CT-80 is the first new product and is a smaller less expensive EDS unit, which may be an appropriate solution for airports that have been reliant on explosives detection trace (ETD) units exclusively. The use of EDS, rather than ETD, increases efficiency and streamlines the processing of bags. During the ongoing pilot tests, TSA will be able to determine the level of staffing that will be required to support operation of the EDS versus what is currently required to support other technology. The other product that has been certified is the Analogic 6400, which is an upgrade kit for the L-3 eXaminer 6000 EDS unit, of which TSA has over 600 currently deployed. This system upgrade will incrementally increase the baggage throughput capacity for the L-3 6000 and provide improved image resolution tools, resulting in fewer bags requiring secondary screening.

*Question 2.* Of the projects TSA is running, the TWIC project has been a cause of concern. TSA awarded the prototype contract last August for \$12 million and announced that TSA would issue 150,000 TWIC cards at 40 sites across the country over a 7-month period concluding in March 2005. It is now June; CQ reported on April 21, that the contract had more than doubled in size to \$24.4 million; and other news reports indicate that only a couple thousand TWIC cards have been issued and at less than half the sites anticipated. How is it that the prototype contract has managed to double in size while delivering so much less, 1/100th, than originally promised?

Answer. I share your concerns regarding the TWIC program. It is my understanding that additional costs you cited were attributable to new requirements that emerged after the contract award. Specifically, TSA re-evaluated the requirements and re-aligned them after the release of Homeland Security Presidential Directive-12 (HSPD-12) a new government directive regarding credentials which was released on August 27, 2004—two weeks after the Prototype Phase contract was awarded. Changes included procurement of standards-based biometric readers, obtaining card production and system hosting services (previously planned to be government-furnished), and extending the contract's period of performance to ensure continuity of operations for stakeholders involved in the prototype phase. As a result of these scope changes, the contract baseline was revised to reflect the updated cost estimates and period of performance.

Despite the low number of enrollees, TSA believes that the TWIC prototype successfully met its objectives. Given that participation in the prototype phase was largely voluntary, it was difficult to predict how many individuals would enroll. However, TSA was appreciative of those who willingly participated. As a result of

their volunteer participation, the transportation industry and TSA learned valuable lessons that will help guide the program's future as implementation moves forward.

*Question 2a.* What is TSA doing to get the project on a more solid footing?

Answer. It is my understanding that TSA is currently analyzing the results of the prototype phase which ended on June 30, 2005, and will be making recommendations to DHS with respect to implementation.

I understand there are policy decisions that need to be made before TSA can move the TWIC Program into an implementation phase. These decisions include an appropriate cost (fee) for the credential and background checks, the immediate scope of the program, and the procedures for enrollment and card issuance.

If confirmed, I will make it a top priority to engage the Department in the issues and move the program forward.

*Question 3.* The TWIC Prototype Project was awarded August 10, 2004, and was supposed to run for a 7-month period ending March 10, 2005. Because of delays in the program, TSA announced in March that a 3-month extension was granted for it, which means that it should have wrapped up last Friday, June 10. Has the prototype concluded and what has TSA accomplished with it?

Answer. It is my understanding that TSA is currently analyzing the results of the prototype phase which ended on June 30, 2005, and will be making recommendations to DHS with respect to implementation.

*Question 3a.* What are TSA's plans for procurement of the next phase of the TWIC?

Answer. It is my understanding that TSA anticipates procurement for the next phase of the TWIC to be based on full and open competition, subject to Department approval.

*Question 4.* Regarding the troubles with the TWIC program, it was very disturbing to read in the May 23, 2005 issue of Washington Technology. They reported the contract for TWIC has doubled in size; it is behind schedule; and it has failed to deliver more than a couple thousand of the 150,000 cards that were supposed to be issued. Specifically, the story quoted TSA as saying that the main reason for the delays and cost overruns was that "TSA officials had modified the TWIC schedule to take into account biometric standards mandated by Homeland Security Presidential Directive-12 (HSPD-12), which came in late August 2004, days after DHS awarded the TWIC contract to BearingPoint." This statement is puzzling on a number of fronts: HSPD-12 establishes a Policy for Common Identification Standard for Federal Employees and Federal Contractors. That's it. No commercial truck drivers, no port workers, no airport baggage handlers and no rail yard workers. But it is this later group that is to be issued TWIC cards. So why is it that more than 3 years after September 11, the TSA would delay a major project because of a new directive that does not even apply to the TWIC program?

Answer. I share your concerns regarding the TWIC program and, if confirmed, will make it a priority to move the program forward. It is my understanding that while HSPD-12 is not specifically directed at the TWIC program, TSA believed it would be short-sighted to ignore this directive and new government-wide requirements regarding credentials.

*Question 5.* There are no biometric standards, which exist today as a result of HSPD-12. NIST has released a draft standards document (NIST SP 800-76) which proposes what biometrics would be used for cards issued to Federal Employees and Contractors, however, both NIST and industry have agreed that there are numerous problems with the draft, and a large portion of the draft is certain to change by the time that these problems are resolved. With no usable biometrics standard that has yet emerged from HSPD-12, what standard is TSA building the program to?

Answer. It is my understanding that the TWIC program is based on the newly released biometric standards issued by the American National Standards Institute (ANSI)/International Committee for Information Technology Standards (INCITS), including standards for finger prints, iris, face recognition and other biometric interoperability standards.

*Question 6.* CQ reported on April 21, that BearingPoint was not just hired to build the TWIC system for TSA, it was also hired under a completely separate contract to also help manage the program for TSA. Moreover, as part of these management responsibilities, BearingPoint actually was hired to write large portions of the RFP for the TWIC procurement and determine many of the TWIC's technical requirements. According to the CQ article, BearingPoint's project management responsibilities are "to determine if the project is on schedule, within budget, proceeding in conformance with approved plans and specifications, and is being implemented efficiently and effectively." In other words, they've been hired to evaluate the perform-

ance of another team of staff from their own company. Is TSA concerned that with such a tight system of checks and balances within the TWIC program that the contract has ballooned to more than twice its awarded size and still is under-delivered?

Answer. It is my understanding that BearingPoint submitted an Organization Conflict of Interest (OCI) Mitigation Plan containing measures and procedures to prevent a conflict of interest in performing both Prototype and Project Management Office support work related to the same project. This plan was accepted by TSA and subsequently reviewed by the Federal Aviation Administration's Office of Dispute Resolution for Acquisition (ODRA), which found it acceptable and reasonable. TSA monitors compliance with the OCI Mitigation Plan on an ongoing basis.

*Question 6a.* Is TSA taking any steps to avoid potential conflicts of interest on contracting issues in the future?

Answer. It is my understanding that through the acquisition planning process, as required by the TSA Acquisition Planning Guide, potential OCI issues are addressed to ensure conflicts of interests are appropriately avoided or mitigated. In several cases, TSA has proactively taken steps to address similar issues by revising acquisition strategies to avoid OCIs. In these cases, the contractors have been issued letters notifying them that they cannot provide program management support and implementation services. Further, TSA solicitations include OCI provisions which require the contractors to identify potential OCIs and to recommend a mitigation plan.

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RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BARBARA BOXER TO  
EDMUND S. "KIP" HAWLEY

*Question 1.* It has been almost 4 years since the 9/11 terrorist attacks, and over a year has gone by since terrorists exploded bombs aboard commuter trains in Madrid. Assuming you are confirmed to be the next TSA Administrator, what specific steps will you do to ensure that all modes of transportation, transit, rail, maritime, and aviation are secure?

Answer. The diversity and expansiveness of the transportation system presents inherent security challenges. Each of the major transportation modes has unique characteristics, operating models, responsibilities and stakeholders. The transportation modes also differ with respect to the level of Federal involvement. Traditionally, the Federal Government has been much more actively engaged in the security aspects of the aviation and maritime modes of transportation. The government has played a more limited role in surface transportation security due to the extent of state and local government, and private sector ownership, and the general openness and breadth of these systems.

For this reason, the Federal Government must focus resources on the basis of consequence, threat and vulnerability assessments, and the prioritization of risks. This concept is the foundation of a risk-based, threat-managed methodology which allows the Federal Government to implement appropriate layers of security across all modes

Under DHS leadership, TSA is responsible for (1) assessing risk to the system across a changing array of threats, (2) sharing threat and risk information with transportation partners and stakeholders (public and private), (3) establishing consistent national transportation security standards across all modes, (4) verifying compliance with those standards, and (5) in the event of a transportation security incident, ensuring rapid restoration of service and public confidence.

The success of transportation security rests on the close partnership between DHS and transportation stakeholders. While clearly private investment in security is expected, the threat-based risk-managed approach, complemented by performance based standards—which permits achievement of security standards within an owner's business model—coupled with appropriate security grants, mitigates the national cost borne by the private stakeholders.

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RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. FRANK R. LAUTENBERG TO  
EDMUND S. "KIP" HAWLEY

*Question 1.* President Bush refuses to budget any funding for new EDS equipment, so only nine airports of the 430 will get newer, faster equipment. He also claims that wait lines and security levels will be no worse in 2006. As head of TSA, how will you guarantee this?

Answer. I firmly believe that the Transportation Security Administration (TSA) should continue to devote the necessary resources to ensure there is 100 percent checked baggage screening at all of the nation's commercial airports, and this will

continue whether the equipment configuration is stand-alone or in-line. While as a general rule in-line systems are more efficient than other kinds of explosives detection systems, it is not appropriate for the configuration at every airport. While there are certain security benefits that come from the use of in-line systems, airports without such systems are not vulnerable. Each airport has its own TSA-approved Airport Security Plan (ASP) designed to meet its individual needs.

However, in-line explosives detection systems (EDS) are deployed as a cost effective screening process at many of the higher volume airports. TSA is developing criteria that will result in a comprehensive review in which TSA will identify the universe of airports that may benefit from an in-line EDS system or other physical modification, as well as identify project costs and savings that could be achieved through minimizing staffing requirements and maximizing technology capabilities.

TSA is also operationally testing a newly certified EDS unit—the Reveal CT-80—that should provide TSA with an alternative to in-line systems for some airports. This new unit is much smaller and will be less expensive than the current EDS units. At certain airports, the Reveal CT-80 may be appropriate to install as stand alone units within and/or immediately behind airline ticket counters, which will necessitate lobby modifications rather than behind-the-scenes conveyor system modifications. TSA does not anticipate that this new unit will be a viable solution for all airports due to throughput capabilities; however, it will provide an alternative for consideration in future planning.

TSA's Fiscal Year 2005 budget for EDS installation is \$473 million, and is being allocated in the following categories:

- Support for the current Letters of Intent (LOIs)—\$310 million
- Funding for support services contracts—\$52.64 million
- Funding for large hub airports—\$66.61 million
- Funding for medium hub airports—\$25 million
- Funding for small and non-hub airports—\$18.75 million

\*Funding for equipment purchase is a separate budget item, and it is funded at \$180 million for FY 2005.

The President's Fiscal Year 2006 budget request includes \$394 million for EDS deployment. Of this amount, \$260.5 million is dedicated to supporting the eight existing Letters of Intent (LOI) airports. Of the \$260.5 million, \$240.5 million is for direct reimbursements to airports and \$20 million is for equipment and installation. Additionally, the request includes \$134 million to purchase and install Explosives Detection Systems and Electronic Trace Detection equipment at non-LOI airports.

If confirmed, I will make it a priority to ensure that the technology necessary to ensure security at our nation's airports is deployed using available resources. I would also continue TSA's work on ensuring that the traveling public is not overburdened with lengthy wait times without compromising security. Airports would continue to collect and report wait time data, to allow TSA to monitor the customer experience and to assist TSA in making improvements to checkpoint configurations and appropriate staffing levels. Wait times, which on average were already low, have decreased since collection began in earnest in January of 2004. When wait times during 2004 and 2005 are compared monthly, they are found to be lower for 2005 than the previous year. These decreases are especially dramatic considering the increase in passenger throughput from 2004 to 2005.

- The national average wait time for 2005 has decreased by nearly 10 percent or half a minute since 2004.
- The national average peak wait time for 2005 has decreased by almost 15 percent or more than one and a half minutes since 2004.
- Passenger throughput during 2005 has increased nearly 7 percent compared to 2004.

In addition, it is important to note that TSA found in its annual customer service survey that between 80 and 95 percent of passengers gave positive responses when asked about seven aspects of the federal security screening process, which included thoroughness and courtesy of screeners as well as confidence in TSA's ability to keep air travel secure. In addition, the survey found the TSA is meeting or exceeding passenger expectations for security line wait times.

*Question 2.* The President asked for \$8 million for rail security next year. With such a small amount of money, how do you expect to safeguard our nation's rail systems after terrorist acts like the Madrid bombings or the attack in Russia on Sunday?

Answer. If confirmed, I will re-evaluate budget priorities in light of the recent attacks in London. As you know, the threat level was raised from Code Yellow—or

Elevated—to Code Orange—or High—targeted only to the mass transit portion of the transportation sector. This includes regional and inter-city passenger rail, subways and metropolitan bus systems. Ensuring that our nation's transportation systems are secure must be accomplished through effective partnering between appropriate federal, state, local and private industry entities. And of course, DHS is charged with responsibility for working to protect all modes of transportation, but it has consistently held that this responsibility must be shared with federal, state, local and private industry partners, many of whom were already in the business of providing security for their particular piece of the transportation puzzle.

TSA, in support of the DHS Office of State and Local Government Coordination and Preparedness (SLGCP), has provided transportation security subject matter expertise in support of the UASI and other competitive grant programs SLGCP administers for security in surface modes of transportation including ports, trucks, busses, rail (freight and passenger), and mass transit. The President's FY 2006 budget for the Department would also establish a consolidated Targeted Infrastructure Protection Program (TIPP), funded at \$600 million, for an integrated, discretionary grant program to better supplement state, local, and private sector infrastructure protection efforts based on threat, vulnerability, and criticality. TIPP will allow greater flexibility to the Secretary to allocate funds according to the greatest risk so that we may best enhance the ability of the owners and operators of key transit systems and port assets to prevent and respond to transportation security incidents. Since FY02, DHS has awarded close to a billion dollars in grants for these modes—\$315M in FY05 alone.

In addition to TIPP, the President's FY 2006 budget recognizes the need for resources in this sector by providing public transportation grants, outside of Urban Area Security Initiative (UASI) grants, which cover such programs as rail/mass transit inspectors, use of canine explosive detection teams in mass transit, intercity bus security improvements, hazardous materials truck tracking, and Highway Watch, among others. If confirmed, I will be an active participant, among many in the Administration, in seeking to optimize the use of federal resources to the highest risks and security needs.

*Question 3.* Only 5 percent of the 9 million ocean shipping containers that come into our country are actually inspected at ports. What will you do to fix this lax security at our ports?

Answer. The Department of Homeland Security (DHS) was certainly established to coordinate all of the efforts of various agencies in securing our homeland. In fulfilling this mission, it builds on the strengths and expertise of all of the agencies that work with each mode of transportation.

The U.S. Coast Guard (USCG), of course, is the lead agency for maritime security issues due to its decades of experience and powerful assets focused on securing the maritime domain. Within this framework, the Transportation Security Administration (TSA) supports the USCG in the execution of certain responsibilities where leveraging of TSA's expertise may be appropriate, including the development of maritime passenger screening standards and transportation worker credentials.

U.S. Customs and Border Protection (CBP) is the lead entity within DHS for execution of cargo container security inspections in the international shipping environment. However, recognizing the intermodal nature of cargo shipments, the Border and Transportation Security (BTS) Directorate has been delegated authority and responsibility for developing a secure system of transportation for intermodal cargo shipments and container security performance standards.

BTS is supported by both CBP and TSA in the execution of these responsibilities. If confirmed, I will certainly encourage TSA to continue to play a pivotal role in this area.

I understand TSA has collaborated with U.S. CBP and USCG to conduct a program analysis of all current cargo security programs in all modes both domestically and internationally under the leadership of BTS. The goal of this analysis was to investigate the various cargo security programs within DHS and to measure their effectiveness.

Another example of interagency cooperation is Operation Safe Commerce. Operation Safe Commerce is an interagency program that tracks cargo from its international point of origin to its final domestic point of destination through multiple modes of transportation. TSA, CBP, and the Department of Transportation (DOT) acted as co-chairs of the program with TSA serving as the National Coordinator. Further representatives from USCG, the Department of Defense, the Department of State, and the Department of Commerce are also represented on the program's Executive Steering Committee.

Additionally, TSA and USCG has assisted the Department's Office of State and Local Government Coordination (SLGCP) in evaluating grant applications for the

disbursement of port security funds appropriated by Congress. TSA has provided transportation security subject matter expertise in support of the Urban Area Security Initiative (UASI) and other competitive grant programs SLGCP administers for security in surface modes of transportation including ports, trucks, busses, rail (freight and passenger), and mass transit. Since Fiscal Year 2002, DHS has awarded close to a billion dollars in grants for these modes—\$315M in FY05 alone. With certain limitations, some of these grant funds have been used for capital security improvements by the recipients.

It is my understanding that the President's FY 2006 budget for the Department would establish a consolidated Targeted Infrastructure Protection Program (TIPP), to be administered by SLGCP, which will allow greater flexibility to the Secretary to allocate funds according to the greatest risk so that we may best enhance the ability of the owners and operators of key transit systems and port assets to prevent and respond to transportation security incidents.

TIPP would consolidate grants to protect critical national infrastructures such as seaports, mass transit, railways, and energy facilities into a single, comprehensive program based on need, risk, and consistency with national priorities. The Transportation Security Administration (TSA) is supportive of this consolidation and believes that such prioritization will ensure that redundancies are minimized and that funds are directed to the best use. TSA staff will continue to provide SLGCP with subject matter expertise for transportation security.

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AIR CARRIER ASSOCIATION OF AMERICA  
Washington, DC, June 14, 2005

Hon. TED STEVENS,  
Chairman,  
Senate Committee on Commerce, Science and Transportation,  
Washington, DC.

Dear Mr. Chairman:

On behalf of the members of the Air Carrier Association of America and the communities we serve, we fully support the nomination of Edmund S. Hawley to be Assistant Secretary of Homeland Security (TSA). Although the Transportation Security Administration and the Department of Homeland Security have made important adjustments to the nation's security program, they still face enormous challenges. We recognize that more needs to be accomplished. For this reason, it is important to have someone in the Assistant Secretary position who is familiar with aviation and how best to accomplish government objectives. We believe that Mr. Hawley is that person since, as a member of the Federal Aviation Administration Air Traffic Services Committee, he is familiar with the nation's airline system. He has also worked to create unique industry/government partnerships which would be important as we address all security issues.

The continued enhancement of airport security is particularly important for low-fare carriers and smaller markets. As these carriers expand, local job growth and economic development will increase.

For all of these reasons, we fully support Mr. Hawley's nomination to be Assistant Secretary of Homeland Security.

Sincerely,

EDWARD P. FABERMAN,  
*Executive Director.*

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NATIONAL BUSINESS AVIATION ASSOCIATION, INC.  
Washington, DC, June 14, 2005

Hon. TED STEVENS,  
Chairman,  
Senate Committee on Commerce, Science and Transportation,  
Washington, DC.

Dear Senator Stevens:

On behalf of the National Business Aviation Association (NBAA), I would like to express our strong support for the confirmation of Edmund S. "Kip" Hawley to the position of Assistant Secretary of Homeland Security at the Transportation Security Administration.

Mr. Hawley's government and private sector experience uniquely qualifies him for this demanding and vital national Homeland Security position. I have had the

pleasure to work closely with Mr. Hawley during the days and months following the tragic events of 9/11 as he worked diligently at the Department of Transportation with Congress and industry to “stand-up” the Transportation Security Administration (TSA).

His strong organizational skills and depth of experience with transportation issues will provide the Transportation Security Administration (TSA) with strong and capable leadership. NBAA strongly supports his confirmation and urges the Committee to act favorably on his nomination.

Sincerely,

ED BOLEN,  
*President and CEO.*

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NATIONAL AIR CARRIER ASSOCIATION, INC.  
*Arlington, VA, June 17, 2005*

Hon. TED STEVENS,  
Chairman,  
Hon. DANIEL K. INOUE,  
Ranking Member,  
Senate Committee on Commerce, Science and Transportation,  
Washington, DC.

Dear Chairman Stevens and Ranking Member Inouye:

On behalf of the National Air Carrier Association (NACA) and its 17 member airlines, we wish to convey to you our full support for the President’s nomination of Mr. Edmund “Kip” Hawley to be Assistant Secretary of Homeland Security for the Transportation Security Administration (TSA).

Mr. Hawley has previously demonstrated in both government and in the private sector that he has outstanding leadership skills. The Nation cannot afford to leave this office vacant for long, and Kip Hawley is the right man for the job. We respectfully request that you schedule a full Committee vote on his nomination as soon as possible, so that the Senate may schedule a vote and promptly confirm him to this critical post.

Your service to the Nation on this important issue is greatly appreciated.

Sincerely,

RONALD N. PRIDDY,  
*President.*

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PREPARED STATEMENT OF THE AIRFORWARDERS ASSOCIATION

The Department of Homeland Security and the agencies under its umbrella are entering a critical stage as the department continues to refine its role and oversight in securing America against attack. The Transportation Security Administration continues to evolve in its mission to ensure the highest level of safety in all modes of transportation, with particular attention to aviation security. Regardless of what the future holds for TSA, we believe that the nomination and confirmation of Edmund Hawley will have a positive impact on the agency in this important redefinition phase. The Airforwarders Association, the industry voice for air cargo companies and their partners, has established a close working relationship with the Department of Homeland Security (DHS) and Transportation Security Administration (TSA) and looks forward to continuing that relationship with Mr. Hawley as Assistant Secretary.

Mr. Hawley has a strong background in transportation issues, particularly with regards to supply chain management and technological solutions to security issues. As the next Assistant Secretary of the Transportation Security Administration, he will be faced with decisions that will have a substantial impact on the nation’s supply chain, which is in many ways America’s economic lifeline. His experience will certainly aid him in pursuing security solutions without compromising economic vitality. His work both with the Federal Aviation Administration and as Vice President of Union Pacific Railroad’s Transport Services division are equally important in the quest to make all modes of transportation secure.

His management skills, particularly in this regard, will be crucial to guiding TSA in this transitional period. In addition to his work with TSA, his experience with the Department of Transportation under President Reagan aids in his ability to understand and manipulate interagency politics. This communication experience com-

bined with his technological background make Mr. Hawley particularly suited for TSA's "high tech makeover" as Rep. John Mica (R-FL) stated.

Mr. Hawley has been involved with the Transportation Security Administration since its inception, where he was responsible for forming and overseeing private sector executives that helped the fledgling agency create its duties and meet deadlines. The early efficiency of the TSA has been credited to much of the collaborative work taken on by Mr. Hawley. We believe part of what has made the reforms implemented by the agency successful to date has been the willingness to reach out to affected industries by establishing working groups, discussions and seminars. Initiating a dialogue with industry has eased the burden of new and expansive regulations for many businesses that saw their concerns and questions addressed.

Without TSA's commitment to incorporate industry concerns into crafting regulations, many businesses could have been severely crippled or even eliminated during the wave of regulations in 2001 and early 2002. The Airforwarders Association has been honored to participate in a number of these working groups, both prior to and after the inception of DHS and TSA. We have long been a part of the Aviation Security Advisory Committee, which recently produced more than 40 recommendations for improving air cargo security, many which were included in the newly proposed TSA rules.

The air cargo industry is a \$17 billion dollar industry that directly employs thousands of Americans in both small businesses and internationally recognized companies. A healthy air cargo industry ensures financial benefits to the economy as a whole, providing revenue for airlines, as well as cost-effective services to companies that depend on the rapid transport of their goods across the nation. Just as its health boosts other industries, impediments to the health of air cargo have financial ripple effects felt across most, if not all, economic sectors.

Security is among the most vital components of our industry's health. No one is more committed to aviation security than the Airforwarders Association and its members. The business of airforwarding is built around a guarantee to provide safe transportation of goods in a timely manner. Without a high priority on security, our ability to execute those goals is compromised, harming both our customers and our businesses. This constant reminder of the high-risk environment in which we operate has taught us how to identify potential dangers and solutions to prevent these problems from occurring.

Our relationship with TSA and DHS has shown us firsthand the value of a collaborative, good faith atmosphere for strengthening air cargo security. Stricter regulations on "known shipper" and increased oversight and inspection of cargo facilities have imposed burdens on the air cargo industry but were crafted in such a way to include the concerns of airforwarders, creating realistic and effective regulations. By continuing outreach efforts and a balanced regulatory approach, we are confident Mr. Hawley will help advance both air cargo security as well as the economic security of one of America's most critical industries.

