

**EXAMINING THE PRESIDENT'S FISCAL YEAR 2019
BUDGET REQUEST FOR THE TRANSPORTATION
SECURITY ADMINISTRATION**

HEARING

BEFORE THE

**SUBCOMMITTEE ON
TRANSPORTATION AND
PROTECTIVE SECURITY**

OF THE

**COMMITTEE ON HOMELAND SECURITY
HOUSE OF REPRESENTATIVES**

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EXAMINING THE PRESIDENT'S FISCAL YEAR 2019 BUDGET REQUEST FOR THE TRANS- PORTATION SECURITY ADMINISTRATION

Thursday, April 12, 2018

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON TRANSPORTATION
AND PROTECTIVE SECURITY,
COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:04 p.m., in room HVC-210, Capitol Visitor Center, Hon. John Katko (Chairman of the subcommittee) presiding.

Present: Representatives Katko, Rogers, Higgins, Fitzpatrick, Estes, Watson Coleman, Keating, and Payne.

Also present: Representatives Thompson and Demings.

Mr. KATKO. The Committee on Homeland Security, Subcommittee on Transportation and Protective Security will come to order. The subcommittee is meeting today to examine TSA's fiscal year 2019 budget request. I now recognize myself for an opening statement.

The Transportation Security Administration remains one of the most crucial components to securing the homeland against new and evolving threats to the traveling public and our way of life. That is why it is incumbent upon this committee, subcommittee to take a serious look at the recently submitted fiscal year 2019 budget request to Congress, by which we are provided the opportunity to understand the administration's priorities as they relate to transportation security.

This year's budget request stands at \$7.7 billion for fiscal year 2019, which is a \$143.8 million increase from last year's request and approximately \$500 million higher than currently enacted funding levels. I believe that this budget supports TSA's central mission of protecting the Nation's transportation systems, and I am pleased to see the administration better allocating resources based on risks and current threats than prior years.

Under the leadership of Administrator Pekoske, it has become clear that TSA continues to move in the right direction by working to raise aviation security standards around the world and recognizing we are only as secure as our weakest link. At a time when threats to aviation remain troublingly persistent, I am pleased to see Administrator Pekoske taking necessary steps to improve TSA programs, processes, and technologies.

However, I do have a number of concerns with some of the proposed budgetary numbers in this year's request. For instance, the request for funding to secure 145 computed tomography systems seems woefully short of what is needed to adequately deploy this advanced technology to airport checkpoints, while I should note that there is about over 2,500 actual machines that need to be replaced Nation-wide, so 145 just seems like too much of a drop in the bucket. While I am pleased that recently-enacted appropriations for 2018 provided additional resources for CT deployment, I intend to continue pressing this issue for fiscal year 2019.

Additionally, continuing on the theme from last year's budget request, the administration is proposing further cuts to its law enforcement officer reimbursement program. This program provides critical funding to State and local law enforcement entities charged with ensuring the safety and security of America's airports, including TSA personnel. At a time when public area security remains a top concern, I find this proposal to be insufficient.

Last, TSA's proposed cuts to its Surface Transportation Security Program come just after the 2017 attempted suicide attack at New York City's Port Authority bus terminal, where bus and mass transit commuters were targeted. While I agree that TSA has consistently been unable to demonstrate the security effectiveness of the agency's VIPR teams or surface inspectors, I believe the agency should work to ensure sufficient resources and support for surface transportation in other ways.

Simply put, combining these cuts with additional cuts to the Transportation Security Grant Program elsewhere in the Department of Homeland Security's budget request seems out of step with the vulnerability of surface transportation systems. That is why the House recently passed a number of committee bills aimed at ensuring TSA prioritizes surface transportation.

Despite these challenges, I believe that in general TSA is making great strides to improved risk-based security and is better reflecting risk in the budget than in prior years. I hope that TSA will continue working to be even more responsive to changing threats and that Administrator Pekoske will continue to set a tone that encourages regular engagement with stakeholders and empowers front-line personnel.

Administrator Pekoske, you have a lot of work cut out for you, as you well know, and I hope you will use your position to root out problems at TSA, whether they be programs, processes, or personnel, and having met you a number of times on these issues I am confident that this will be the case. I am also hopeful that the Senate gets off their butt at some point and passes a bill which allows for a 5-year term for a TSA administrator.

Moreover, I intend to utilize this subcommittee to ensure robust oversight of TSA's programs and promote policies that will enhance the security of the traveling public and give them confidence in the homeland security enterprise. I thank the administration for appearing before the subcommittee today, as well as our second panel, and I look forward to hearing the testimony of all of you.

[The statement of Chairman Katko follows:]

STATEMENT OF CHAIRMAN JOHN KATKO

APRIL 12, 2018

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I believe that this budget supports TSA's central mission of protecting the Nation's transportation systems, and I am pleased to see the administration better allocating resources based on risks and current threats than prior years.

Under the leadership of Administrator Pekoske, it has become clear that TSA is moving in the right direction by working to raise aviation security standards around the world and recognizing that we are only as secure as our weakest link.

At a time when threats to aviation remain troublingly persistent, I am pleased to see Administrator Pekoske taking necessary steps to improve TSA programs, processes, and technologies. However, I do have a number of concerns with some of the proposed budgetary numbers in this year's request. For instance, the request for funding to procure 145 Computed Tomography systems seems woefully short of what is needed to adequately deploy this advanced technology to airport checkpoints. While I am pleased that recently enacted appropriations for fiscal year 2018 provided additional resources for CT deployment, I intend to continue pressing this issue for fiscal year 2019.

Additionally, continuing on the theme from last year's budget request, the administration is proposing further cuts to its Law Enforcement Officer Reimbursement Program. This program provides critical funding to State and Local law enforcement entities charged with ensuring the safety and security of America's airports, including TSA personnel.

At a time when public area security remains a top concern, I find this proposal to be insufficient. Last, TSA's proposed cuts to its Surface Transportation Security Program come just after the December 2017 attempted suicide attack at New York City's Port Authority Bus Terminal, where bus and mass transit commuters were targeted.

While I agree that TSA has consistently been unable to demonstrate the security effectiveness of the agency's VIPR teams or Surface Inspectors, I believe the agency should work to ensure sufficient resources and support for surface transportation in other ways.

Simply put, combining these cuts with additional cuts to the Transit Security Grant Program elsewhere in the Department of Homeland Security's budget request seems out of step with the vulnerability of surface transportation systems. That is why the House recently passed a number of committee bills aimed at ensuring TSA prioritizes surface transportation.

Despite these challenges, I believe that, in general, TSA is making strides to improve risk-based security and is better-reflecting risk in the budget than in prior years.

I hope that TSA will continue working to be even more responsive to changing threats, and that Administrator Pekoske will continue to set a tone that encourages regular engagement with stakeholders and empowers front-line personnel.

Administrator Pekoske, you have a lot of work cut out for you, and I hope you will use your position to root out problems at TSA—whether they be programs, processes, or personnel. Having met a number of times on these issues, I am confident that this will be the case.

Moreover, I intend to utilize this subcommittee to ensure robust oversight of TSA's programs and promote policies that will enhance the security of the traveling public and give them confidence in the Homeland Security Enterprise.

I thank the administrator for appearing before the subcommittee today, as well as our second panel, and I look forward to hearing the testimony.

I am pleased to recognize the Ranking Member of the subcommittee, the gentlelady from New Jersey, Mrs. Watson Coleman, for her opening statement.

Mr. KATKO. I am pleased to recognize the Ranking Member of the subcommittee, the gentlelady from New Jersey, my friend, Mrs. Watson Coleman, for her opening statement.

Mrs. WATSON COLEMAN. Thank you, Mr. Chairman. I ask unanimous consent for the gentlelady from Florida, Ms. Val Demings, to be seated on this panel and allow to question the witness.

Mr. KATKO. Without objection.

Mrs. WATSON COLEMAN. Thank you, Mr. Chairman. Thank you for holding this hearing, and thank you also to the administrator for joining us today.

Everyone here today is well aware of the serious nature of the terrorist threat facing our transportation systems. Time and time again, we are provided chilling evidence of terrorists' intent to inflict harm against innocent Americans by attacking planes, subways, or buses. Each time we ask ourselves and our expert witnesses, what more can we be doing to protect against such ruthless attacks? Over and over, we are told, "It is simply a matter of resources. We have great ideas and great security measures. We just need more funding to deploy more officers, more canines, more technology."

That is why it is so disappointing that this administration's TSA budget proposal eliminates, cuts or short-changes critical security programs. I have made repeated calls for increased security for surface transportation systems. The threat is clear, as we have seen mostly in overseas attacks. But last December, the threat hit home when an attacker detonated a bomb within the New York City subway system.

So how does the President's budget address this growing dangerous threat? It proposes building a border wall, paid for by gutting the few programs aimed at securing surface transportation. Specifically, the President's proposed budget calls for eliminating TSA's VIPR program and cutting by nearly two-thirds of the Transit Security Grant Program which provides security funding to transit owners and operators.

Let me give you another example of where the President's budget inexplicably short-changes security. Repeatedly, we have seen attacks occurring within public airport areas, from Brussels to Los Angeles and Paris to New Orleans, Istanbul to Fort Lauderdale. Airports are crowded, open, critical spaces and attacks can result in significant loss of life. So how does the President's budget address this threat? It proposes building a border wall, paid for by eliminating the law enforcement officer reimbursement program, which assists local law enforcement and providing police coverage to airports and TSA checkpoints, and by shifting TSA's duty to secure exit lanes to airports and local jurisdictions.

Finally, when it comes to the TSA workforce, the President's budget proposal is just off-base. TSA officers are overworked and underpaid. In 2017, TSA employees ranked 336th out of 339 Government agencies in overall morale and dead last in satisfaction with their pay. TSA operates its own personnel and pay system and does not afford its employees the same regular salary increase and disciplinary rights enjoyed by most other Federal workers. That is just not fair.

As a result, TSA deals with high attrition rates and insufficient staffing levels. In response to these programs, the President's budget proposes—you guessed it—building a border wall rather than investing in the dedicated TSA work force and providing them the rights they deserve.

Somehow these examples are just a small sampling of problems with the budget proposal, which also fails to invest adequately in computed tomography, or CT, machines, does not increase funding for highly effective canine teams, and proposes increasing passenger security fees, despite the on-going diversion of much of those fees from TSA's appropriations.

This budget proposal is a result of a President choosing to prioritize his misguided campaign promise to build an \$18 billion border wall over urgent National security needs. Since he said Mexico was going to pay for this wall, we shouldn't even be having this discussion. It is unacceptable and Congress must reject it.

I am encouraged that the recently passed omnibus prioritizes some of our most pressing transportation security needs, providing \$43 million in funding for 31 VIPR teams, \$45 million for the LEO reimbursement programs, and \$77 million to continue securing exit lanes. That this omnibus presents such a sharp contrast to the proposed budget we are discussing today should raise some red flags. I hope that this hearing will help shed light on the devastating effects this budget would have if it were enacted.

Again, I want to thank my Chairman and our witnesses and I yield back the balance of my time.

[The statement of Ranking Member Watson Coleman follows:]

STATEMENT OF RANKING MEMBER BONNIE WATSON COLEMAN

APRIL 12, 2018

Everyone here today is well aware of the serious nature of the terrorist threat facing our transportation systems.

Time and time again, we are provided chilling evidence of terrorists' intent to inflict harm against innocent Americans by attacking planes, subways, or buses.

Each time, we ask ourselves and our expert witnesses: What more can we be doing to protect against such ruthless attacks?

And over and over, we are told: "It is simply a matter of resources."

"We have great ideas and great security measures; we just need more funding to deploy more officers, more canines, more technology."

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The threat is clear, as we have seen mostly in overseas attacks.

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So how does the President's budget address this growing, dangerous threat?

It proposes building a border wall, paid for by gutting the few programs aimed at securing surface transportation.

Specifically, the President's proposed budget calls for eliminating TSA's Visible Intermodal Prevention and Response or "VIPR" program and cutting by nearly two-thirds of the Transit Security Grant Program which provides security funding to transit owners and operators.

Let me give you another example of where the President's budget inexplicably shortchanges security.

Repeatedly, we have seen attacks occurring within public airport areas, from Brussels to Los Angeles, Paris to New Orleans, Istanbul to Ft. Lauderdale.

Airports are crowded, open, critical spaces, and attacks can result in significant loss of life.

So how does the President's budget address this threat?

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Finally, when it comes to the TSA workforce, the President's budget proposal is just as off-base.

TSA officers are overworked and underpaid.

In 2017, TSA employees ranked 336th out of 339 Government agencies in overall morale, and dead last in satisfaction with their pay.

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In response to these problems, the President's budget proposes—you guessed it—building a border wall rather than investing in the dedicated TSA workforce and providing them the rights they deserve.

Somehow, these examples are just a small sampling of problems with the budget proposal, which also fails to invest adequately in Computed Tomography or "CT" machines, does not increase funding for highly effective canine teams, and proposes increasing passenger security fees despite the on-going diversion of much of those fees from TSA's appropriations.

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That this omnibus presents such a sharp contrast to the proposed budget we are discussing today should raise some red flags.

I hope this hearing today will help shed light on the devastating effects this budget would have if it were enacted.

Mr. KATKO. Thank you, Mrs. Watson Coleman. Other Members of the subcommittee are reminded that opening statements may be submitted for the record.

We are pleased to have two distinguished panels of witnesses before us today. Let me remind the witnesses that their entire written statements will appear verbatim in the record. In our first panel, we are pleased to have Admiral David Pekoske, the seventh TSA administrator—at least six that I have had as part of my time here as Chair in 3½ years, which is crazy—and hopefully you are going to be here for a while—and you are here to testify before us today on this critical topic.

In his role as administrator, Mr. Pekoske is responsible for securing the Nation's civil aviation system and surface transportation modes. He leads a work force of approximately 60,000 employees who work to protect the Nation's transportation systems while ensuring freedom of movement for people and commerce.

Prior to joining TSA, Mr. Pekoske served as the 26th vice commandant of the U.S. Coast Guard. Sir, thank you for your service to our country and for continuing your service to your country in this current role. You are now recognized for 5 minutes for an opening statement.

STATEMENT OF DAVID P. PEKOSKE, ADMINISTRATOR, TRANSPORTATION SECURITY ADMINISTRATION, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. PEKOSKE. Thank you, Mr. Chairman and Ranking Member Watson Coleman, Members of this subcommittee. I appreciate the opportunity to appear before you this afternoon and for the opportunity to have a discussion and answer your questions with respect to TSA's budget and TSA's overall operations.

The President's fiscal 2019 budget reflects our highest priority funding needs in performing the critical mission of protecting our transportation system. I will briefly highlight some of the elements of that budget request in a moment.

But before I touch on the budget, I would like to express my appreciation for this committee for ensuring that TSA has the necessary authorities needed to secure the world's most complex and valuable transportation system. As you know, I have exercised the security directive and emergency amendment authorities provided in ATSA several times in my 8 months as the administrator. I exercised those authorities to meet a current threat, and my policy is always to consult with industry in advance of issuing security directives or emergency amendments. I appreciate the excellent collaboration that exists between the industry and TSA.

But it is important, in my view, to obtain the broad authorities granted in law to ensure that we can quickly act and decisively act when needed, and I appreciate this committee's support in this regard. I appreciate your work in passing a reauthorization bill for TSA through the House, and consistent with your priorities, I am focused on the insider threat in our aviation system and have asked our aviation security advisory committee to undertake another review of this issue.

Your support of the Rap Back process has already improved security at our airports. We have launched a third-party canine cargo program recently to facilitate the use of canines in cargo security. Our third industry day is next week down at our canine training center in San Antonio, and I would say that the collaboration with industry on this topic has been excellent.

We have a new strategy for TSA that focuses on improving security, accelerating our decision-making and technology deployment processes, and firmly committing to the deployment and support—development and support, rather, of our work force, all priorities this committee has long advocated.

Additionally, I appreciate the oversight this committee provides TSA and I hope you have found me and my team highly responsive to your request for information since our January hearing.

I would like to at this point highlight a few items in the President's budget request. First, the budget begins full-scale deployment funding for the administration's and this committee's top priority, as the Chairman already mentioned, the computed tomography X-ray equipment at domestic airport checkpoints. This program is on track. We have five participating vendors. Of the five, two are small businesses.

The next phase of this project is developmental and operational testing. Our vendors are manufacturing the test systems now, and we expect to have approximately 35 systems either deployed at our

test labs, in our training centers, or at airports over the course of this summer. If all the testing goes well, full-scale implementation will begin early in calendar year 2019.

The President's budget provides \$72 million for 145 units in fiscal 2019, and I am committed to successfully fielding this technology as quickly as I can. The budget also provides \$7 million to fund nearly 300 credential authentication technology units. These units improve the travel document checker function at our security checkpoint. That function is the first person that a passenger meets when they come in through the TSA area of a checkpoint.

Forty-two of these units are now being tested in select PreCheck lanes in 13 airports across the country, and that testing is going very well. In total, approximately 1,500 of these units are needed. With fiscal year 2019 funding, we will have over 300 of the 1,500 to be fielded, or approximately 20 percent. Both CT, the computed tomography X-ray equipment, and the credential authentication technology are key essential parts of our security checkpoint, and I appreciate the committee's full support of these mission-critical systems.

On surface transportation, the budget sustains our level of effort with the exception of the elimination of the VIPR teams, and I appreciate, as you know, in my prior testimony and in my individual conversations with Members of this committee, I appreciate the hard work and the value that the VIPR teams have brought to both aviation and surface transportation security. The budget reflects a need simply to prioritize funding within a constrained budget and acknowledge the capability that already exists at the State and local levels. We will continue to work closely with surface transportation system owners and operators in sharing intelligence information, developing guidelines, sharing best practices, providing canine capability, and our close work with them on exercises, training, and security summits.

Long-term capital and technology planning is important to sustaining progress in deploying this technology to the hands of the users. We have developed a capital investment plan for TSA to guide our next year, our fiscal 2020 budget submission now before the Department of Homeland Security. This will provide us the ability to provide a longer-term and strategic look at our capital investment requirements for TSA.

This technology is great, and it is urgently needed, but is only useful in the hands of the outstanding men and women—some 60,000 strong—who are TSA. Their role in providing a secure transportation system cannot be overstated. Through dedication and hard work, we have maintained a secure transportation system, we have raised the bar on global aviation security. We screen roughly 2 million passengers through our domestic airports every single day, ensure compliance with our regulations, and introduce new leading-edge security into the checkpoint.

TSA's work force is at the core of our new strategy, and I am keenly focused on increasing job satisfaction, morale, improving communications, and soliciting their ideas for a better TSA, as well as providing professional leadership development to our work force.

Mr. Chairman, I appreciate the opportunity to make an opening statement, and I look forward to your questions, sir.

[The prepared statement of Mr. Pecoske follows:]

PREPARED STATEMENT OF DAVID P. PEKOSKE

MARCH 14, 2018

Good morning Chairman Katko, Ranking Member Watson Coleman, and distinguished Members of the subcommittee. Thank you for inviting me here today to testify on the President's fiscal year 2019 budget, which includes a request of \$7.7 billion for the Transportation Security Administration (TSA).

I am grateful for the longstanding and constructive relationship that TSA enjoys with this subcommittee. This budget supports our highest priority funding needs and allows TSA to continue its critical mission of protecting America's transportation systems.

TSA was created in the wake of the September 11 attacks and charged with the mission of preventing another large-scale act of terrorism on the American transportation system. Many things have changed since that fateful day, but our fundamental mission has not. Our Nation relies on the professionals at TSA, and across the transportation community, to protect passengers and commerce traveling to and within the United States.

Across the country, TSA screens more than 2 million passengers every day. Since September 11, 2001, there have been no successful attacks on the U.S. aviation system. Our motto, "not on my watch," speaks to our commitment to defeat terrorist attempts to attack our transportation systems.

Every day we are reminded anew that we face ambitious adversaries who are watching us, studying our vulnerabilities, and working hard to develop new attack strategies to replace those that have failed. To stay ahead of them, we have to innovate, we have to deploy new solutions rapidly and effectively, and we have to make the most of our resources. Since 9/11, we have taken bold and unprecedented steps to ensure the security of aviation. Aviation and transportation hubs remain highly-valued targets for terrorists, and terrorist modes and methods of attack are much more decentralized and opportunistic than ever before.

Since my swearing in, I have made it a priority to meet with members of the TSA workforce, industry, and stakeholders. These discussions reinforce that our transportation systems fundamentally underpin our economy and that as technology is changing the way the world operates it is also changing the way our adversaries operate. Securing this environment requires a proactive and agile agency with a professional workforce that coordinates closely with key partners in Government and industry domestically and around the world.

As I traveled across the transportation system, I met thousands of people who are deeply committed to the security of the system. These encounters strengthened my belief that security is a communal effort and that our greatest assets are—and will always be—our people, our partners, and the traveling public. These experiences have also led me to conclude that TSA must move faster if it is to meet the demands of the future. Faster to minimize vulnerabilities, faster to test new technology, and faster to procure and deploy new technology. In short, we need to be more agile.

That is why I have set out in the new TSA Strategy, three key priorities: Improve security and safeguard the transportation system, accelerate action, and commit to our people. These priorities reflect my focus on preserving front-line operations, quickly transitioning to new technologies, and creating efficiencies to optimize limited resources.

We believe strongly that innovation is central to our continued success. This firm belief inspired the creation of the TSA Innovation Task Force in 2016. This task force is collaborating with industry, airlines, and airport authorities to find and deploy the very best ideas for increasing security while reducing friction for the traveler.

For example, with your help, we will drive as hard and fast as we can to rapidly deploy Computed Tomography (CT) systems to high-risk domestic airports in 2019. Our confidence in the security impact of these solutions has led us to request \$71.5 million to purchase and deploy CT systems in fiscal year 2019. Research and development efforts have shown that CT is the most consequential technology available today for airport checkpoints, as it automates much of the threat detection function. We have devoted significant resources into testing this technology during this current fiscal year, and pending results, we anticipate operational tests will be conducted at up to eight airports in the coming months.

The fiscal year 2019 budget request includes \$71.5 million for CT technology, which will allow us to begin purchasing and deploying CT technology to airport checkpoints. This will allow for the purchase of at least 145 CT units and an addi-

tional \$2.4 million for 19 new full-time Transportation Security Specialists-Explosives to help respond to the increased alarm rates that we expect as we roll out the new technology. With the funding requested in the fiscal year 2019 President's budget, we also plan to procure and deploy 294 credential authentication technology (CAT) units at a number of airports. CT and CAT are cornerstone technologies to transform security at the checkpoint.

TSA has extraordinarily dedicated employees—people of high integrity, who have great respect for and commitment to our mission and to one another. Both the administration and I share a continued commitment to invest in and strengthen this workforce. Therefore, the fiscal year 2019 budget request includes funding for 43,877 full-time Transportation Security Officers. This request will increase TSA's workforce by 687 full-time Officers, which begins to address our front-line shortfall in the face of increased passenger volume and evolving threats to aviation.

To make the most of these budgetary priorities, we are asking industry and our stakeholders to partner with us to develop and deploy new technology. We are asking our employees to recommit to our core values of integrity, respect, and commitment, to be leaders regardless of their titles or level in the agency, and to be ambassadors for TSA. We ask members of the public to see themselves as part of the solution and to remember that the Officers at the checkpoint are doing their job to keep Americans safe. Finally, we ask you, the Members of this subcommittee, for your continued partnership, insight, and support.

Securing our Nation's transportation system is a complex task and we cannot do it alone. Since our inception, TSA has lived by the motto "not on my watch." This has served as a powerful call to action for the TSA workforce. I hope to encourage an even stronger relationship between those outside TSA and those within by acknowledging our shared security mission. Together we will adopt and embrace a new creed: "Not on Our Watch."

Chairman Katko, Ranking Member Watson Coleman, and Members of the subcommittee, thank you for the opportunity to testify before you today. I look forward to your questions.

Mr. KATKO. Thank you, Mr. Pekoske. I want to recognize the Chairman of the—Ranking Member, rather, of the Homeland Security Committee, Mr. Thompson. I don't believe he has a statement, but do you want to enter something in the record, sir?

Mr. THOMPSON. Yes, I do. Thank you very much. I have a written statement that I would like to enter into the record. I will have some questions of the administrator at that time.

Mr. KATKO. Without objection. Thank you.

[The statement of Ranking Member Thompson follows:]

STATEMENT OF RANKING MEMBER BENNIE G. THOMPSON

APRIL 12, 2018

Effectively executing TSA's mission to secure the Nation's transportation systems is essential to homeland security.

Even though the threat environment is constantly evolving, the Trump administration's budget request for fiscal year 2019 is woefully inadequate to the point of undermining TSA's ability to carry out its mission on behalf of the American people.

First, it fails to build efforts to address morale challenges within TSA's front-line security workforce. While a slight improvement upon last year, TSA still ranks 336 out of 339 agency subcomponents in best places to work.

I think we can both agree that TSA must do better.

Unlike employees at most Federal agencies, TSA officers do not receive regularly-scheduled salary increases, though, Mr. Administrator, you have the authority to grant such increases.

Year after year, TSA has failed to prioritize requesting significant funding for salary increases or longevity pay, leading to unacceptable attrition rates.

I was greatly disappointed to see that the administration's request does not significantly raise pay for the hard-working men and women of TSA.

To make matters worse, TSOs are still denied the same rights that FAA and other Federal employees are granted, and still lack access to a fair disciplinary appeals process.

I was also troubled to see that this administration is seeking to eliminate the VIPR program. This program is arguably TSA's most visible and mobile resource for surface transportation security.

Its elimination would worsen the effects of drastic cuts to the Transit Security Grant Program envisioned in President Trump's budget proposal.

We simply must provide more resources to secure surface transportation given recent attacks and current threats.

This budget also eliminates the Law Enforcement Officer (LEO) Reimbursement program, which supports placing uniformed officers near screening checkpoints in over 300 airports, and it shirks TSA's responsibility to protect exit lanes.

With little to no consultation, the administration's proposal seeks to shift this burden onto local jurisdictions and airports that are not likely to have resources necessary to maintain a law enforcement presence in public areas of transportation systems.

I was, however, pleased to see that the recently-passed omnibus for the remainder of fiscal year 2018 included funding to maintain 31 VIPR teams and the LEO reimbursement program, and to support exit lane screening.

The funding of these essential transportation security programs in the omnibus go even further to show how unrealistic this proposed budget is.

Given the steady increase in threats against our transportation systems, the administration should be bolstering Federal support for such programs, not eliminating them.

Instead, President Trump wants to increase the diversion of a large segment of fees collected for aviation security to his proposed \$18 billion border wall slush fund.

On an annual basis, over a billion dollars is diverted from TSA security operations to the General Fund.

I know that you are aware this has been a long-standing concern, not only for me but for many of my colleagues in Congress.

These fees need to be spent how the American people expect them to be spent—to secure transportation systems.

Mr. KATKO. Thank you again, Admiral Pecoske. I keep calling you Mr. Pecoske. You should be admiral, I believe. We appreciate you being here today, and I now recognize myself for 5 minutes of questions.

To no one's surprise, I am going to ask you some questions about PreCheck and about the procurement process with respect to the CT machines, which is the next-generation scanning. The budget does allocate some funding for that, and it is certainly an increase over past years. I remain concerned about the lack of speed with which some of these systems are being implemented, particularly given the fact that these very machines, Mrs. Watson Coleman, myself, and many others saw with their own eyes, on the front lines already being implemented in Europe.

So if you could just talk for a second about the level of application of the machines that will go on-line this year, if any. I know there is going to be testing. If there is not going to be any going on-line this year, when they are going to be going on-line and to what extent they are going to be going on-line, and what else we can do to help you with that.

Mr. PEKOSKE. Yes, sir. This year, in fiscal 2018, so between now and the end of the September of this year, we will have 36 systems deployed. The majority of them will be deployed at airports. The purpose of that deployment is to operationally test the machines, to make sure that they can operate as they are designed. It also gives us an opportunity to train our work force in this new technology.

I would expect that if that testing goes well—and based on everything that I know today, I expect it to—that we will have operational use of those machines once that testing is complete. So we will already have 35 machines installed based on fiscal 2018 fund-

ing. Then, as you know, sir, we have a fiscal 2019 request that will fund 145 more machines.

What I would also add to that, Mr. Chairman, is that I am moving as fast as I can, irrespective of what the budget levels are. My commitment to you, my commitment to the administration is to deploy this technology as quickly as we can. So the budget number doesn't meter the speed at which we are attempting to deploy this technology. We are working very hard to do that.

I have met personally with all but one of the five vendors that have expressed an interest in supporting us in this way, and I meet with that last vendor tomorrow to basically express my concern that we do this rapidly in a smart way, and also to proactively seek their input on ways from their perspective that we could do this better and deploy it better.

Mr. KATKO. OK. I appreciate that. But a question I have is, this technology is already being used on the front lines. One of the things we have pushed in the past and in separate legislation, I believe, is to have third-party testing become more of a tool for the TSA and the TSA industries that provide the technologies.

We already know that these things are being used in Europe. We already know that they are being successfully implemented in Europe. So why—out of curiosity, why would we have to go through all this extra testing? Is that just—are these internal rules at TSA? Or what is it that you have to test that has not already been tested on the front lines?

Mr. PEKOSKE. Well, sir, we have been in very close contact with folks at Schiphol Airport, at London Heathrow Airport, where they are testing these machines now. We exchange data back and forth with both of those airports so that we can together learn how to best apply these systems and where we can further develop the technology with software improvements.

With respect to third-party testing, I am a huge advocate of covert testing, red team testing, to make sure that the system, when you don't expect to be tested, is actually working as advertised. So we will continue to do that. In fact, one of the things that I am looking to do inside TSA is to expand that testing element, because it has provided us such valuable insight. It allows us to change our processes and to look for new technology solutions.

Mr. KATKO. Thank you. As you know, we have said this in the past and it bears out repeating now, the bad guys are making advances at a much faster pace than we are getting our technologies to the front lines. So I implore you and everyone at TSA to work as quickly and as fast as you can with your respective vendors to get this stuff done.

We are also going to introduce a bill that helps you expand the TSIF's capability, so these things can get through the process quicker. That is very, very important to us.

Briefly, I want to just reiterate my concern about PreCheck. I don't know what, if there is any provisions in the budget to address this concern, but PreCheck should be for PreCheck. Mr. Thompson I know has expressed concerns about this in the past, as has Mrs. Watson Coleman, myself, and Chairman McCaul and others, that when someone goes through a PreCheck line under any circumstance that is not being fully vetted and is not part of the

PreCheck program, that is a mistake, that is a security gap, and that shouldn't happen.

I would venture to guess that is part of the reason why PreCheck isn't expanding at the rate upon which we want it to. So just briefly, can you tell me, is there any provisions in this budget to address those concerns?

Mr. PEKOSKE. Sir, there are no provisions in the budget, but I really don't need a budget provision to address the concerns that you have expressed. In fact, we are already moving in that direction, and we will gradually get to the point in the not-too-distant future where only people with PreCheck on their boarding pass are in PreCheck lanes.

Then there is an additional step to ensure that only PreCheck registrants are in PreCheck lanes. So I would be happy to get you a time line for how we intend to advance that, but it will be aggressive.

Mr. KATKO. I would like to see that time line, and I appreciate that. Again, just because they say PreCheck on the boarding pass doesn't mean they are in the PreCheck program. So we want that stopped, as well.

Mr. PEKOSKE. Yes, sir.

Mr. KATKO. Thank you. The Chair now recognizes Mr. Thompson for 5 minutes of questioning.

Mr. THOMPSON. Thank you, Mr. Chair. Good to see you again, Mr. Administrator. Are you in support of this budget you are here defending?

Mr. PEKOSKE. Yes, sir, I support the President's request.

Mr. THOMPSON. OK. So you support getting rid of the VIPR teams?

Mr. PEKOSKE. Sir, within the available funding for TSA, we had to make some very difficult tradeoffs. I am a strong supporter of the VIPR teams, but we just can't afford to continue to provide that level of support, additionally knowing that State and local governments also have capabilities similar to what the VIPR teams provide. But that in no way diminishes, in my view, the value of the VIPR teams or the work that they have performed.

Mr. THOMPSON. So are—you support them or you want to get rid of them?

Mr. PEKOSKE. I am supportive of the President's request that necessarily based on funding limitations we would eliminate the VIPR teams and turn that responsibility with that capability gap to State and local governments, sir.

Mr. THOMPSON. So do you support workers having the same—you workers having the same rights as other fellow employees?

Mr. PEKOSKE. Sir, the rights TSA workers having within the Aviation Transportation Security Act are substantial. I think that if you looked at my actions since I have been the administrator, I have done a lot of things to ensure that our workers' rights are well-protected and well-considered.

I am constantly looking at ways that we can improve job satisfaction and morale within TSA. I think we have made some good progress in that regard.

Mr. THOMPSON. So if I said TSA officers don't receive regular scheduled salary increases, would I be correct?

Mr. PEKOSKE. Not entirely, sir. The Aviation Transportation Security Act allows me to pay at any time that I want to pay at what level that I want to pay. The issue really is how much money do you have within your budget to be able to pay your work force?

Mr. THOMPSON. So do you do it? Or you don't do it?

Mr. PEKOSKE. We do, do it, yes, sir. We give our workers a pay raise every year. Unlike the general schedule, which has longevity increases over a set period of time, I have the authority within TSA to provide longevity increases every year if I choose to do that.

The issue is not the authority to do it. It is the ability with respect to funding to pay workers.

Mr. THOMPSON. So you do longevity pay?

Mr. PEKOSKE. We don't do longevity pay. We do annual pay increases.

Mr. THOMPSON. So the record will reflect that annual increases are the standard procedure?

Mr. PEKOSKE. Yes, sir, for high-performing employees. Not all employees get—the vast majority do, but not all employees do, because we have a pay-for-performance system.

Mr. THOMPSON. Well, if you would provide in writing, I think, to the committee how employees receive regular scheduled pay increases—

Mr. PEKOSKE. Yes, sir, will do.

Mr. THOMPSON. So do employees have access to fair disciplinary appeal process?

Mr. PEKOSKE. Yes, sir, they do. There is a grievance process within TSA. It is the National Resolution Center. That process in my view is working very well. In fact, we just compared National Resolution Center processes to the Merit Systems Protection Board in terms of the end results of whether they accepted a grievance or not. Our comparison is on par with in general for a large population, on par with what the MSPB does.

Additionally, the NRC, an internal grievance process within TSA, processes those applications quite a bit faster.

Mr. THOMPSON. So if people get fair hearings, if they are getting increases, if they are getting longevity pay, why is morale so bad among your agency?

Mr. PEKOSKE. Well, because the overall level, sir—they get the annual increases, but the annual increases may not be at the same level in terms of absolute dollar or a percentage of pay that they might get in a different system. That is not an authorities issue; it is a dollars issue.

Mr. THOMPSON. Do you have the authority to fix it?

Mr. PEKOSKE. I have the authority to pay it if I had the money to pay.

Mr. THOMPSON. So you support the President's budget, but you don't have the money to pay your employees.

Mr. PEKOSKE. That is right. Because within the President's budget, sir, I have a certain amount of money, \$7.7 billion, for operations.

Mr. THOMPSON. So you do understand—

Mr. PEKOSKE. I do.

Mr. THOMPSON [continuing]. That has a direct correlation to morale.

Mr. PEKOSKE. I do, sir. In fact, I think the key driver for the morale numbers that the Ranking Member cited in her opening statement are due to pay. But that pay is at the lower pay bands, because we have a banded system for pay. That pay is most acute at the lower pay bands.

Mr. THOMPSON. You support the pay band?

Mr. PEKOSKE. I do.

Mr. THOMPSON. Rather than paying your Government employees like we pay all other Government employees?

Mr. PEKOSKE. Well, sir, in my mind, they are two different things. The pay bands, as a way to manage a pay for performance system, that provides security is a very good way to do it. Whether or not you have the money to pay all that you would desire to pay is an entirely different question.

Mr. THOMPSON. Why would you want a system of paying your employees different from all other fellow employees?

Mr. PEKOSKE. Because I would like to recognize performance. If somebody performs well, I would like to be able to quickly recognize that performance with pay.

Mr. THOMPSON. Thank you, Mr. Chair.

Mr. KATKO. Thank you, Mr. Chairman. The Chair now recognizes the Ranking Member, Mrs. Watson Coleman, for 5 minutes of questions.

Mrs. WATSON COLEMAN. Thank you, Mr. Chairman. Good day to you, Mr. Administrator. I have to tell you that I am a little disturbed here about some of what I think are—is an about-face on what is important and what represents security at our airports and other places.

You said in your opening statement this budget supports our highest priority funding needs and allows TSA to continue its critical mission of protecting America's transportation system, yet when we review the budget, we see that there is a decrease in local and law enforcement support, there is an elimination of VIPR, which is something that up until this point you had indicated was a very important component to security either at airports or at surface transportation facilities. It diminishes significantly surface grants, sometimes the only grants that are available to transportation systems, land transportation systems. It increases the fees, but there is no guarantee that TSA is going to get more of that money. There is no increase in salaries and a modest increase in the number of positions and inadequate funding of the CTs based upon prior conversations, Mr. Administrator.

So are you suggesting that the border is more important than these issues, these security measures, that we supported for purposes of securing people flying, riding, walking, whatever? I am just really confused here.

Mr. PEKOSKE. Yes, ma'am. Well, I would suggest all are very important. We don't have unlimited funds in the Federal Government. We have to make some very difficult choices.

Mrs. WATSON COLEMAN. So do you think that diversion of the money to build a border wall is more important than putting adequate money in these 7 or 8 or 9 or 10 items that are woefully either underrepresented in this budget or eliminated entirely, sir?

Mr. PEKOSKE. Well, my job is to advocate strongly for the Transportation Security Administration budget. I do that in the process. Then others with a broader portfolio and a broader view make decisions as to which part of the overall DHS enterprise get different levels of funding.

Mrs. WATSON COLEMAN. You know, Mr. Administrator, I had a lot of hope and expectations of your being able to do that. But today, it concerns me that you are a team member in a team that I think is taking this country in the wrong direction. It is kind-of disappointing, actually. So I just need to put that on the record.

At your last appearance before the subcommittee, you agreed to provide us with information on political appointees at TSA who have recused themselves from working on certain issues under your leadership and during the prior administration. I thank you for providing that information.

The data provided show that between 2012 and 2017 there were seven political appointments at TSA with relationships with 27 organizations that could trigger recusals. In contrast, in just the year or so since this current President took office, 9 individuals who collectively could have conflicts associated with 70 organizations have cycled through TSA to as political appointees.

Further, since 2015, the number of political appointee positions at TSA has doubled from—4 to 8? Yes, 4 to 8. So, sir, let me ask you some—let me say that from what I have seen on this committee and my work on the Oversight Committee, this President's policy of hiring lobbyists into the Federal Government and a penchant for Cabinet Secretaries who have dubious relationships with ethics and physical responsibility, as well as representing whether or not they are even eligible for the positions they hold—present company excepted—certainly do not reflect a desire to drain the swamp.

As such, I want to ask you: Why did you create new political positions within TSA, an agency who needs to be apolitical to protect transportation systems regardless of who is in the White House? What are the responsibilities of these political appointees within TSA? How is TSA navigating the extensive recusal issues associated with so many of these people in key positions?

Mr. PEKOSKE. Yes, ma'am. We have 9 political appointees in TSA, work force of 60,000-plus people. So on a percentage basis, that is a very, very small percentage. You are right, ma'am, that there are more political appointees in TSA than there were a year ago. All of the new adds on the political appointee side are in my office as counselors to me. I brought those people in who are all outstanding individuals, brought them in to advise me and to assist me in the leadership of TSA.

With respect to recusals, I am recused from some aspects of my job, and those recusals, in my view, serve a very useful purpose, to make sure that there are no conflicts of interest and that we are fair and above-board. With the recusals, there is a very deliberate process to allow decisions to continue to be made by other officials within the agency for a period of time.

The final thing I would say, ma'am, is that recusals don't last forever. My recusal—I can speak for myself—my recusals last for 2 years. So for 2 years, there is another process that we put in

place that allows decisions on those topics to be made by somebody else, not me. I am shielded from that information so that there is no undue influence.

I actually think that is a very good process.

Mrs. WATSON COLEMAN. Yield back.

Mr. KATKO. Thank you, Mrs. Watson Coleman. The Chair now recognizes the gentleman from Louisiana, Mr. Higgins, for 5 minutes of question.

Mr. HIGGINS. Thank you, Mr. Chairman. Admiral Pecoske, thank you for your service, sir, to our Nation, the Nation that we love. Thank you for your continued service. Are you a recipient of the Distinguished Service Medal during your time in the Coast Guard?

Mr. PEKOSKE. Yes, sir, I am.

Mr. HIGGINS. Congratulations, sir, and thank you for your service. The Legion of Merit?

Mr. PEKOSKE. Yes, sir.

Mr. HIGGINS. Congratulations, and thank you for your service. During your time in the Coast Guard, the teams that you ran, was the morale high?

Mr. PEKOSKE. Very high. Yes, sir.

Mr. HIGGINS. Their service to their country and the Coast Guard called for incredible training at jobs that had equivalent jobs in the civilian world. Is that correct?

Mr. PEKOSKE. That is correct.

Mr. HIGGINS. Their pay in the Coast Guard, was it equivalent to their service in the civilian world, in the same job?

Mr. PEKOSKE. Not by a long shot.

Mr. HIGGINS. Was their morale high?

Mr. PEKOSKE. Morale was high.

Mr. HIGGINS. Thank you. Let us move on. Much of our focus today is on issues that the public normally associates with TSA, such as airport security. But I would like to talk about pipeline security.

Currently in Louisiana, especially in my district, we are experiencing a drastic and much welcome increase in private investment into our energy industry, much of which has manifested itself in the form of new liquefied natural gas facilities. These new facilities have led to the construction and proposed construction of new pipelines in the area, hundreds and hundreds of miles of pipeline.

Your agency has security responsibilities for the 2.6 million miles of natural gas and oil pipelines in our Nation. With the current administration's focus on regaining American energy dominance, this number is likely to grow. These pipelines are subject to threat. For example, a new pipeline endeavor in my district called the Bayou Bridge has been met with large resistance from environmental groups, mostly from outside of my State. These activists have gone beyond staged protests and have at times escalated their activities toward vandalism and attempts to sabotage or delay the project, which they have. In one instance, as reported by the sheriff's office, the protestors caused over \$50,000 in damage to the pipeline's construction site.

My question to you is: What is TSA's role in promoting pipeline security, especially for new projects? How can the agency better track and respond to evolving threats that may target pipelines?

Mr. PEKOSKE. Sir, we have a very critical role in providing for pipeline security by working very closely with the pipeline industry in sharing intelligence information with them and sharing best practices across companies where appropriate. Additionally, we just published some pipeline security guidelines, went out last month, that was a collaborative effort between TSA and the pipeline industry, all the companies that participate in that industry.

It is an excellent document. I would be happy to provide you a copy of it, sir. But I find that voluntary guidelines in this regard actually get us further toward a good security solution than perhaps regulations would.

Mr. HIGGINS. What is the level of coordination—and thank you for your answer, that was very thorough—what is the level of coordination with local law enforcement to be force multipliers for pipeline security across the country?

Mr. PEKOSKE. Sir, whenever we do training exercises, we always involve local law enforcement, because that is a key opportunity for all of us to coordinate and to get to know each other much better.

Mr. HIGGINS. Does that training take place on a regular basis?

Mr. PEKOSKE. It does, sir.

Mr. HIGGINS. Your current budget, does that impact your training?

Mr. PEKOSKE. Our training in the fiscal 2019 budget is the same as it was in fiscal 2018.

Mr. HIGGINS. So you can continue the level of training that has been established?

Mr. PEKOSKE. Yes, sir.

Mr. HIGGINS. You find that to be effective?

Mr. PEKOSKE. I find that to be effective, and I believe the industry does, as well.

Mr. HIGGINS. Do you have a spirit within the TSA as the administrator with your military background, sir, to be able to do more with less?

Mr. PEKOSKE. We do.

Mr. HIGGINS. I appreciate that spirit, and I appreciate your leadership and your attitude here today. We certainly recognize that the role of TSA is crucial to the safety of our Nation and the people that we serve. We also recognize that the stability of our Nation is dependent upon a fiscal responsibility that should be borne in this city where it seems to be a very foreign concept.

So thank you for your considerate responses. I thank you for your leadership, sir. Mr. Chairman, I yield the balance of my time.

Mr. KATKO. Thank you, Mr. Higgins. The Chair now recognizes the gentleman from Massachusetts, Mr. Keating, for 5 minutes of questioning.

Mr. KEATING. Thank you, Mr. Chairman. Administrator Pecoske, thank you for your service.

In January before this committee you testified that you would like 300 CT scanners, CT machines for this year. Is that correct?

Mr. PEKOSKE. Yes, sir.

Mr. KEATING. So this budget is asking for 145 CT scanners. So my point in part is this, that indeed, since you requested it, it is feasible that you could use those and implement those. So this is

purely a budgetary decision, not one of implementation, not one of constraints otherwise. Is that correct?

Mr. PEKOSKE. Sir, I don't feel any constraints with respect to the budget and how fast I implement the CT acquisition.

Mr. KEATING. Well, sir, you said you wanted 300 just last January. Now you are coming in for 145.

Mr. PEKOSKE. Yes, sir, but the 145 number or the 300 number, I am still going to move as fast as I can to begin to implement this system.

Mr. KEATING. I am having trouble understanding. You wanted 300. So you assumed you could use them. We know we need them. But it is 145?

Mr. PEKOSKE. Yes, sir. So when I made—what may happen is I may reach a point where I can deploy all 145 earlier in the fiscal year than I thought, and at that point, we reconsider the funding level, and I go back and talk within the administration.

Mr. KEATING. So if you could, for this committee and myself if you could, show us where your initial thought was. If you can come back and say this is where I thought I was and this is how I thought I could do 300, and if you could, then say these are the constraints I have seen where I can only feasibly do 145, and at the same time, I think the testing and the actual implementation that is being done in other countries, you can't conceivably think that taking advantage of that testing in place couldn't expedite the process more?

Could you conceivably—look, let's say there are no resources that are the problem. Could you conceivably come in with a program—let's assume there was a disaster, let's assume there was an attack, let's assume that we find out reviewing it the CT scanners would have prevented that from occurring, and you were tasked with saying we have to get these in place immediately, no constraints, is that possible that you could do that?

Mr. PEKOSKE. It is possible. They wouldn't achieve the level of detection that we desire, but it is possible to do, sir. With respect to our international partners who are deploying CT, we have a very robust exchange of information with them. So as we learn and they learn, we share information back and forth.

Mr. KEATING. Would it indeed be something that you would be willing to share with the committee, though, how this could possibly be done, if there were no constraints, or how you could look beyond the box and say we are doing this? Because I would assume if we were attacked and this happened, and our oversight taught us that this could have been prevented, that we would be acting differently. As a matter of fact, I know we would be acting differently.

So what I want to do is, you can only deal with what you have for resources and current constraints. If you could, share with us what could be done under those circumstances, what you could think conceivably be done if you were tasked with that. We know it is a hypothetical. But our job is to look at the hypotheticals and say, how can we improve things in the future? This is one area I think that—I think you could a little help from us on. We can't tell you what to do, but we can give you the tools to do it. We want to do it.

This is a priority. I can't imagine we would be acting this way—and if we didn't make the request I just did, and we didn't pursue this, we would be complicit, I think, as a committee in not doing our duty to try and make people safe.

So if you could, a couple of other things that have been mentioned that are important that really, I think, up against Congress and our history, recent history, will tell us there are some funding gaps here. The budget has come in eliminating, you know, the LEO funding and exit lane funding, and we have a great deal of discrepancies from one airport to another in the way they function and how secure some of those airports would be, some are under authorities, municipalities, God knows what.

But you have got cuts there that Congress didn't go along with, so there is potentially a gap there. There is another funding gap that is going to occur, too, dealing with an increase of the tax that is put on passengers. That is being increased from \$5.60 one way to \$6.60 one way. You know, that money—and there are Members of the committee here, Ranking Member leading this, to try and take that money back that is there for passenger fees that has been diverted away and put that right back to airport safety, \$1.25 billion. Now, if we have that money, we wouldn't be having to increase that. If we are increasing it and the money is being diverted, how do we know that is going to get into safety in the last analysis, to funding areas?

My final comment is this. It is one of priorities. It has been addressed, but I am going to continue to address it. How many terrorist attacks have come over the Mexican border in the last 5 years?

Mr. PEKOSKE. With respect to surface transportation or aviation—

Mr. KEATING. No, just generally. Just general knowledge. Not under TSA.

Mr. PEKOSKE. To the best of my knowledge, none.

Mr. KEATING. None. That is the correct answer. Yet we have had airport attacks over the last 5 years. So diverting money to the border, when money is a constraint and the budget cuts the local law enforcement, it cuts the exit lane there for TSA's responsibility, which I think it is TSA's responsibility to make sure people are honoring these secure areas, where it is taking away the canines and VIPR teams that are there, that is where we have had attacks.

Yet that money that we find a multiplier effect perhaps of 25 for a border wall where there has been no attacks, and with this Congress just recently put \$1.6 billion to strengthen our border security, and it is being potentially used for National Guardsmen who can't even arm themselves.

So my question to you is, not in your capacity, but otherwise, does that make any sense to you, as an American citizen, not as an administrator?

Mr. PEKOSKE. Sir, my focus is on transportation security. My job is to advocate as strongly as I can for transportation security. I have done that. The President's budget provides an adequate level of funding to provide for continued security in our transportation system.

I would just note that we have been very successful at that over time. We have a very robust system in place. The reductions that you see in the budget are really a reflection of, hey, does capacity exist somewhere else that perhaps the Federal Government no longer needs to spend funds to do this?—and can direct them to projects like the computed tomography.

You know, everything in the budget supports each other. So if, for example, the VIPR teams remained in the budget or if, for example, law enforcement officer reimbursement remains in the budget, I might have a lower number for CT, just because it is not an—you know, \$7.7 billion is my limit with that budget envelope.

Mr. KEATING. Well—

Mr. KATKO. Thank you, Mr. Keating.

Mr. KEATING [continuing]. My limit is an American fatality, a person that is injured or a person that is killed in these kind of attacks. There is enough money to put it elsewhere, where it does absolutely no good, where we are putting National Guardsmen at the border that can't even use those arms—

Mr. KATKO. Mr. Keating, your time is up.

Mr. KEATING. Except in self-defense. I yield back reluctantly, Mr. Chairman.

Mr. KATKO. Thank you very much. The Chair now recognizes the gentleman from Alabama, Mr. Rogers.

Mr. ROGERS. Thank you, Mr. Chairman. Admiral, thank you for being here and thank you for your service to our country.

Admiral, as administrator of the Transportation Security Administration, do you have responsibility for securing the Southwest Border of the United States of America?

Mr. PEKOSKE. I do not.

Mr. ROGERS. As administrator of the Transportation Security Administration, do you have the authority to secure the Southwestern Border of the United States if you wanted to do it?

Mr. PEKOSKE. No, sir.

Mr. ROGERS. So other than your opinion as a private American citizen that all 350 million of us, or whatever there are, have, do you think anybody in the leadership of the Department of Homeland Security cares what your opinion is about whether or not resources should be put against securing the Southwestern Border of the United States?

Mr. PEKOSKE. No, sir. They look for my opinion on transportation security.

Mr. ROGERS. Yes, sir, and that is what we have you here for, and I appreciate you being here. As you can tell from the questions and other than that area, this committee remains focused on CT scans being increased at the checkpoints, as well as explosive detection canines. Now, you made the statement to Mr. Keating just now that—and I agree with him—it is hard to explain that delta between needing 300 and asking for 145—my guess is OMB told you 145 was the money they had, the money that you could pursue.

However, you made the statement to him that if at some point during the year you felt like you could push those 145 out and needed more, you would revisit it. You also made the statement to the full committee—the subcommittee Chairman, “I am moving as

fast as I can. The budget number doesn't meter the pace at which I am moving".

So my question is, if as you told Mr. Keating, if you get to a point that you pushed all 145 out, would you be willing to pursue a reprogramming of monies to allow you to get more out to move toward that 300 goal?

Mr. PEKOSKE. Yes, sir, I would. In fact, that has been my position all along, is I have a certain amount of money, I have all the money I need to do the testing I need to do to be able to certify these systems and get them to a point where we want to have them with respect to detectability to deploy through the checkpoint.

So the funding that we have in the budget does not meter that down in one way at all. If we reach the point where—like I said to Mr. Keating—if we are deploying all 145 units in April of next year, then, yes, I would go back through the Secretary and say I am ready and I am capable and I have proven that I have proven technology that I can integrate into a checkpoint system and improve security, let's look at some reprogramming options.

Mr. ROGERS. Well, and as you know, Congress would have to concur with that. But it is obvious from this committee's behavior and recent hearings that would be approved if there was a reprogramming request. So it is my hope that you do try to get beyond that 145 and use that reprogramming avenue.

Similarly, as you might be aware, I am concerned about the canine number, as well. I have reviewed the President's budget and frankly was shocked when I—because I know we have had conversations privately, as well as in the committee, you share this subcommittee's opinion about the value of explosive detection canines and the need for a much greater number of them in our airports.

But then when I see the budget and I see there is \$500,000 increase between fiscal year 2018 and fiscal year 2019, that does not reflect value. I mean, don't get me wrong, \$500,000 is a lot of money to an individual, but in the \$7 billion program, it is not a big number. Why is it so low? Because \$500,000 will not get you a large expanse of the explosive detection canine program.

Mr. PEKOSKE. No, sir, what we have done is we have increased the capacity of our canine training center by 50 canines per year. So that is a fairly substantial increase. The idea is to position ourselves in the out years to be able to grow the program. My challenge at this point in time, right here in April 2018, is getting up to my allocated number.

My allocated number is 379 passenger screening canines. We aren't there yet. So I am challenged to get to that number this year. I am not sure I can grow the program substantially in 2019, given some constraints within the training system which we are examining and trying to get to a point where we can, but to your main point, sir, is I am a strong supporter, as I know just about every Member on this committee is, of canine capability. That is my goal, is to increase that program.

Mr. ROGERS. Yes, I recently sent you a letter about some concerns over third-party canine cargo programs also doing the testing. Is that a thing I should be concerned about?

Mr. PEKOSKE. No, sir. In fact, I replied—sent you back a response yesterday.

Mr. ROGERS. Could you tell that committee what that response said?

Mr. PEKOSKE. The third-party canine cargo program is a very valuable program. We have had 2 industry days already. We have a third one coming up at the canine training center next week. We have valued greatly the input that the industry has provided us, and we are committed to ensuring that the program we roll out provides the right protections, for example, a company that is certified in canines can't provide canines. Because we want to make sure that it is completely above-board and that there is no conflict there.

Additionally, sir, you asked questions about how do we check as to whether or not they are achieving the level of performance that we desire, and we have a program in place to regularly audit those canines, both from a records perspective and also from an on-scene perspective.

Mr. ROGERS. Thank you very much. Again, thank you for your service to our country.

Mr. KATKO. Thank you, Mr. Rogers. The Chair now recognizes the gentleman from Kansas, Mr. Estes, for 5 minutes of questioning.

Mr. ESTES. So as we look forward to the mission of how do we continue to process, how do we continue to provide the services—I know we have talked some about upgrading our technology—I was fortunate enough to look at some of the last departure airports in Europe and in the Middle East, and some of the technology they are using there.

How can we make sure that we are providing the best support for you, as you are looking at the budget for next year, but also laying the foundation to be in a short time frame in the future to help make sure that we are providing that technology that helps you do the job that we expect you to do?

Mr. PEKOSKE. Yes, sir, thank you. I would say the committee has done a fantastic job in supporting TSA since I have been the administrator. I know I can speak for my predecessor. He felt exactly the same way.

Where you can continue to help us is as we look at the processes, I am committed to try to accelerate our process to, one, make decisions, and then once we make a decision, to deploy technology successfully. Because I do think it takes us way too long to do that.

I may need some authorities to be able to move quicker through a system to be able to put that in place. The other thing that I am exploring very robustly, sir, is how can we work in public-private partnerships with industry? We have already done that pretty successfully with the automated screening lanes, those new lanes where five people can take their stuff out of their carry-on bags and put it in bins at the same time. Those lanes also have some significant security enhancements.

We will have about 200 of those lanes in place across our system this year, and that is all funded by the industry. So what the industry has allowed us to do is to do developmental and operational testing, training and integration, where they have paid it and they

have gifted the systems to us. So something like that, a public-private partnership where we might be able to allow the industry to support some of the acquisition process.

Then when we get into a point where we say, yes, this is a system we want to buy, we can just go buy it. That should shorten the time lines quite a bit.

Mr. ESTES. I am glad to hear you are talking about looking for additional ways to help roll things up, help implement things. You know, you hear some stories—some are probably anecdotal, but others probably have real-world basis of how slow this whole process is, how much the gap is between where we would like to be and how fast we are getting there. So that is an opportunity to see, how do we move forward in that? How do we make sure that we use our budget resources the best way to make that happen?

One other thing I would—just as a personal note, a personal comment, is I would like the opportunity at some point in time to go look at some of the automated lanes. I have anecdotally observed that process, but trying to understand how well that improves efficiency and how well that process works. So that would be interesting to me.

Mr. PEKOSKE. Yes, sir, we welcome you to any one of our facilities that has the ASLs. We would be happy to show you the whole—from a passenger perspective why it is better and, really, from a security perspective why it is better, and then how we are integrating—we plan to integrate those lanes, that technology with the CT X-ray machine.

Mr. ESTES. All right. Mr. Chairman, I yield back.

Mr. KATKO. Thank you, Mr. Estes. The Chair now recognizes the gentleman from Pennsylvania, Mr. Fitzpatrick, for 5 minutes of questions.

Mr. FITZPATRICK. Thank you, Mr. Chairman. Mr. Pecoske, thanks for being here. This is really very, very important stuff we are talking about here, obviously. I think everyone knows that.

What I would like to do is just to make sure that I am clear and that this committee is clear on what is needed and what is being offered and what the gap is and how we get to filling that gap. So I want to focus first on the CT screening devices and move to canines.

So the proposed budget offers—correct me if I am wrong—\$73 million for 145 CT screening devices.

Mr. PEKOSKE. That is correct.

Mr. FITZPATRICK. A full deployment, if we wanted to cover from top to bottom the airports, 450 or so in this country, would have required about 2,400. Is that right?

Mr. PEKOSKE. That is correct.

Mr. FITZPATRICK. At about \$600,000 apiece?

Mr. PEKOSKE. That is correct.

Mr. FITZPATRICK. So we are looking at a total price tag of about \$1.4 billion. As my colleague, Mr. Keating, had mentioned earlier and it has been discussed, there is about \$1.3 billion currently collected in airline passenger fees that are earmarked specifically to the general fund for debt reduction. So that is one place we could go, right, to get this money.

Second is on the canines. There are two types of canines, right, passenger screening and law enforcement?

Mr. PEKOSKE. That is right.

Mr. FITZPATRICK. Could you describe the difference between the two of those?

Mr. PEKOSKE. Well, passenger screening canine is trained to walk through a series of passengers, detect a vapor, whether it is an explosive vapor or any other kind of vapor that we prohibit in the check lane, and then follow that vapor to that passenger, and then alert on that passenger. Then we have officers that—behavior detection trained individuals that help us take care of that passenger's issue as we go forward.

Mr. FITZPATRICK. There is currently about 400 or so passenger screening, just under—

Mr. PEKOSKE. We have an allocation for 379, sir, but as I said to Mr. Rogers, we don't yet have 379 on-board.

Mr. FITZPATRICK. You don't.

Mr. PEKOSKE. That is the gap we are trying to fill this year.

Mr. FITZPATRICK. Back to the CT scanning devices, are there five or so, I understand, manufacturers of these devices? It could take several years to deploy?

Mr. PEKOSKE. Yes, sir.

Mr. FITZPATRICK. So even if we were able to obtain the funds, which I think we have to, because I can't think of a higher priority with all the tens of billions of dollars we spent in aviation security, this is the most important thing we can do. But as far as the—not only getting the funding, but also the deployment, is there a problem on the supply side with a number of producers of these machines being able to produce enough for our demand that we have right now?

Mr. PEKOSKE. Well, the good news, sir, is that we have five vendors that are in the competition and participating robustly in the process that we have in place. I don't know how many vendors are going to be at the end, when we get to the end and we make a decision that we are going to purchase and certain vendors are qualified and certified by us to participate in that program.

So, really, the volume that we can put in place depends on how many qualified vendors and then to some degree which vendors those are, because some vendors have more capacity than others, sir.

Mr. FITZPATRICK. OK, I just want to implore this committee—I mean, I think we have spent a lot of time talking about it, but we have got to actually take action, because this is really, really important stuff. We need these screening devices in all 450-plus airports across this country. It is got to be a priority. I yield back.

Mr. KATKO. Thank you, Mr. Fitzpatrick. The Chair now recognizes the gentlewoman from Florida, Ms. Demings, for 5 minutes of questioning.

Mrs. DEMINGS. Thank you so much, Mr. Chairman, and thank you, as well, to the Ranking Member of the full committee and to the Ranking Member of the subcommittee for allowing me to participate in this hearing today.

Admiral, it is good to see you again. I want to thank you for TSA's rapid response to the Orlando International Airport's request

for additional resources and personnel. OIA, like many other airports, as you know, has experienced unprecedented growth over the last decade and the work of our FSD, our region three director, the assistant administrator, as well as the men and women on the ground, I believe, demonstrates the shared commitment to passenger safety, National security, and enhanced customer service.

So on behalf of the Orlando delegation, I want to thank you for TSA's commitment to our growing airport. But with the Federal airport partnership in mind, I would like to turn to reimbursement for airports that took early action to install inline baggage screening systems but have yet to be reimbursed.

From the start, Congress established that the Federal Government was responsible for the costs of baggage screening equipment, and Orlando International Airport, with the support of the TSA, procured and installed cutting-edge in-line baggage screening equipment. Unfortunately, more than 12 years later, airports like OIA have yet to be reimbursed.

In the fiscal year 2019 budget, the DHS budget justification states that reimbursements like those owed to OIA are dead last on the list of funding priorities. In February 2018, 14 airports were told funds would not be available until at least 2027.

To the relief of many, fiscal year 2018 omnibus provided a \$50 million down payment for the \$218 million owed to airports like Orlando. It is my understanding that the agency is to provide a time line and methodology for the distribution of the appropriated funds and a plan for the remaining \$168 million owed by the end of this month.

Admiral, is TSA on track to meet the deadline? Will subsequent budget requests reprioritize those reimbursements?

Mr. PEKOSKE. Yes, ma'am, thank you very much for your comments, first off. Second, with respect to the EDS reimbursement, yes, \$50 million in the omnibus appropriation, and we are ready I think next week or the week after to brief the committee on how we would propose to disburse those funds. The sum total is \$218 million. If you just took \$50 million for argument's sake and said I pay \$50 million a year, when can this \$218 million be paid off? It is between 4 and 5 years.

Mrs. DEMINGS. So between 4 and 5 years, not 2027 necessarily?

Mr. PEKOSKE. Well, if we continue with the \$50 million. But as you know, ma'am, in the President's budget, there is not a \$50 million request for fiscal 2019.

Mrs. DEMINGS. Admiral, could you talk a little bit about the—you know, I do believe that our most precious resource are the men and women on the job. Having commanded a police department, I understand how, yes, they are willing to do much more than they are ever paid to do. But a part of morale is making sure that we try our best to pay them what they are worth.

Could you just talk a little bit about the men and women on the ground at the TSA who do the job every day, the front line in terms of our security, and talk a little bit more about some of the direct efforts that you are engaged in directly to understand what is going on with them and to help increase morale, or create an environment that increases their morale?

Mr. PEKOSKE. Yes, thank you, ma'am. Thank you for the question. You know, as I said in my opening statement, we have a fantastic work force in TSA, 60,000-plus men and women that do a very difficult job under significant pressure, under a no-fail system. They perform incredibly well, in my view.

It has been my privilege since I have been the administrator to be with them a lot. I have traveled to many, many airports, many Federal air marshal services offices, and visited our vetting centers. The thing to think about with TSA is, you know, the image of TSA is the checkpoint, and that is where most American citizens encounter the Transportation Security Administration. But we have many, many layers of security.

There are a lot of people that the traveling public wouldn't necessarily recognize as being in TSA because they are in airports, but they are not in the uniform. But they are ensuring compliance with the regulations we place on the airlines and at the airports. Additionally, we have a good international footprint, because we have very strong relationships with our international partners, and we are facing a global threat.

From my perspective, one of the most important things I can do as a TSA administrator is when I make decisions on things, I make it from the standpoint of being in the shoes of the men and women who are on the front lines of the agency. That is what you did as a chief. It is what I did when I was a Coast Guard officer, is I always tried to place myself in the shoes of the person who is directly delivering the services the agency provides.

So that is the perspective I have taken on everything that I have done. We have put together a career advancement program for our transportation security officers, the lion's share of our front-line work force, some 45,000 people. That career progression should be released very, very shortly. It is signature ready. It just—and I have already approved it. It is above me for approval.

That will map out a career progression for our officers. It will show what training we will provide them and what pay gates they can go through as they advance throughout their careers.

Additionally, as I have looked at the TSA organization, you know, I am looking for opportunities for—how can we organizationally provide more career-broadening opportunities for our work force? That is a key part of my focus. So I hope to leave this agency when my time is up as the administrator, which I hope is no time soon, because I really do enjoy this job, and I feel very rewarded by the opportunity to serve the men and women who serve in TSA, that our job satisfaction numbers are significantly increased.

I would dearly love to pay our transportation security officers, in particular at the lower pay bands, more money. I just don't have the budget flexibility to do that at this point in time. But if I could find it, I will.

Mrs. DEMINGS. If you had—I am sorry, I am out of time—

Mr. KATKO. You are out of time. I am sorry, Ms. Demings.

Mrs. DEMINGS. OK, thank you very much.

Mr. KATKO. This concludes the first panel for today's hearings. Members are advised that we will take a short recess of 5 minutes or less and begin the second panel. Thank you.

[Recess.]

Mr. KATKO. I would like to welcome our second panel for today's hearing. Our first witness is Mr. Kevin Burke, who is president and CEO of Airports Council International, North America. Mr. Burke joined ACINA as president and CEO in January 2014 and has since focused on expanding the organization's reach and influence by amplifying the role of airports in everyday life, as well as unifying and advancing the industry.

Prior to joining ACINA, he served for 13 years as president and CEO of the American Apparel and Footwear Association and has more than 30 years of experience in government relations. Mr. Burke is now recognized for 5 minutes for an opening statement. Now, I will remind both Mr. Burke and Mr. Cox that your full statements have been entered into the record.

STATEMENT OF KEVIN M. BURKE, PRESIDENT, OFFICE OF SECURITY OPERATIONS, AIRPORTS COUNCIL INTERNATIONAL NORTH AMERICA

Mr. BURKE. Thank you, Chairman Katko, Ranking Member Watson Coleman, and Members of the subcommittee. Thank you for the opportunity to provide the airport operators' perspective on—

Mr. KATKO. I am sorry, Mr. Burke. Is your speaker on?

Mr. BURKE. Yes, it is.

Mr. KATKO. OK.

Mr. BURKE. Can you hear me now? How is that? Is that better? Good, OK. Thank you for the opportunity to provide the airport operators' perspective on TSA's fiscal year 2018 budget request.

Every day, airports across America operate in a dynamic threat environment that requires a variety of security measures to keep passengers, employees, and facilities safe. To mitigate these threats, airport partners with the TSA, Federal, State, and local law enforcement agencies, and their airline partners to develop a comprehensive, multi-layered, and risk-based aviation security system.

ACINA airports appreciate the efforts of Administrator Pecoske and his team to coordinate more closely with industry. Also, Members of this committee have implemented measures to make TSA a more effective and more efficient organization. Consistent funding that keeps pace with continued growth in passenger traffic is essential ensure to TSA's long-term success. To that end, Mr. Chairman, ACINA offers the following budget priorities to make the airport environment safer and more secure.

No. 1, Congress should provide funding for the number of transportation security officers and passenger screening canines necessary to effectively and efficiently screen passengers and baggage. Airports across the country report significantly longer TSA checkpoint wait lines due to the combined effects of insufficient TSA staffing, growing passenger traffic, and increased scrutiny of passengers and their carry-on luggage.

Large groups of people waiting at passenger screening checkpoints create an unnecessary security vulnerability. Airports appreciate the efforts of Congress to provide TSA more resources for screening checkpoints, but TSA's own resources allocation model clearly demonstrates that security checkpoints around the country remain understaffed by several thousand TSOs.

We have all seen that ourselves when TSA is routinely unable to open all of the screening lanes at many checkpoints, including PreCheck lanes. To help TSA keep pace with the growing volume and security demands, Congress should increase funding for the TSO work force and passenger screening canines.

No. 2, Congress should ensure that TSA has the funds necessary to fulfill its obligations to reimburse airports under the law enforcement officer reimbursement program. Now, TSA created the LEO reimbursement program to partially reimburse airports for providing law enforcement officer staffing to support TSA's screening operations. Now, while many airports have entered in reimbursable agreements with TSA to assist the agency in meeting its statutory mandate, the reimbursement rate declined dramatically over the past decade, and now the administration has called for the wholesale elimination of what we consider to be a very essential program.

As security threats at the airport continue to evolve and TSA imposes additional requirements on airport law enforcement officers, it is essential in our view for Congress to continue to provide TSA adequate funding for the LEO reimbursement program.

No. 3, Congress should ensure that TSA continues to staff airport exit lanes. Airports appreciate the continued support of Congress in ensuring that TSA abides by the provision in the Bipartisan Budget Act of 2013 directing the agency to continue to monitor exit lanes. There are potential security issues and significant costs associated with an unfunded mandate for airport operators to provide staff to monitor these exit lanes as called for in this year's budget request.

No. 4, Congress should provide funding for research, development, and deployment of new technology capable of detecting emerging threats and increasing efficiency. TSA needs to support programs like its innovation task force to deploy and maintain automated screening lanes, procure and install systems to monitor exit lanes, and accelerate the testing and procurement of CT technology at passenger checkpoints. Developing and installing next-generation technology will increase security. It will produce significant budget savings and enhance the traveler convenience and experience at airports.

No. 5, Congress should ensure TSA has the funds necessary to replace outdated explosive detection systems and reimburse eligible airports for the installation of past systems. TSA needs funding to replace in-line checked baggage screening systems that have or are rapidly reaching the end of their useful lives. We also appreciate Congress providing funding in the 2018 omnibus for TSA to reimburse airports for past EDS deployments and we encourage Congress to continue to follow through on this commitment with additional funding.

In addition to the budget requests recommendation I have just detailed, Mr. Chairman, I encourage the committee to consider the authorization recommendations included in my written testimony as it looks to craft additional aviation security legislation this year. Thank you for the opportunity to testify today, and I welcome any questions the committee might have. Thank you.

[The prepared statement of Mr. Burke follows:]

PREPARED STATEMENT OF KEVIN M. BURKE

APRIL 12, 2018

Good afternoon Chairman Katko, Ranking Member Watson Coleman, and Members of the subcommittee. Thank you for this opportunity to provide the airport operators' perspective on the Transportation Security Administration's (TSA) fiscal year 2019 budget request.

As the president and CEO of Airports Council International—North America (ACI-NA), I am submitting this testimony on behalf of the local, regional, and State governing bodies that own and operate commercial airports throughout the United States and Canada. Our airport members enplane more than 95 percent of the domestic and virtually all the international airline passenger and cargo traffic in the two countries.

ACI-NA and its members are steadfastly committed to ensuring that our Nation's aviation system remains safe, secure, and efficient for all users, while at the same time keeping it open for facilitating legitimate travel and trade for millions of passengers. Operating in a dynamic threat environment, airport operators coordinate closely with TSA on a variety of measures to provide for the security of their passengers, employees, and facilities. Airports have been in the past and remain today a prime target for those intent on inflicting harm. To mitigate this threat, airports partner with the TSA, Federal, State, and local law enforcement agencies, and our airline partners to develop and maintain a comprehensive, multi-layered, risk-based aviation security system.

TSA faces the enormous challenge of screening millions of passengers and their baggage—a challenge that requires visionary leadership, innovation, a dedicated workforce, and sustained funding from Congress. Airports appreciate the efforts Administrator Pekoske and his team, the Transportation Security Officers (TSOs) on the front lines, and Members of this committee have put in place to make TSA a more effective and a more efficient organization, and one that does a better job coordinating with industry.

Consistent funding that keeps pace with the continued growth in passenger traffic is essential to ensure TSA's success. As such ACI-NA strongly supports the TSA's responsibility for providing checkpoint screening, assisting local law enforcement, and deploying new technologies to make the airport environment safer and more secure, and offers the following recommended funding priorities in the coming year:

- *Congress should provide funding for the number of Transportation Security Officers (TSOs) and Passenger Screening Canines necessary to effectively and efficiently screen passengers and baggage.*—Airports across the country are reporting significantly longer TSA checkpoint wait times due to the combined effects of insufficient TSA staffing, growing passenger traffic, and increased scrutiny of passengers and their carry-on baggage. With passenger traffic increasing again this year, airports are extremely concerned about the vulnerability associated with large groups of passengers waiting at TSA passenger screening checkpoints, as well as the potential for misconnecting checked baggage and passengers who miss their intended flights, especially during the busy summer travel season. Due to existing staffing shortages, for instance, TSA is routinely unable to open all the screening lanes at many security checkpoints, including PreCheck lanes.

Airports appreciate the past efforts of Congress to provide TSA more resources at screening checkpoints after the aviation industry faced multiple, well-publicized checkpoint meltdowns. But TSA's own resource allocation model clearly demonstrates that security checkpoints around the country remain understaffed by several thousand TSOs. To help TSA keep pace with growing security demands, as well as the increasing volume of passengers and baggage, Congress should increase funding for the TSO workforce and to increase the number of Passenger Screening Canines. Visible Intermodal Prevention and Response Teams also play an important role in helping to enhance security in the public areas of airports.

- *Congress should ensure that TSA has the funds necessary to fulfill its obligation to reimburse airports under the Law Enforcement Officer (LEO) Reimbursement Program, rejecting the administration's request to eliminate the program and shift the full burden to airports.*—TSA created the LEO Reimbursement Program in order to partially reimburse airports for providing law enforcement officer staffing at security checkpoints—as required in Federal law—because the agency did not have the funding to do so. Many airports have entered into reimbursable agreements with TSA to provide qualified law enforcement officers to support TSA screening operations. Not only has the reimbursement rate de-

clined dramatically over the past decade, but the present administration has called for eliminating this essential program. As security threats at the airport continue to evolve—and TSA imposes additional requirements on airport law enforcement officers—it is essential for Congress to continue to provide TSA adequate funding to fully support the LEO Reimbursement Program.

- *Congress should ensure that TSA continues to staff airport exit lanes, rejecting the administration's request to eliminate the program and shift the full burden to airports.*—We appreciate the continued support of Congress in ensuring that TSA abides by the provision in the Bipartisan Budget Act of 2013, which specifically directs the agency to continue to monitor exit lanes where it performed the function on December 1, 2013. Airports remain concerned about potential security issues and the significant costs associated with the real potential for a costly unfunded mandate for airport operators to provide staff to monitor these exit lanes, as suggested in this year's budget request. In addition, we support the efforts of TSA to install appropriate monitoring technology where feasible and appropriate, and will continue to work with this committee to support TSA in deploying such technology.
- *Congress should provide funding for research, development, and deployment of new technology.*—ACI-NA supports enhancing the security of the aviation system through research, development, testing, and deployment of cutting-edge screening technology capable of detecting new threats to aviation and increasing efficiency. TSA needs additional funding and support for its Innovation Task Force—to deploy and maintain automated screening lanes, procure and install systems to monitor exit lanes, and accelerate the procurement, testing, and deployment of computed tomography (CT) at passenger checkpoints. Deploying and installing “next generation” technology will increase security, produce significant budget savings, and enhance traveler convenience. We applaud TSA for leveraging industry expertise as it revises its Capital Investment Plan.
- *Congress should ensure TSA has the funds necessary to replace outdated explosive detection systems (EDS), and continue to fulfill its obligation to reimburse eligible airports for the installation of past EDS.*—As many EDS have or are rapidly reaching the end of their useful lives, TSA needs funding to replace these systems. Absent necessary funding, TSA will incur increasing costs to operate and maintain old systems that routinely break down and adversely impact security and airport operations. We appreciate Congress providing funding in the 2018 Omnibus Appropriations Act for TSA to reimburse airports for previously-incurred costs associated with the construction and deployment of in-line checked baggage screening systems. Since these airports diverted significant amounts of money from other important aviation security projects in the months after 9/11 so they could purchase and install EDS systems, we encourage Congress to continue to follow through on this commitment with additional funding, and to prohibit TSA from redirecting any unused EDS funds to other TSA programs until all eligible airports receive full reimbursement.

In addition to the budget-request recommendations listed above, I encourage the subcommittee to consider the following authorization recommendations as it looks to craft additional aviation-security legislation this year:

- *Congress must end the diversion of the 9/11 Passenger Security Fee to subsidize other Federal programs.*—The 9/11 passenger security fee was intended to fund civil aviation security services, including the salary, benefits, and overtime for TSOs, and the acquisition, operation, and maintenance of screening technology. However, over a 10-year period, \$12.6 billion of the user fee will be siphoned off to subsidize other Federal programs. With chronically long lines and wait times at TSA security checkpoints, the entire 9/11 passenger security fee should be used to adequately fund the TSO staffing levels necessary to effectively and efficiently screen passengers and their baggage.
- *Congress should establish a grant program focused on airport security.*—In accordance with an Aviation Security Advisory Committee (ASAC) recommendation, an airport security-focused grant program at TSA would support the deployment of perimeter, access control, automated screening lanes, and other security technology at airports. Airport operators have limited funding that must be prioritized across a multitude of safety, security, and operational projects. While the DHS grant programs have dispensed billions of dollars for systems and technology to bolster State, Tribal, and local security, very little, if any, has been allocated to airports. Moreover, additional resources—through a long-overdue modernization of the Passenger Facility Charge—are urgently needed to fund needed infrastructure projects—such as checkpoint expansions—that will bolster security and passenger flows at their facilities.

- *Congress should codify TSA's risk-based approach to aviation security.*—Risk-based security should be the cornerstone on which new security initiatives are created. Effective risk-based decisions must consider intelligence, vulnerability, existing airport security measures, operational impacts, and costs when determining what measures may be necessary to mitigate concerns. On occasion, operationally infeasible security mandates have resulted from reactive responses to preliminary or unconfirmed threat information. In consideration of limited Government and industry resources, it is essential that TSA fully embrace and incorporate risk-based security as a core business practice when contemplating new policies and evaluating new security requirements in terms of their ability to mitigate threats. The process should be structured in such a way that alternate measures, providing a commensurate level of security, are considered.
- *Congress should require TSA to review and reform its process for issuing Security Directives.*—TSA should only use Security Directives to respond to specific threats and emergency situations, and, to the greatest extent possible, coordinate with industry to ensure the requirements are operationally feasible. Also, every Security Directive should include a sunset date. Further, since there is no process to evaluate the cumulative impact of multiple Security Directives that impose duplicative, costly, and sometimes contradictory security requirements, TSA should establish a formal process to review and assess the cost of longstanding security requirements imposed on airports.
- *Congress should enhance the Screening Partnership Program (SPP).*—In order to make SPP a more viable option for airports, Congress should require TSA to transition to a privatized screening workforce within 1 year of approving an airports' application to participate in the program. In addition, SPP contracts should include a metric so that authorized staffing levels keep pace with increases in passenger traffic.
- *Congress should separate TSA Compliance from Security Operations.*—Rather than the current structure, under which Transportation Security Inspectors enforce their own interpretation of policy, Congress should direct TSA to separate the Office of Compliance from Security Operations. The Office of Compliance should be a stand-alone office reporting to its own assistant administrator.

Thank you again for the opportunity to testify today. I welcome any questions you may have.

Mr. KATKO. Thank you, Mr. Burke. We appreciate your being here today and your testimony. Looking forward to it.

Our second witness is Mr. J. David Cox, who currently serves as the national president of the American Federation of Government Employees. Mr. Cox was first elected president of AFGE in August 2012, and was re-elected to a second term in 2015. AFGE has increased its membership by more than 90,000 employees since Mr. Cox was first elected to national office in 2006. As a nationally recognized labor leader, Mr. Cox was appointed by President Obama to serve on the Federal Salary Council and the Federal Prevailing Wage Council.

Mr. Cox is now recognized for 5 minutes for an opening statement.

**STATEMENT OF JEFFREY DAVID COX, NATIONAL PRESIDENT,
AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES**

Mr. COX. Thank you very much, Chairman Katko and Ranking Member Watson Coleman and Ranking Member Thompson and Member Estes. Thank you all for having me here today. I always enjoy the Southern hospitality that I experience with this group and the collegiality that this group always has together and as they go for the interest of the American public.

But I want to talk about TSOs. They are the front line of the airport security. They are the eyes, the ears, the hands of TSA at the checkpoints and the baggage areas. They are the most visible of TSA's components and the most likely to be blamed when things

go wrong, but we are almost never recognized for the excellent job that they do.

I ask that Congress and TSA show their appreciation for TSOs' contribution to our Nation's security by guaranteeing fair treatment on the job. I also ask that Congress ensure TSOs have the resources they need to carry out their mission.

Security screening of passengers and baggage was Federalized as a consequence of careful examination of our Nation's aviation security practices following September 11. That examination found that fatal security lapses were due to the fact that private screening contractors operated with too little oversight. The screeners they employed had little training, no standard operating procedures, high turnover, and very low pay.

For 15 years, TSOs have kept America safe from terrorism and other risks. They get the job done. Their record is one we shall all be applauding today. For example, last year, TSOs seized 3,391 firearms at checkpoints, most of them loaded. They defied projections of long wait times during severe understaffings in last spring and summer as the busiest times of the travel season.

Yet there are politicians who continue to try to privatize TSA. Make no mistake: Privatization through the Screening Partnership Program takes us back to pre-9/11 conditions. The future of TSA lies with Federal employees as TSO and not private contractors. Regarding their treatment on the job, TSA administrators have the option to decide whether to provide fundamental workplace rights and protections to TSOs. These basic rights should not be subject to the whim of whoever happens to sit in the corner office.

Employee rights should not be subject to political appointee preferences, but current law allows for this. We ask that TSOs be granted the same statutory rights that protect all Federal employees from political influence and employment conditions that vary, depending upon which party is in power. AFGE recently ratified a contract with TSA by means of a collective bargaining process that is deeply inferior to what that which other Government agencies have been able to negotiate with their unions.

TSA unilaterally changed and implemented rules inconsistent with previously agreed-upon rules. This reminds TSOs constantly that their own Government considers them second-class employees. TSOs should have statutory rights and protections under Title 5 of the U.S. Code, such as employment discrimination protections and full collective bargaining rights.

I want to salute Ranking Member Bennie Thompson, Representative Nita Lowey, and Senator Brian Schatz for continuing to stand up for the TSO work force by introducing the Rights for Transportation Security Employees Act and the Strengthening American Transportation Security Act in the House and Senate.

Both bills ensure TSOs and all other TSA employees have rights and protections under Title 5. I urge you to enact these bills into law. I ask again that Congress and TSA welcome TSOs as full partners in protecting the public. Thank you for the opportunity to testify, and I look forward to answering any questions you may have.

[The prepared statement of Mr. Cox follows:]

PREPARED STATEMENT OF JEFFREY DAVID COX

MARCH 14, 2018

Chairman Katko and Ranking Member Watson Coleman, my name is J. David Cox, and I am the national president of the American Federation of Government Employees, AFL-CIO (AFGE), representing over 700,000 Federal workers, including over 42,000 Transportation Security Officers (TSOs) who serve on the front line of aviation security at our Nation's airports. Thank you for the opportunity to testify before the Transportation and Protective Security subcommittee for the hearing on *Examining the President's Fiscal Year 2019 Budget Request for the Transportation Security Administration*. The officers represented by AFGE are critical to the Transportation Security Administration's (TSA's) mission and integral to the National security framework but face unnecessary difficulties we believe are largely created by TSA's failure to seek the funding necessary to address acute staffing shortages and to adequately compensate TSOs, especially officers who have shown a long-term dedication to the flying public by staying on the job.

TSOs are the most visible position in the Department of Homeland Security (DHS) and interact most often with the public. The officers represented by AFGE are required to apply constantly-evolving procedures that change according to TSA's risk assessment, perform their duties swiftly, pleasantly interact with the public and are expected to never make a mistake. In 2017 TSOs discovered 3,957 firearms in carry-on bags at checkpoints of which 84 percent were loaded. While screening more than 771 million passengers and 466 million checked bags daily, our officers completed 2017 successfully, without a single terrorist incident on a TSA-screened aircraft and without a repeat of the long checkpoint lines of 2 years ago. The TSOs represented by AFGE appreciate the challenges of protecting the flying public, but wonder when they will receive tangible acknowledgment of their hard work and assistance in performing their duties.

Despite their important role in the seamless framework of aviation of security, the TSO workforce continues to be confronted with serious workplace issues. AFGE commends Administrator Pekoske for identifying and discussing two of those important issues at a November 8, 2017 hearing: Employee morale and pay rates for officers. Administrator Pekoske previously testified that employee morale is an incredibly high-priority issue and he believes that as employee morale improves, security effectiveness improves at the same time as attrition declines. AFGE agrees and believes the fiscal year 2019 TSA budget presents options to address the entrenched low employee morale at the agency and improve aviation security. AFGE would urge Administrator Pekoske to show the same commitment to increasing officers' pay and addressing staffing shortages as he has in advocating for increased training. The fiscal year 2019 TSA budget presents the following solutions to on-going problems at TSA:

INSTILL OBJECTIVITY AND FAIR COMPENSATION TO THE TSA PAY SYSTEM

TSA officers are underpaid, and the wage issues follow the workforce from smaller current paychecks to smaller retirement checks. New TSA officers are paid under the so-called D pay band. After completing 1 year on the job they automatically move to the E pay band in addition to the CEI and TOPS pay increases received for the last 2 years. For the rest of the time they remain TSOs, the workforce remains in the E pay band unless promoted to another position at the agency. Because TSA recently eliminated the Behavioral Detection Officer position, TSOs can no longer achieve the higher G pay band, a difference of thousands of dollars. After failing to raise TSO base pay for a 5-year period, in 2014 TSA increased starting D and E band pay by 5 percent, but failed to also adjust the pay of TSOs with years on the job. As a result, the pay of a TSO with 1 year on the job is now within a few thousand of a veteran TSO with 10 years on the job. TSOs do not receive the time-in-grade or other longevity pay increases that are built into the GS pay system. TSO paychecks fail to reflect the importance and expertise demanded of their work, and bonuses, if any, are not calculated into their pension benefits. The workforce deserves a pay system that is fair and adequately reflects their training, the complexities of tasks, and their seniority.

AFGE makes the following recommendations for the fiscal year 2019 TSA budget:

- Adopt the GS pay system for the TSO workforce.
- Adjust the pay of veteran TSOs to compensate for years of wage stagnation and recognize their years of work at TSA.
- TSA should request the funding necessary to adequately compensate the TSO workforce.

TSA SHOULD ADEQUATELY STAFF CHECKPOINT AND BAGGAGE SCREENING

The House Fiscal Year 2018 Department of Homeland Security report stated of TSA Appropriations:

“The committee is concerned that, despite the continued upward trend in air travel, TSA continues to use artificially low estimates for anticipated growth in passenger volume when developing its Transportation Security Officer staffing requirements, resulting in multiple reprogramming actions in the year of execution to address rising wait times, or Congress appropriating additional funds above the budget request to address these unrealistic assumptions. The Committee supports TSA’s efforts to seek innovative improvements in efficiency and security, and not solely relying on increases in staffing and overtime to address growth in air travel. Unless the agency uses realistic projections when developing its budget request, however, it will simply continue to set itself up for failure.”

We agree with the House appropriations report language but we would respectfully suggest it should also recognize that it has been the hard work of TSOs that repeatedly rescues TSA from its failure to address checkpoint and baggage staffing at airports. For several years Congress passed spending bills that included arbitrary caps on the number of TSOs that did not comport with the rise in passengers. AFGE has warned before of the impact of TSO shortages on the security mission. These labor shortages also have a disproportionate impact on female TSOs who face denial of shift or line bids or delayed breaks due to chronic underrepresentation of women among the TSO ranks.

There are other issues at play in the understaffing problem as well. For example, TSA failed to fill TSO vacancies based on an expectation that the public would enroll in TSA PreCheck and other trusted traveler programs despite evidence to the contrary. In response to long checkpoint lines during the spring and summer of 2016, former DHS Secretary Jeh Johnson redirected \$34 million in reprogrammed funds to TSA. Most of this funding was used by TSA for overtime worked by its existing TSO workforce, even though the number of TSOs had fallen by 5,000 since 2011. The 687 FTE TSO increase in the President’s fiscal year 2019 TSA budget is only a first step. AFGE continues the call for 5,000 additional TSO positions to address the staffing shortages created by attrition and TSA’s erroneous projections. TSA’s failure to adequately staff checkpoint and baggage screening areas leads to overworked officers and less security for the flying public.

TSA’s failure to maintain an adequate workforce also exposes TSOs to the loss of their jobs with the agency if airport operators threaten to privatize screening through the Screening Partnership Program as a means to gain additional staffing. Members of AFGE TSA Local 556 and Members of the Florida Congressional delegation, including House Homeland Security Committee member Val Demings, Representatives Darren Soto and Stephanie Murphy and Senator Bill Nelson are fighting in opposition to attempts to privatize screening at Orlando International Airport (OIA) by the airport operator. Despite high satisfaction ratings from passengers who use the airport, the airport operator includes inadequate staffing as a reason for the consideration of privatizing screening at the airport. Any problem in Orlando can be traced to highest-in-the-Nation passenger volume per checkpoint, and to the failure of local TSA managers to adequately manage that operation. While AFGE believes it is inappropriate for airport operators to hold the jobs and lives of the TSO workforce at the airport as a pawn against TSA, it is equally wrong for TSA to set a ceiling on TSO workforce instead of allocating that workforce by need.

I also want to emphasize that all 2 million of the passengers departing on flights from U.S. airports must be screened by a person, regardless of canine alerts, enrollment in PreCheck, or the use of technology.

END THE SEPARATE AND UNEQUAL PERSONNEL SYSTEMS AT TSA

AFGE calls upon Administrator Pekoske to end TSA’s separate and unequal personnel system that provides supervisors, administrative staff, and all other TSA employee rights that are denied to TSO, who make up the vast majority of the workforce. TSA has denied TSOs the ability to appeal adverse personnel decisions to the Merit Systems Protection Board (MSPB) or an independent third party. A minority of TSA employees, including supervisors and managers, can appeal adverse personnel decision to the MSPB. In January the DHS Office of Inspector General issued a report detailing how high-ranking TSA officials (Deputy Administrator Mark Hatfield, Chief Counsel Francine Kerner, and former Office of Professional Responsibility Assistant Administrator Heather Book) interfered with TSA disciplinary process to ensure a more lenient outcome for the Transportation Security Executive Service employee found to have violated TSA policies and procedures. TSOs

are denied the protections of the Fair Labor Standards Act and the Back-Pay Act simply because their job classification is that of transportation security officer and TSA has blocked the application of the law to them. If the agency wishes to increase employee morale to reflect that of other Government agencies, it must treat all its employees the same rather than continue a separate and unequal system within TSA.

TSA must also address labor-management rollbacks that have increased under Administrator Pekoske. Since the start of the Trump administration, TSA has announced the following rollbacks:

- The end of quarterly labor-management meetings
- The end of the National Advisory Council and the Diversity Advisory Council—both employee- and manager-led committees that jointly tackle Nation-wide workforce issues.
- Refused to meet with AFGE TSA Council 100, the exclusive representative of the TSO workforce and instead hosts random “town halls” at some airports. The town hall attendees are selected by TSA and are made up of mostly managers and supervisors. The town halls are not focused on the needs of the largest most critical portion of TSA: The front-line screening workforce.
- Refused to sign the most recent collective bargaining agreement (CBA) between AFGE and TSA.
- Sought to undermine third-party review and resolution of disputed CBA provisions.
- Unilaterally deemed “non-negotiable” provisions that were negotiable under the last CBA.
- Continued to refuse to negotiate a grievance procedure with AFGE.
- Awarded a non-competitive contract worth more than \$500,000 to evaluate TSA’s dispute resolution system to a contractor from the Chickasaw Nation that has demonstrated no expertise in dispute resolution, grievance review, or TSA’s grievance system specifically.

TSA has eliminated existing labor-management frameworks for solving issues between the agency and employees through their exclusive representative. I have urged Administrator Pekoske to commit to building a labor-management relationship at TSA and addressing issues with the employees’ elected exclusive representative. We engage with the front-line workforce daily and those front-line officers have a lot to offer to improve labor relations and the overall security mission: AFGE is their elected conduit for that input.

Congress can also do its part by ensuring TSOs have the same workplace rights and workplace protections under Title 5 of the U.S. Code as other DHS employees. H.R. 2309, the Rights for Transportation Security Officers Act, introduced by Homeland Security Committee Ranking Member Bennie Thompson (D–MS) and Appropriations Committee Ranking Member Nita Lowey (D–NY), repeals the authority of TSA to unilaterally set the terms and conditions of employment for 44,000 TSOs. AFGE strongly supports the Rights for Transportation Security Officers Act, and I call on you to report this important bill out of committee.

Meanwhile, the TSA employee attrition rate has far surpassed the Federal Government attrition rate since the agency was created following the terrible events of September 11, 2001. Declines in attrition rates from astronomical highs of over 20 percent to the current fiscal year attrition rate of about 12 percent is nothing to brag about and detrimental to security. These high attrition rates do not occur in other DHS components where the rank-and-file workforce are afforded workplace rights and protections under title 5 of the U.S. Code. Similarly, some airports see attrition rates far higher than the average rate cited by the administrator in previous testimony. We believe that if we address the issues of pay, staffing, and the grievance procedure, attrition will start to improve.

AFGE strongly supports H.R. 2514, the Funding for Aviation Screeners and Threat Elimination Restoration (FASTER) Act introduced by Representative Peter DeFazio, and Homeland Security Committee Ranking Member Bennie Thompson and Transportation and Protective Security Subcommittee Ranking Member Bonnie Watson Coleman. The FASTER Act provides an ample and much need funding to TSA by returning to TSA the security fees collected from passengers instead of applying the funds to pay for other items in the general fund. The FASTER Act would restore more than \$19 billion for use to both the TSOs and technology to ensure aviation safety and move passengers effectively and efficiently through airport checkpoints.

CONCLUSION

In this testimony I have outlined numerous proposals for the TSA workforce that are all related, ultimately, to increasing aviation security, fairly treating the TSO workforce and in return save taxpayer funding. This can be accomplished by eliminating poorly conceived and inefficient H.R. and labor relations programs, processes, and protections at TSA in favor of those available to Federal workers under title 5 of the U.S. Code. AFGE has worked successfully with countless agency heads under administrations of both parties to represent our members and bolster the performance of the Federal Government function for the benefit of the U.S. public. There is no good reason why our union cannot have the same relationship with TSA under the leadership of Administrator Pekoske. Thank you for the opportunity to share AFGE's views on these important issues, and I am available to answer any questions you might have.

Mr. KATKO. Thank you, Mr. Cox. We appreciate you being here today.

I now recognize myself for 5 minutes of questions. I want to talk for a minute about the PreCheck program and how it impacts personnel issues and personnel levels at the airports. Early on, there were some prognostications, if you will, that TSA PreCheck could get up to 20 million enrollees. We have spent an awful lot of time and effort trying to get those numbers up, and they have gone from less than a million to over 4 million now, but nowhere near the 20 million-mark level.

So I was wondering, Mr. Burke, if you could tell us what it is that they could do better in marketing PreCheck. Where do you see problems with the current PreCheck program now? If you could address some of the things that we are concerned about, especially the security issue, and that is individuals being in the PreCheck lane that should not be there because they are not enrollees. The time of them doing that is going to be ending quickly by law, hopefully, because we are introducing legislation to fix that.

But I would like to hear your take on that, if you would.

Mr. BURKE. Well, Mr. Chairman, to address the first part of your question, we as an organization, airports have fully supported PreChecks. We look at the opportunity to be able to move safely and efficiently passengers through their lines as the ability to be able to keep people safe at airports.

We have advocated to TSA that they market this program better than they have had. We have offered—our airports have offered space for people to enroll at airports as they get there, free of charge. They open up an office. You can enroll. I have offered the advice to TSA that, why don't we do the same thing that the folks in Customs do with their passports and be able to go to a local post office to be able to begin the application process?

Eventually you will have to go to an airport for an interview, but to begin the process, because most people that we want to have join TSA PreCheck don't travel as much as I do. I travel all year long. But we have people who infrequently do it who would benefit greatly from the ability to do that.

So we advocated better marketing of the program. The numbers are better. They can do much, much better. The challenge is, though, even with marketing TSA PreCheck, TSA has to have the officers and the ability to man those PreCheck lanes. It is great to have PreCheck, but if you don't have TSOs to be able to support that, then the program is effective, but not as effective as it could be.

So better marketing, the ability for us to be able to—and TSA to get more people in line, making it easier for the traveling public to become part of the program.

Mr. KATKO. Thank you. Anything you would like to add, Mr. Cox?

Mr. COX. I would agree with the statement. Even with the PreCheck, as that lane moves a little faster, you still have to have employees. There still has to be the screener there, the person monitoring the folks going through the screening, checking the baggage. It moves faster, but if you don't have employees or the lanes are closed at certain hours, they are still of no benefit. So—and that is the first lanes they will close down in many airports that I go through. I am in airports virtually every day of my life. That is the lane that will get closed the quickest, and they will funnel the passengers into the other lanes.

So you still have to have the staff. TSA has about 5,000 less screeners now than they were several years ago.

Mr. KATKO. I want to follow up basically on a more broader topic here, Mr. Burke first. The stakeholder engagement in the budget process, could you describe if you have had any engagement whatsoever in the process or any input? The same question would be for Mr. Cox, as well.

Mr. BURKE. Well, in terms of direct impact, we have staff who talk to TSA and the administration about the need for airports. We have advocated for more officers. We have advocated for Congress to continue to fund exit lanes. More LEO reimbursement, because we see that as essential to help our TSA officers at the front lines of security at airports.

So we have advocated as an industry that the more security we have at airports, the safer passengers are. We have transmitted that message to TSA and the administration. We began the administration with a list of regulatory changes that we were hoping would happen, and in that recommendation are how we would deal with TSA.

We view TSA as a partner. We have a very good relationship with them. We have nearly 900 million people that pass through United States airports every year. So the job that TSA does to secure the safety of these people from the beginning when they enter the airport from the time they step on the plane is an enormous responsibility. We view this as an airport being able to work with a regulatory agency like TSA together with our on-site law enforcement people as a multi-pronged, multi-ring ability to be able to secure the airport, whether it be through cameras, whether it be through dog patrols, whether it be through officers walking through the airport.

But we have expressed our position that more needs to be done, more officers—to my colleague's position here—more officers need to be put in place to protect the traveling public.

Mr. KATKO. OK, briefly, Mr. Cox? I only have a few moments. Anything you would like to add?

Mr. COX. We advocate, we write letters, we—to all the Members of Congress, as well as to the administration, but an active role into the budget process, no, sir, we don't. I would say, I suspect each one of you, as you plan for your budget for your office, you

sit down with your staff and you start projecting the needs for the coming year and look to those people that help you do that work. I think TSA needs to look to the TSOs through their exclusive representative, AFGE, what would it take to run a successful TSA?

Mr. KATKO. Thank you very much. I would be remiss if I did not note, as I try to at every hearing, the incredibly great job that TSOs do under very difficult circumstances. They are constantly trying to find the proverbial needle in a haystack under stressful and difficult conditions, and they do a remarkably good job with what they are faced with. So I appreciate them.

The Chair now recognizes the gentleman from Mississippi, the Ranking Member, Mr. Thompson.

Mr. THOMPSON. Thank you very much. Thank you, gentlemen, both for being here. Mr. Cox, it is always nice to get a witness that has the same accent as the Ranking Member. So I am more than happy to be here.

You heard my line of questioning to the administrator relative to pay, longevity pay, evaluations, pay scale. What was your reaction to his answers to me?

Mr. COX. I believe that the administrator would like to pay the employees more money. But I heard him say, "But I only have so much money." If the TSOs were on the Title 5 pay scale, when Congress did its budget as it did a few weeks ago, it passed the budget, the TSOs would have gotten their cost-of-living raises, they would have gotten their within grade raises, they would have gotten those things like all other Federal employees would have received. It wouldn't have been a burden upon an administrator to decide "I can or can't give but so much to so many," and the haves and the have-nots. They should be treated like all other Federal employees.

Mr. THOMPSON. So is your testimony that you are not asking for anything more for the people you represent, other than what other Federal employees enjoy every day at the workplace?

Mr. COX. That is exactly right, like all other Federal employees, Border Patrol, ICE agents, Coast Guard agents, all of those folks in Homeland Security are on the GS pay system.

Mr. THOMPSON. Thank you.

Mr. BURKE, do you support the collection of passenger security fees?

Mr. BURKE. Do we support—absolutely. As a matter of fact, we have expressed concern about the diversion of the security fees that should be going to TSA that have been diverted to go to other programs.

Mr. THOMPSON. That is the second part of my question.

Mr. BURKE. OK. I read your mind.

Mr. THOMPSON. Absolutely. So the diversion going to deficit reduction versus items that you are about to illuminate would be a far better use in your professional opinion than what it is presently going to?

Mr. BURKE. That is correct.

Mr. THOMPSON. I yield back.

Mr. KATKO. Let the record reflect that is the first time I have seen you not use all your time.

[Laughter.]

The Chair now recognizes Mrs. Watson Coleman for 5 minutes of questioning.

Mrs. WATSON COLEMAN. Thank you. It is good to see you, Mr. Cox, and it is good to hear from you, Mr. Burke.

Mr. Cox, the employee disciplinary process for TSOs, is that different than it is for other Federal employees?

Mr. COX. Yes, ma'am, it is.

Mrs. WATSON COLEMAN. How so?

Mr. COX. Well, it changes by the hour. It can change totally at the desire of the administrator or the administrator's general counsel. It goes through these resolution committees. They can decide to accept it or just totally reject it. It is very much of a kangaroo court.

Mrs. WATSON COLEMAN. Does that contribute to the concern with morale?

Mr. COX. Yes, ma'am, it does, because they are not treated fairly like everyone else.

Mrs. WATSON COLEMAN. So there was a ranking that was done and TSA was ranked like 339? Something of that—336 out of 339. But it was ranked dead last because of the pay scale?

Mr. COX. The pay scale and also the work rules that TSA has.

Mrs. WATSON COLEMAN. Like what work rules?

Mr. COX. The work rules governing collective bargaining. They don't have full Title 5 collective bargaining rights. They don't have the appeal rights that other Federal employees have—

Mrs. WATSON COLEMAN. Do they have any negotiation ability?

Mr. COX. We have—we negotiate over when you can wear shorts and when you can wear long pants and when you can wear short-sleeved shirt and when you can wear a long-sleeved shirt, according to the temperature in the work area.

Mrs. WATSON COLEMAN. So the President's budget in a number of ways I found very troubling. One of the ways, one of the issues that I found particularly troubling was the reduction of the reimbursements to the local enforcement officers. So I am wondering, how does the LEO reimbursement diminishment impact the safety and security of the TSO officers?

Mr. COX. Our officers, our members are dependent upon local law enforcement for the protection. Obviously, I think we are all very much aware of what happened in Los Angeles and what happened in New Orleans, that we have had one officer killed, other officers injured. But for police being in that area, local law enforcement intervening and moving forward, I think things could have been a lot worse. That local law enforcement is the only people that have weapons and have arrest authority, those type things for the protection of not just TSOs, but the American traveling public.

Mrs. WATSON COLEMAN. So how many TSOs are there?

Mr. COX. There is right at 44,000.

Mrs. WATSON COLEMAN. There are 44,000. How many would you consider to be full staffing?

Mr. COX. Right now, I would say we are down right at about 5,000 from where we were at several years ago.

Mrs. WATSON COLEMAN. Was that full staff?

Mr. COX. That was when the agency was beginning. Pretty much full staffing. There is a lot more air traffic now and more passengers than there was 5 years ago.

Mrs. WATSON COLEMAN. Well, I think I have got the message as it relates to the sort of unpredictability and anxiety this creates for employees and the system and how it is really controlled by individual decisions, individual preferences. Thank you very much for that.

I yield back.

Mr. KATKO. Thank you, Mrs. Watson Coleman. The Chair now recognizes the gentleman from Kansas, Mr. Estes, for questioning.

Mr. ESTES. Thank you, Chairman. Mr. Burke, recently you spoke at the 2018 aviation summit and mentioned that some of the key issues are work-facing industry now, or work force planning, security, facilitation, and infrastructure. Can you talk a little bit about how well the President's budget is addressing those particular issues that you raise there?

Mr. BURKE. Well, Mr. Estes, not as well as we would like them to be. I will start with infrastructure. The President as a candidate and as a President talked about rebuilding America's airports through an infrastructure package. We haven't seen one yet. Hopefully we will have one.

But also, too, Congress had the opportunity several weeks ago through the omnibus bill to modernize the passenger facility user fee, which all passengers pay, as a user fee to pass through our airports. That fee was instituted nearly 20 years ago, and that fee has not increased in 18½ years. It is at \$4.50. We advocated a \$4 increase.

That money would go to modernizing America's airports. The average age of a terminal in the United States is over 40 years old. Those airports were created before they had TSA, before we had the security concerns post-9/11. Yet all of those airports have had to figure a way to adapt their aging infrastructure to the requirements of TSA on one side of the airport, Customs and Border Protection at the other end, with little to no increase in their PFC to—which is used to build out terminals.

There are times, like, for example, in Syracuse, Chairman Katko's district, where some of those funds are used for exit lane technology. Now, we fully support paying for exit lanes. Congress approved it back in 2013. We fully support that. But in the future, technology is an opportunity or choice for airports to be able to change.

Mr. Katko goes through that security system every week, and it is actually paid for itself through this fee. Yet Congress had an opportunity to fix that at no cost to the Federal Government, and it didn't make it through the omnibus process. Nor did it make it through the authorization process for the Transportation and Infrastructure Committee.

So I look at it—our industry looks at it as this is a 21st-Century world. We are dealing with airports that were built in the 20th Century. We have to take the infrastructure and modernize it to be able to make it efficient and safe for the traveling public.

So when I look at what is happened, we were excited about rebuilding airports. The President during his campaign spoke I think

it was over 200 times about us being third-world airports. We figured this is great, we are going to be able to get money, we are going to be able to increase the PFC. That hasn't happened yet.

Our expectation is that over time we will be able to do that, but in order for us to be able to keep our passengers, our customers safe, there is a host of things we have to do. The first start is making certain that the facilities that we are providing TSA and Customs are that—that makes it easier for them to do their jobs and makes it safer for passengers to get through the airport in a safe and efficient manner.

I hope that answers your question, sir.

Mr. ESTES. Thank you. Mr. Cox, I have a couple questions for you. I may start with one just in case we ran out of time, which wasn't necessarily the one I wanted to start with, but you had mentioned about private screeners versus, you know, TSO, Federally-employed TSO agents. I wanted to talk a little bit about—you were a very strong advocate that we needed to not be using private screeners. I wanted to make sure that we weren't missing the boat somewhere in these airports that currently do have them.

Are there—is it a training issue that the private folks don't have? Are there tools they don't have, resources they don't have, procedures that we don't require them to follow that makes it such a strong concern? You know, do we need to do something now with those facilities that do use—

Mr. COX. There were several airports, as you well know, that in the very beginning that remained with private screeners that were various size, as sort-of a test. Some—I believe it was Montana that came in and asked to go private, and then came back later on and said it is not working for us, we want TSA to take that back over again.

Occasionally, Kansas City went up for bid several years ago, and it was a bidder that bid less and got the contract, and they were struggling to already staff, and the people were saying now it is going to be even harder to staff, to pay that staff less. There is also—there is not the mobility that some people—their lives change. They work in New York, and now something has happened, they want to work in Arizona. They have the ability to transfer to another airport, just as Government employees do, and all other Government agencies. They don't have that with the private screeners.

We believe that it is proven that they were Federalized and the Government has done that simply because the private process was not working effectively throughout this country. We saw what happened, and I think TSA has a record that is proven to be great, that this country has had no terrorism since we have done it with professional staff.

Mr. ESTES. Thank you. Mr. Chairman, I am out of time. I did have one more question, if you wanted to allow that, or if we are doing a second round.

Mr. KATKO. Very, very briefly. Thanks, please.

Mr. ESTES. My question—and hopefully this doesn't go too long—I just—are there additional training needs that we might have for the TSO agents that we can address?

Mr. COX. I think training is always an issue for any employee, because I am a registered nurse, worked for the V.A., but still yet when there were veterans to be cared for and they were coming in faster than we were able to take care of them, if it was my day to go to training, I had to take care of the veterans.

There is never a shortage of passengers to be screened in an airport. There is always going to be a rush to go on. Training has to be planned for in any organization. I think it is imperative with the technology as it changes almost by the moment and the screening industry that all the TSOs constantly have the chance to go to be retrained, to have the refresher training, to do those type things, to be good and to be the experts, because as the Chairman said, they do a great job. I couldn't do that job. I look at that, and I have no idea what is on that screen. But I know they get me safely from one point to the other.

Mr. Chairman, can I say to this committee, it is always a joy to come and testify before this group. We have a lot of partisanism and all type of things in our Government, but I have never come to this committee that it hasn't been a great experience, and every Member of the committee is always concerned about the American public. That is the lot for every Member that serves on this committee, sir.

Mr. ESTES. Thank you, I yield back.

Mr. KATKO. Thank you, Mr. Cox.

I wanted to thank the witnesses for their thoughtful testimony today. Members of the committee may have some additional questions for the witnesses. We will ask them to respond to those in writing.

Pursuant to committee rule VII(D), the hearing record will be held open for 10 days. Without objection, subcommittee stands adjourned.

[Whereupon, at 3:47 p.m., the subcommittee was adjourned.]

APPENDIX

QUESTIONS FROM CHAIRMAN JOHN KATKO FOR DAVID P. PEKOSKE

Question 1a. In December, TSA Administrator David Pekoske said that DHS is considering the merger of trusted traveler programs such as PreCheck and Global Entry to help reduce costs and increase security.

Is this something that DHS is seriously considering, and if so, how much progress has been made toward combining the two programs?

Question 1b. What sort of cost savings do you expect from combining the programs?

Answer. While recognizing differences within each program, the Transportation Security Administration (TSA) and Customs and Border Protection (CBP) are collaborating to identify efficiencies and security effectiveness within their trusted traveler programs; this includes reviewing the challenges and opportunities for a potential merger. TSA and CBP are evaluating the creation of a single DHS on-line portal to support both programs, including the potential to facilitate the enrollment of some Global Entry applicants at TSA PreCheck enrollment centers. As potential solutions are still being developed and considered, it is premature to determine cost savings.

QUESTIONS FROM RANKING MEMBER BONNIE WATSON COLEMAN FOR DAVID P. PEKOSKE

Question 1a. Passenger volume continues to grow, and if it outpaces TSA's predictions, TSA will face major wait times, as it did 2 years ago.

How much passenger volume growth is TSA predicting over fiscal year 2019?

Answer. The Transportation Security Administration (TSA) anticipates approximately 3 percent increase in passenger volume for fiscal year 2019. In the short term, TSA has a plan to meet projected summer 2018 volume demands by increasing hiring prior to summer, adding additional overtime resources during the summer months, and increasing the number of operational Passenger Screening Canine teams. Increased hiring is currently on track for our peak summer travel period to have our TSA front-line staffing headcount be 1,600–1,800 higher than July 2017.

Question 1b. How did TSA calculate its predictions for passenger volume growth when formulating the budget request?

Answer. TSA uses several sources to forecast volume. These include the Federal Aviation Administration's forecasts, future flight schedules, industry input, and historical throughput trends.

Question 1c. Did TSA consult with airports and airlines when formulating these predictions, including taking airport size constraints into account?

Answer. Yes, TSA requests airport and airline input as part of this process. Additionally, through the modeling process, size constraints are considered. Any such constraints are monitored and updated as airports add new lanes and/or checkpoints. Within available resources, TSA is able to ensure the staffing is made available to support any new throughput that is generated.

Question 2a. If there were no budget constraints, how many full-time equivalent front-line positions do you believe TSA requires to execute its mission as effectively as possible?

Question 2b. How does that number compare to what is proposed in the fiscal year 2019 budget?

Answer. The fiscal year 2019 budget request will provide the resources necessary to meet our mission, if the requirement to staff exit lanes is turned over to airports as proposed.

QUESTIONS FROM RANKING MEMBER BENNIE G. THOMPSON FOR DAVID P. PEKOSKE

Question 1. Please provide to the committee the process by which TSA front-line officers receive regularly-scheduled pay raises, the percentage of officers who re-

ceived pay raises in each of the last 3 calendar years, and the average dollar amount of pay raises in each of the last 3 calendar years. Please do not include changes to Cost of Living Adjustments as part of the pay raises.

Answer. On an annual basis, TSA leadership outlines any proposed pay adjustments and/or performance awards at the respective performance rating levels for the Transportation Security Officer (TSO) workforce. Nation-wide, the amount of any pay adjustment and/or performance award will be consistent for all eligible employees with the same rating of record.

To be eligible to receive a pay adjustment and/or performance award, employees must meet the following criteria:

- (1) Appointment date to the TSO Workforce is on or before June 30 of the current performance year. This allows for the employee to be on a performance plan a minimum of 90 days prior to the end of the fiscal year;
- (2) Must have a qualifying rating of record of level 3—“Achieved Expectations” or higher for the performance cycle in the current rating year or a presumed rating as a result of an absence due to military service; and
- (3) Must be employed by TSA on the effective date of the TSO Workforce Performance Payout.

The table below depicts the percentage of officers who received pay raises in each of the last 3 calendar years:

Performance Year	Percent TSOs Receiving Performance Increase
2015 *	41
2016	89
2017	89

In 2015, TSA used a different methodology for determining performance increases that was dependent on the employee’s percentile ranking within the Federal Security Director’s area of responsibility. In 2016, based on feedback from the workforce, this methodology was changed to reflect Nation-wide consistency for all eligible employees with the same rating of record.

The table below depicts the average dollar amount of pay raises in each of the last 3 calendar years:

Calendar Year	Average Raise
2015	\$448
2016	\$249
2017	\$244

Question 2a. In this budget proposal, TSA seems to be wiping its hands of responsibilities for securing surface transportation. After cutting grant funding and eliminating the VIPR program, TSA would be left with almost entirely voluntary surface security programs since it has still not issued regulations required under the 9/11 Act.

Given these cuts to surface security programs, it is more imperative than ever that these regulations be issued as quickly as possible. What is the time line for issuing final rulemakings?

Question 2b. If the Executive Order is an impediment to issuing these regulations, I would remind the administration that Executive Orders do not trump statutory requirements. Have you raised this issue within the administration?

Answer. In the decade since enactment of the *9/11 Commission Act of 2007 (9/11 Act)*, TSA has worked with Government and industry partners to enhance the security of surface transportation modes consistent with the requirements of the 9/11 Act. As a result, 39 of the 41 surface transportation security-related mandates of the 9/11 Act have been met, including development of National strategies for public transportation security and railroad transportation security. These National strategies were developed in collaboration with industry and have been implemented as part of the National Strategy for Transportation Security (NSTS).

TSA is prioritizing the outstanding requirements of the 9/11 Act. As noted in the Spring 2018 *Unified Agenda*, TSA intends to publish a final rule to implement the requirements to provide security training to surface transportation employees in calendar year 2018. TSA will respond to comments received on the proposed rule as part of the rulemaking process. TSA also targets calendar year 2018 for publication

of a proposed rule to meet requirements to develop a vetting program to perform name-based background and immigration checks for front-line public transportation and railroad employees, and calendar year 2019 to publish a proposed rule that would require vulnerability assessments and security planning by owner/operators of higher-risk surface transportation systems.

TSA continues to work with its stakeholder partners to reduce vulnerabilities and mitigate risk simultaneously with developing these regulations. Numerous programs and measures have been developed and implemented to better protect surface transportation hubs and systems by building upon and complementing existing Federal safety regulations and programs. Collaborative efforts between TSA and surface transportation-related associations have been instrumental in the development of voluntary standards and recommended practices; the owners and operators of key systems have consistently adopted these standards and recommendations to enhance security within their systems.

In early 2017, the President issued two executive orders (EO) on regulatory reform: EO 13771, *Reducing Regulation and Controlling Regulatory Costs*, and EO 13777, *Enforcing the Regulatory Reform Agenda*. Like other Federal agencies, TSA must comply with both of those Executive Orders as it proceeds with issuance of its regulations. Regulations not exempted from EO 13771 must be offset by elimination of two other regulatory actions and have deregulatory offsets to ensure the new regulation has \$0 incremental costs or fits within the Department's regulatory cost allowance. As a department, DHS has a \$0 regulatory cost allowance for fiscal year 2018.

Additionally, EO 13771 explicitly exempts "regulations issued with respect to a . . . national security . . . function of the United States" from the requirements of the EO. OMB's April 5, 2017, implementing guidance further defines the National security exemption to include legislative rules for which: (1) The benefit-cost analysis demonstrates that the regulation is anticipated to improve National security as its primary direct benefit, and (2) qualify for a "good cause" exception under notice-and-comment rulemaking. TSA does not anticipate issuing these 9/11 Act rules under the good cause exception (and has already issued the security training rule as a proposed rule), and so the rules would not fit within the National security exemption as provided for in OMB's guidance. OMB has indicated it will make these determinations on a case-by-case basis at the final rule stage.

Finally, OMB's implementing guidance provides that EO 13771 "does not prevent agencies from issuing regulatory actions in order to comply with an imminent statutory or judicial deadline, even if they are not able to satisfy EO 13771's requirements by the time of issuance." Specifically, the guidance further indicates that under such circumstance agencies can carry a balance, but must commit to identifying offsetting deregulatory savings "as soon as practicable thereafter."

Question 3. What security enhancements could TSA make if the \$1.3 billion that is being diverted from the Passenger Security Fee went to TSA?

Answer. Securing the commercial aviation sector is one of the most important missions within the Department of Homeland Security and this past year has shown that the threats to aviation continue to evolve and remain pervasive. If the \$1.3 billion were available to TSA, the agency would work to advance security efforts by investing in several areas including in capital investment security assets needed to keep up with the dynamic threats facing aviation, increasing staffing of the front-line workforce to keep pace with growing passenger volumes, and training of our employees.

Question 4a. What is the status of the implementation of TSA's revised policy for Law Enforcement Availability Pay issued in August 2017?

Question 4b. How does this policy change affect TSA criminal investigators who are currently at or over the General Schedule pay cap?

Question 4c. Does the application of the General Schedule pay cap mean that those who are currently at or near the TSA pay cap because of LEAP compensation will be subject to an immediate pay cut? Why or why not?

Answer. On August 9, 2017, Acting Administrator Gowadia announced that TSA would immediately adhere to the title 5 Law Enforcement Availability Pay (LEAP) cap for TSA law enforcement officers, our Federal Air Marshals and 1811 Criminal Investigators. For Federal Air Marshals and Criminal Investigators whose basic salary and LEAP were below the General Schedule (GS) 15, Step 10 premium pay cap for their locality pay area at the time of adoption of the title 5 pay cap, that action did not have any impact on their compensation. Going forward, as these employees receive pay adjustments, their total compensation will continue to increase up to the GS-15, Step 10 premium pay cap for their locality pay area. Once an employee approaches the GS-15, Step 10, premium pay cap, as they receive future pay increases, the LEAP percentage will decrease until LEAP becomes zero. Once the

basic pay reaches the cap and the employee is no longer receiving LEAP, they are eligible to earn a salary above the GS-15, Step 10 premium pay cap for their locality area subject to the same limits as their non-LEO counterparts in TSA. The August 9, 2017 change was put in place in order to limit the negative impact to employees, due to existing policies and lack of authorities described below.

The following example illustrates how the salary of a J band 1811 Criminal Investigator based in Washington, DC (locality pay of 28.22 percent) will increase over time:

- An employee will receive a diminished LEAP percentage so that the payment of LEAP does not cause the total of basic pay plus LEAP to exceed the GS-15, Step 10 premium pay cap.
- As the employee receives pay adjustments their basic pay will increase and the LEAP percentage will decrease until it becomes zero.
Once the employee is no longer receiving LEAP, they are eligible to earn a salary above the GS-15, Step 10 pay cap as their non-LEO counterparts in TSA.

Pay Band	Pay Adjustment	Basic Pay*	Basic Pay + Locality	Percent of LEAP Received	Salary + LEAP	Current GS-15, Step 10 Pay Cap
J	N/A	\$102,000	\$130,784	25	\$163,480	\$164,200
J	6	\$108,120	\$138,631	18.4439	\$164,200	\$164,200
J	5	\$113,526	\$145,563	12.8034	\$164,200	\$164,200
J	2.5	\$116,364	\$149,202	10.0521	\$164,200	\$164,200
K	Promotion 6	\$123,364	\$158,154	3.8227	\$164,000	\$164,200
K	4	\$128,280	\$164,481	0	\$164,481	\$164,200

The TSA 2018 minimum basic pay for a J band is \$75,302 and the maximum is \$116,714. The TSA 2018 minimum basic pay for a K band is \$90,018 and the maximum is \$138,151.

The August 9, 2017, adoption of the title 5 premium pay cap did not impact those employees whose basic salary and LEAP exceeded the GS-15, Step 10 premium pay cap for their locality pay area on August 9, 2017. This group of employees was specifically exempted from the application of the title 5 premium pay cap. As these employees receive pay adjustments their total compensation will continue to increase.

The calculation of retirement benefits is subject to the Office of Personnel Management's (OPM) interpretation of its authority. OPM has made a determination, based on 5 U.S.C. 8331(3)(E)(ii), that it lacks the authority to include as part of basic pay any amount of LEAP for any Federal Air Marshal exceeding the title 5 premium pay cap. Additionally, in the absence of legislation explicitly authorizing OPM to credit LEAP toward 1811 Criminal Investigator retirement, OPM has made a determination, based on 5 U.S.C. 8331(3)(E)(i), that it is not authorized to credit any amount of LEAP (including that earned below the title 5 premium pay cap) for retirement purposes for 1811 Criminal Investigators who receive LEAP under the TSA personnel authority. Implementation of the title 5 GS-15, Step 10 premium pay cap for employees earning LEAP, does not subject any employee to an immediate pay cut.

TSA has offered proposed legislation that, for retroactive periods prior to the date of enactment, will specifically authorize OPM to credit as part of basic pay, all amounts of LEAP earned by criminal investigators, and any amount of LEAP earned in excess of the title 5 premium pay cap by 1811 Criminal Investigators and Federal Air Marshals. Under the proposed legislation, all TSA LEAP recipients would be subject to the title 5 premium pay caps in determining the amount of retirement-creditable LEAP going forward. The legislation would also provide that TSA Federal Air Marshals and 1811 criminal investigators receiving retirement-creditable LEAP would be exempt under the overtime provisions of the Fair Labor Standards Act, consistent with the treatment of criminal investigators receiving LEAP under title 5.

Question 4d. Please describe TSA's efforts to work with the Office of Personnel Management to cease debt collection efforts against retired TSA criminal investigators.

Answer. TSA has been working with the Department's chief human capital officer and OPM since 2014 to resolve the issues related to the calculation of retirement benefits for TSA's Federal Air Marshals and 1811 Criminal Investigators. In October 2016, OPM agreed to temporarily hold any actions to recalculate retirement benefits for 1811 Criminal Investigator annuitants that have already had LEAP included as part of basic pay, or Federal Air Marshals who earned over the title 5 pay cap, while the respective agencies seek legislative resolution of the issues.

Since enacting the hold on actions to recalculate annuities for retirees, TSA has learned of approximately 4 or 5 retired 1811 Criminal Investigators who have received debt notifications from OPM. TSA has advised law enforcement retirees that if they receive notification from OPM about a reassignment of their benefits that they should follow the instructions and deadline for seeking reconsideration set forth in the letter, and requested that they advise TSA of the actions so that TSA can track the progress. For law enforcement retirees who give permission, TSA will request OPM to place their debt on hold until a determination about the legislation is made.

While awaiting resolution of these issues, OPM is applying the GS-15, Step 10 premium pay cap in determining the amount of retirement-creditable LEAP used in calculating the retirement annuity for Federal Air Marshals. These annuitants are receiving a reduced annuity even though they paid retirement contributions on their salary above the GS-15, Step 10 premium pay cap. When OPM processes new retirement applications for TSA 1811 Criminal Investigators, LEAP is excluded in its entirety from basic pay. As a result, these 1811 Criminal Investigator annuitants are receiving significantly reduced annuities even though they paid retirement contributions commensurate with the LEAP they earned. In the absence of legislation to address the matter, OPM will refund excess retirement contributions.

QUESTION FROM HONORABLE WILLIAM R. KEATING FOR DAVID P. PEKOSKE

Question. If there were no budget constraints, how quickly could TSA deploy Computed Tomography machines, and what would TSA's plan be for deploying those machines?

Answer. TSA currently plans to deploy more than 30 Computed Tomography (CT) machines to the field this summer for testing. Once testing is complete, TSA estimates that it will deploy qualified CTs in early 2019. The fiscal year 2019 President's budget includes funding for approximately 145 CTs. Under an unconstrained budget, the time line for deployment of CT machines would depend on the following factor and assumptions:

- At least one proposed CT system meets requirements and TSA receives a successful Acquisition Decision Event that approves moving forward with full rate production and deployment;
- No delay to the CT procurement and deployment schedule due to bid protest litigation;
- The ability and timeliness of the Original Equipment Manufacturer to manufacture and deliver CT systems and provide the resources to support multiple deployment teams to meet the schedule; and
- Stakeholder support in executing the aggressive schedule, such as help streamlining necessary permitting requirements to allow changes to airport infrastructure.

Once the testing is complete in fiscal year 2018, TSA will better be able to detail plans for deploying CTs under an unconstrained budget environment.

QUESTIONS FROM RANKING MEMBER BENNIE G. THOMPSON FOR JEFFREY DAVID COX

Question 1. How would you characterize AFGE's engagement with TSA since Administrator Pekoske started last year?

Answer. AFGE's engagement with TSA Administrator Pekoske has been quite limited. Since last August, I have met with Administrator Pekoske and spoken by phone with him once. The administrator recently scheduled a June meeting with the representatives of AFGE TSA Council 100, elected by Council 100 membership earlier this month.

Question 2. Do you believe TSA leadership and management engages effectively with the workforce?

Answer. No, TSA leadership and management does not engage effectively with the workforce. Almost 17 years since the agency's creation in 2001, TSA leadership and management policies and practices strongly discourage workforce participation. In 2018, TSA canceled quarterly management meetings, the National Advisory Council, and the Diversity Advisory Council. Labor Management Relations meetings that previously took place over 1 week have shrunk to 2 days. Although TSA has stated that agency management at individual airports could hold the meetings there was no directive to do so. As a result, many Federal Security Directors and Assistant Federal Security Directors have not held these meetings. The Councils' and quarterly management meetings allowed TSA management and AFGE opportunities to discuss and address personnel issues. AFGE's membership reports that TSA's random "town hall" meetings at airports have been invitation-only, excluding union representatives, and disproportionately comprised of managers and other employees

outside of the AFGE bargaining unit. TSA has effectively ended forums available for the exclusive representative of the largest and most critical workforce at the agency to address workplace issues through their exclusive representative.

QUESTIONS FROM HONORABLE WILLIAM R. KEATING FOR JEFFREY DAVID COX

Question 1a. As you are aware, some airports have chosen to privatize the workforce at their security checkpoints by applying to TSA's Screening Partnership Program, and other airports are considering whether to apply.

What effects has privatization had on officers at airports that have chosen to transition from Federal to private workforce?

Answer. As reported to AFGE, TSOs who transition from Federal to private workforce have a lot to lose under the Screening Partnership Program (SPP). As an employee of a private security contractor, former TSOs are unlikely to be represented by a union and become at-will employees who can be fired without appeal rights. Pay raises are meager and inconsistent, and TSOs with less than 5 years with the Federal Government lose their pensions and may lose their future retirement benefits. Former TSOs are no longer eligible for FEHB benefits and will pay more out-of-pocket for their health care costs. Working for a private security contractor is not a good job.

Question 1b. How do threats to privatize affect workforce morale?

Answer. I have witnessed AFGE's TSO members as they try to remain focused on their jobs while concerned about the likely deterioration of security and the economic well-being of their families if screening is privatized. SPP applications sometimes follow months or years of insults and negative statements by members of airport boards. Rumors abound among the TSA workforce, and at times, TSA airport management erroneously tells TSOs there is nothing they or their union can do to stop the inevitability of privatization. Some TSOs must consider whether to uproot their families and apply to transfer to another airport even though they are not guaranteed the same job with TSA. The other options left for TSOs under SPP are to apply for a worse job with the private security contractor or quit. TSOs already remain focused on security despite the lack of statutory civil service workforce rights and protections denied by TSA, overwork due to chronic understaffing, and low pay. The additional concern of possible job loss due to no fault of the workforce is a heavy burden for TSOs to bear.

