

**STAKEHOLDER PERSPECTIVES ON IMPROVING TSA  
FOR THE SECURITY OF THE TRAVELING PUBLIC**

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**HEARING**

BEFORE THE

SUBCOMMITTEE ON AVIATION OPERATIONS,  
SAFETY, AND SECURITY

OF THE

COMMITTEE ON COMMERCE,  
SCIENCE, AND TRANSPORTATION  
UNITED STATES SENATE

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

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FEBRUARY 16, 2017  
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ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

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**STAKEHOLDER PERSPECTIVES ON  
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OF THE TRAVELING PUBLIC**

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**THURSDAY, FEBRUARY 16, 2017**

U.S. SENATE,  
SUBCOMMITTEE ON AVIATION OPERATIONS, SAFETY, AND  
SECURITY,  
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,  
*Washington, DC.*

The Subcommittee met, pursuant to notice, at 10:49 a.m. in room SR-253, Russell Senate Office Building, Hon. Roy Blunt, Chairman of the Subcommittee, presiding.

Present: Senators Blunt [presiding], Thune, Wicker, Cruz, Fischer, Sullivan, Inhofe, Capito, Gardner, Young, Cantwell, Klobuchar, Blumenthal, Duckworth, and Hassan.

**OPENING STATEMENT OF HON. ROY BLUNT,  
U.S. SENATOR FROM MISSOURI**

Senator BLUNT. The hearing will come to order. I believe we have votes going on right now, and so people will be coming and going as we get these two votes out of the way. Senator Gardner, who has not had a chance to vote on the first issue yet, I'd like you to introduce our friend from Colorado.

Senator GARDNER. Well, thank you very much, Mr. Chairman. It gives me great honor to today to introduce the Chief Executive Officer of Denver International Airport, Kim Day. Prior to her role in Denver, she served as the Executive Director of Los Angeles World Airports, helping to manage multiple airports in the Los Angeles area.

Since taking the helm of DIA in 2008, Kim has led the airport to record domestic and international passenger levels and growth. She has played a key role in the recent reopening of the multi-million dollar hotel and transit center that connects downtown Denver to the airport terminal with commuter rail. And above all else, she has put the passenger experience first, working on security improvements at Denver International Airport, one of the Nation's busiest airports. I'm very, very proud to introduce Kim Day to the hearing today, and I think we'll have a great discussion, learning a lot from her.

And I'm going to go vote and come back for your testimony. Thank you.

Senator BLUNT. Thank you, Senator.

Ms. Day, we're glad to have you here. Also, we're glad to have Stephen Alterman, the President of the Cargo Airline Association and Chairman of the Aviation Security Advisory Committee; as well as Sharon Pinkerton, the Senior Vice President of Legislative and Regulatory Policy for Airlines of America; and Mark Laustra, the Vice President of Global Business Development and Government Relations for Analogic, a company that develops state-of-the-art threat detection systems for airport screening.

Clearly, this is an issue that the traveling public cares about and the public who thinks they might ever travel cares about. Of the things that the government is responsible for, I think this is one that the people we work for have the most interest in because of the sense of vulnerability once you're in a plane that's off the ground. So we're really pleased that you're here.

I'll have a statement for the record, but I think in the interest of maximizing your time with members, we'll go ahead and start with Mr. Alterman and listen to your opening statements.

[The prepared statement of Senator Blunt follows:]

PREPARED STATEMENT OF HON. ROY BLUNT, U.S. SENATOR FROM MISSOURI

Good morning. Thank you to the witnesses for appearing before this Subcommittee today to discuss their perspectives on improving the Transportation Security Administration for the security of traveling public. Today, we have before us:

- Mr. Stephen Alterman, who is both President of the Cargo Airline Association, and Chairman of the Aviation Security Advisory Committee;
- Ms. Shannon Pinkerton, Senior Vice President for Legislative and Regulatory Policy at Airlines for America;
- Mr. Mark Laustra, Vice President for Global Business Development at Analogic, a company that develops state-of-the-art threat detection systems for airport baggage and checkpoint screening; and
- Ms. Kim Day, CEO of the Denver International Airport.

I'm excited to take the gavel of Senate Commerce's Subcommittee on Aviation, Safety, and Security. From airports and airlines to manufacturing and tourism—aviation supports tens of millions of jobs, and trillions in economic output. We must ensure Missouri, and our nation, has the underlying infrastructure necessary to complement continued growth in the aviation sector. Continued growth is important, but it's just as important to ensure the safety of air travel through rigorous oversight of the FAA and TSA. Missourians expect our Nation's airports to operate efficiently to reduce passenger wait times, but they also demand we protect against terrorists, criminals, and smugglers. The asymmetric threat of terrorism is most evident in aviation security. TSA cannot miss a single threat, but terrorist only need to slip by once to commit a potentially catastrophic attack. TSA faces a formidable challenge: In 2016, it screened more than 738 million passenger (more than 2 million per day), 466 million checked bags, and 24.2 million employees at 450 of our Nation's airports. We must be cognizant of the security challenges in airport public areas, and the potential threat posed by insiders with unfettered access in secure areas of airports. We must also confront challenges with TSA management and its technology acquisition programs, its communication with industry stakeholders, and its communication with passengers to expand PreCheck. Striking the balance between efficiency for passenger convenience and security is—and will remain—an ongoing effort. Recent headlines involving attacks at airports in Ft. Lauderdale, Brussels, Belgium, and Los Angeles make the threat clear. From lone-wolf terrorists—including those who may be inspired by, if not directly affiliated with, terrorist organizations—to the prospect of a mass casualty attack involving aviation, we must remain vigilant against the evolving techniques used by ISIS and other terrorist organizations. The Senate Commerce Committee made great strides last year in advancing a bipartisan FAA Reauthorization bill. A number of its TSA-and security-related provisions were included in the short-term FAA Extension, Safety, and Security Act.

Some of the safety-related accomplishments include:

- Improvements to TSA oversight of missing airport access badges, and the vetting process for badges of airport employees;
- TSA review of airport perimeter security;
- Greater partnership between TSA and the private sector in collaboration on private sector marketing to enroll more Americans in TSA Pre✓;
- Authorizing a doubling of “Viper” teams at airports from 30 to 60;
- Expanding eligibility for the existing State Homeland Security Grant Program for active shooter training exercises and preparedness; and
- Authorization of multiple provisions to improve security checkpoints for passengers, including a pilot program at 3 of the top 20 largest airports, an assessment of TSA staffing decisions to optimize efficiency, and directing the Aviation Security Advisory Committee to develop further recommendations for future checkpoints that are more efficient and effective for screening passengers.

Collectively, these enacted provisions represent the most comprehensive reforms to TSA in a decade, and illustrate bipartisanship in striking the balance between passenger convenience and ensuring security.

The purpose of this hearing is to examine TSA’s implementation of these provisions, and to examine what additional steps this committee may consider to enhance security for the traveling public. I look forward to working with our Committee Chairman, John Thune, our Ranking Member, Bill Nelson, and my Subcommittee counterpart, Maria Cantwell, on continued bipartisan success in advancing a comprehensive FAA reauthorization this year that is pro-growth, pro-jobs, pro-passenger, and, most importantly, pro-security. I turn now to Ranking Member Cantwell for any remarks she would like to make.

**STATEMENT OF STEPHEN A. ALTERMAN, PRESIDENT,  
CARGO AIRLINE ASSOCIATION; AND CHAIRMAN,  
AVIATION SECURITY ADVISORY COMMITTEE**

Mr. ALTERMAN. Thank you very much. Good morning. My name is Steve Alterman. I’m the President of the Cargo Airline Association, the nationwide organization that represents the all-cargo carriers. I also have the honor of currently serving as the Chairman of the Aviation Security Advisory Committee, the Federal committee which was established by Congress to advise the TSA Administrator on issues relating to all areas of aviation security. Thank you very much for inviting us to testify today.

I’d like to focus on three quick areas in my opening statement. The first relates to an all-cargo need, and that is the need for third-party canines to screen freight to supplement the screening that’s already done. I’d like to touch briefly on the ASAC activity and what we’re doing and where we’re going, and, third, one legislative proposal that sort of arises out of the first two issues.

The all-cargo carriers and the customers and airports they serve are a unique portion of the aviation marketplace. Our member carriers have annual revenues of over \$100 billion and employ over one million workers worldwide. Our customers depend on the services to transport high-value, time-sensitive products, such as medical devices and perishables, computers and other electronics, and automobile parts. In calendar year 2015, all-cargo carriers operated 89.2 percent of the revenue ton miles domestically and 71.8 percent of international revenue ton miles.

In operating these services, the safety and security of our cargo, our facilities and aircraft, and our employees are of the utmost importance. It’s simply bad policy and bad business not to take these issues seriously. In the area of security, we strongly believe that the best security is achieved when government and industry work together to identify vulnerabilities and design and implement miti-

gation strategies. Over the past few years, I'm happy to report that TSA has also moved in this direction, and we look forward to working with the agency as the outcome-based model of regulation matures, still in its infancy.

In terms of current challenges, probably the most pressing need for the all-cargo carriers, as business and screening requirements expand, is an ability to use third-party canines as a primary means of screening freight. The technology to screen freight in a manner consistent with our operational needs simply does not exist today. However, the use of canines can fill this gap.

Since there are not enough canines owned by TSA to accomplish this objective, we continue to urge TSA to establish a program whereby TSA would certify and audit vendors and their dogs, and we could then use these dogs for the screening of freight at the carrier's expense. TSA has taken the first steps in this direction, and we applaud them for that.

But bureaucracy moves slowly, and our needs are becoming more urgent. We would, therefore, recommend that Congress encourage TSA to move the third-party canine program along as quickly as possible and also to provide the funding necessary to make this project a success. The establishment of this type of program for the primary screening is consistent with the recommendations of the ASAC that has on several occasions urged TSA to move forward with this program, which is probably a good transition into the ASAC work.

The third-party canine program is only one of many initiatives studied by ASAC over the last several years. By way of history, while ASAC has existed since 1989, it was finally established as a permanent advisory committee when Congress passed the Aviation Security Stakeholder Participation Act in 2014. Critically, at that time, Congress also exempted ASAC from the provisions of the Federal Advisory Committee Act, an exemption that has allowed committee members to discuss the details of security issues without the fear of public disclosure of sensitive information.

ASAC membership is diverse. We have representatives from virtually every sector of the aviation community, as well as user and accident victim groups, and the Committee is supported by an array of subcommittees and ad hoc working groups that study specific issues that are either self-generated, requested by TSA, or sometimes required by Congress.

At the present time, major initiatives include work by our new Security Technology Committee to prepare a report on the Checkpoint of the Future that will be presented to TSA this spring. That report was mandated by Congress. Over the past few years, our activities expanded rapidly, and we're into a whole number of areas.

The final thing I'd like to mention in the last 10 seconds is that one thing has been obvious. Since I took over as Chair of the ASAC, we have had five either administrators or acting administrators. We're about to get a third administrator and the sixth person at the head of the agency.

I would really like to suggest that that instability is not good for the agency, but, more importantly, it's not good for the security of the United States. We need stable leadership at the top of the agency, and I would strongly recommend that Congress consider

the establishment of a five-year term for the Administrator of the agency so that whoever is the Administrator can have time to implement his programs.

Thank you very much.

[The prepared statement of Mr. Alterman follows:]

PREPARED STATEMENT OF STEPHEN A. ALTERMAN, PRESIDENT, CARGO AIRLINE ASSOCIATION; AND CHAIRMAN, AVIATION SECURITY ADVISORY COMMITTEE

Mr. Chairman and Members of the Subcommittee:

Good Morning. My name is Steve Alterman and I am the President of the Cargo Airline Association, the nationwide organization representing the interests of the all-cargo segment of the aviation community.<sup>1</sup> I also have the honor of currently serving as the Chairman of the Aviation Security Advisory Committee (ASAC), the Federal committee established by Congress to advise the TSA Administrator on issues relating to all areas of aviation security. Thank you for inviting me to testify today.

The all-cargo carriers, and the customers and airports they serve, are a unique portion of the aviation marketplace. Our member carriers have annual revenues over \$100 billion and employ upwards of one million workers worldwide.<sup>2</sup> Customers depend on our services to transport high value, time sensitive, products such as medical devices and perishables, computers and other electronics, and automobile parts. In calendar year 2015, all-cargo carriers operated 89.2 percent of domestic revenue ton miles (RTMs) and 71.8 percent of international RTMs.<sup>3</sup>

In operating these services, the safety and security of our cargo, our facilities and aircraft, and our employees are of utmost importance. It is simply bad policy, and bad business, not to take these issues seriously. In the area of security, we strongly believe that the best security is achieved when government and industry work together to identify vulnerabilities and design and implement mitigation strategies. Over the past few years, TSA has also moved in this direction and we look forward to working with the Agency as the outcome-based model of regulation matures.

In terms of current challenges, probably the most pressing need for the all-cargo carriers as business and cargo screening requirements expand is an ability to use third-party canines as a primary means of screening. The technology to screen freight in a manner consistent with the operational needs of the industry simply does not today exist. However, the use of canines can fill this gap. Since there are not enough canines owned by the TSA to accomplish this objective, we continue to urge TSA to establish a program whereby TSA would certify and audit vendors and their dogs who could then provide the canines to air carriers who choose to use them (at the carriers' expense). TSA has taken the first steps in this direction, but the bureaucracy moves slowly and our needs are becoming more urgent. We would therefore recommend that Congress "encourage" TSA to move the third-party canine program along as quickly as possible and to provide the funding necessary to make this project a success. The establishment of this type of canine program for primary screening is consistent with the recommendations of the ASAC that has, on several occasions, urged TSA to move forward with the program.

The third-party canine program is only one of many initiatives studied by ASAC over the past several years. By way of history, while ASAC has existed since 1989, it was finally established as a permanent advisory committee when Congress enacted the Aviation Security Stakeholder Participation Act in 2014.<sup>4</sup> At that time, Congress also exempted ASAC from the provisions of the Federal Advisory Committee Act (FACA), an exemption that has allowed committee members to discuss the details of security issues without the fear of public disclosure of sensitive information. ASAC membership is diverse with representatives from virtually every sector of the aviation community, as well as user and accident victims groups, and the Committee is supported by an array of subcommittees and *ad hoc* working groups

<sup>1</sup> Association members include direct air carriers: ABX Air, Atlas Air, Federal Express Corporation, Kalitta Air and United Parcel Service Co., as well as Associate Members: Amazon, DHL Express, Memphis International Airport, Louisville International Airport, Ft. Wayne International Airport, John Glenn Columbus International Airport, Spokane International Airport and the Alaska International Airport System.

<sup>2</sup> Survey of Association members.

<sup>3</sup> FAA Aerospace Forecast, 2016-2036, March 2016.

<sup>4</sup> <https://www.tsa.gov/for-industry/aviation-security>

that study specific issues that are either self-generated, requested by TSA, or sometimes required by Congress.

At the present time, major initiatives include work by our new Security Technology Subcommittee to prepare a report on the Checkpoint of the Future that will be presented to TSA this spring, and a continuation of the efforts by our Working Group on Airport Employee Screening to monitor TSA implementation of 28 recommendations designed to combat insider threats by tightening employee screening practices.

Over the past few years, ASAC activity has expanded rapidly, with at least four full committee meetings each year and subcommittee meetings taking place between the full ASAC sessions. The communication between TSA and ASAC is constant and, while ASAC and TSA may not always agree on the way forward, I believe that both TSA and the Committee have developed a mutual respect for each other that has been extremely helpful in enhancing aviation security while at the same time recognizing the need to keep people and freight moving.<sup>5</sup>

Finally, I would like to offer one suggestion for Congressional action in this session. In my opinion, one of the major impediments to positive change within TSA is instability at the top of the organization. In the last three years, there have been two Administrators and three Acting Administrators. When a new Administrator is nominated and confirmed, he or she will be the sixth head of the Agency in the last three years.

To provide stability, and to allow the Administrator the time to implement changes that may be necessary, the TSA Administrator should be given a fixed five-year term similar to that currently held by the Administrator of the Federal Aviation Administration. Such an action would go a long way to providing the stability needed to accomplish the very important objectives of the Agency.

Thank you very much. I would be happy to answer any questions.

Senator BLUNT. Thank you.

Ms. Pinkerton?

**STATEMENT OF SHARON PINKERTON, SENIOR VICE  
PRESIDENT, LEGISLATIVE AND REGULATORY POLICY,  
AIRLINES FOR AMERICA**

Ms. PINKERTON. Thank you, Chairman Blunt. We're looking forward to working with you in your new role as the Chair of this Subcommittee.

As you know, the safety and security of our passengers and our employees is our highest priority. When we're talking about the challenges of aviation security, I like to remind folks of the sheer scope and size of what aviation does for the economy and for the traveling public every day. Every day, U.S. airlines fly more than 2.2 million passengers, carry 50,000 tons of cargo, operate 27,000 flights a day, and serve more than 800 airports in 80 countries.

So given that sheer size and scope of aviation, it's critical for Congress and the administration to embrace risk-based security principles. What that means is focusing on the highest threats and taking a multilayered approach. One-size-fits-all 100 percent mandates are not the optimal response to address emerging threats, and it's certainly not the best way to use finite resources.

Today's hearing is really well timed. We're approaching spring break and a very busy summer travel season, and if you're looking for ways the TSA can improve, you only need to look back to what happened last spring and summer. As this committee is very well aware, we had a meltdown at TSA checkpoints. Passengers experienced unacceptably long wait times at airports across the country.

<sup>5</sup>It should be remembered that ASAC is an advisory, not an oversight, body and our only function is to provide advice to the Administrator. It is wholly up to TSA to decide exactly how to respond to the recommendations presented.

But I have to say if there's a silver lining to what happened last year, it was Administrator Neffenger's leadership. He exercised leadership, he went out, he sat with airlines in our operations center, and he learned about what it takes to run a 24/7 operation.

Specifically, TSA came back and they established their own incident command center that tracks daily screening operations, shifts officers and resources around where they're most needed. So today, TSA, airlines, and airports here in D.C. and across the country sit together and collaboratively solve problems. I can't stress enough how successful this has been.

TSA stepped up. Air carriers also stepped up. We hired private contractors to do queue management. We're spending money on innovation lanes. Congress also played an important role in solving last summer's crisis. You provided the needed budget and staffing flexibility in the CR. That said, last summer was a short-term, reactionary mitigation exercise, and we hope it won't be repeated.

Looking forward to this summer, my question to the Committee is this: Is TSA ready for the summer surge of passengers? Do they have a plan, and do they have the needed resources? As Congress decides how to proceed beyond the current CR, we urge you to remember the importance of aviation security and facilitation. Inevitably, that discussion is going to turn around, whether additional resources are needed to meet the growing demand while ensuring security and facilitating travel.

So when that discussion takes place, I wouldn't be doing my job if I didn't mention the fact that today, this year, \$1.3 billion worth of passenger TSA fees are being diverted to pay for the Federal deficit. Over the course of 10 years, that's going to be \$13 billion. That money needs to come back to TSA.

Another concrete step that must be taken to achieve efficiencies is to focus on expanding TSA Pre✓ enrollment. As an industry, we're doing our part promoting TSA. We often pay for some of our flyers to get into the program. We allow them to use frequent flyer miles to get into the program. We're giving TSA space to set up walk-up processing stations.

Again, this committee also focused on the PreCheck program and put provisions in the FAA extension bill. But much more needs to be done. Your chief recommendation to TSA was to move forward on a third-party program to get more people into the program. But, unfortunately, 2 months after you did that, TSA withdrew their RFP for the third-party program. We believe that program needs to go forward, but, frankly, I'm not sure it's going to move forward quickly enough, and as a result, we would like to recommend that TSA use the authority that they have now to make this process simpler.

We think what we're facing is a bit of a hassle factor with the TSA Pre✓ program. They're using a process that was actually designed for truck drivers and port workers. They need to simplify the process. They have the authority right now to do that.

We've also recommended a broader marketing campaign so people are more aware. Let's think creatively. Can we waive the enrollment fee for the summer? Can we provide families with a family discount?

Turning our attention to the insider threat, you all put provisions into the FAA extension bill. I'm just going to mention one thing that I think is an area where we're working well and making progress. Today, we are utilizing the FBI's Rap Back program, which enables us to continuously vet both airline and airport employees. There are about 60 airports that are in the program now, and we expect very high participation.

Last but not least, I want to reiterate what Steve said about dogs. We love dogs. They are incredibly effective and efficient. We need more of them, especially in the cargo environment, but they can also help in the passenger environment.

These are my recommendations, and I look forward to your questions.

Thank you.

[The prepared statement of Ms. Pinkerton follows:]

PREPARED STATEMENT OF SHARON PINKERTON, SENIOR VICE PRESIDENT,  
LEGISLATIVE AND REGULATORY AFFAIRS, AIRLINES FOR AMERICA

Good morning Chairman Blunt, Ranking Member Cantwell, and members of the Subcommittee. My name is Sharon Pinkerton and I am the Senior Vice President of Legislative and Regulatory Policy at Airlines for America (A4A). Thank you for inviting me here today to discuss aviation security and the Transportation Security Administration (TSA). The safety and security of our passengers and employees is our single highest priority and we take aviation security very seriously.

*Overview.* We share a common goal with the TSA and work cooperatively and collaboratively with them every day through programs like Known Crewmember and TSA Pre✓™ (amongst many others) in an effort to keep our skies safe and secure with a focus on both passenger and cargo security.

When talking about the day-in and day-out challenges of aviation security it is important to be reminded of and to understand the depth and magnitude of what actually takes place and what is transported by air every single day. On a daily basis, U.S. airlines—

- Fly more than 2 million passengers;
- Carry close to 50,000 tons of cargo;
- Operate approximately 27,000 flights; and
- Serve more than 800 airports in nearly 80 countries.

Given the vast geography and sheer numbers it is exceedingly important that we approach security in a smart, effective and efficient manner that best utilizes the finite resources available. This becomes even more imperative given the expectation that both passenger and cargo traffic will grow in the coming years.

*Risk-Based Security.* The administration of risk-based security principles is of paramount importance to aviation security today and in the future. A risk-based approach recognizes that “one size fits all” security is not the optimum response to threats. Risk-based, intelligence-driven analysis has been a widely accepted approach to aviation security for some time. The 9/11 Commission, for example, in 2004 called for thorough, risk-based analysis in evaluating aviation-security issues.<sup>1</sup>

One of our Nation's greatest challenges is to strike the right balance between managing risk and over-regulation. Enhanced security and the efficient movement of passengers and cargo are not mutually exclusive goals, thus government and industry must continue to work together to find pragmatic approaches to security that appropriately balance these issues. If we do not achieve that balance, we will lose passenger and shipper goodwill, clog up our airports, slow world trade and in fact diminish the level of security we have currently achieved. By utilizing and following risk-based principles we provide a security framework that can be more nimble and responsive to current and emerging threats and allows TSA to focus resources on high-risk passengers and cargo.

<sup>1</sup> In its final report, the Commission stated: “The U.S. Government should identify and evaluate the transportation assets that need to be protected, set risk-based priorities for defending them, [and] select the most practical and cost effective ways of doing so. . . .” Final Report of the National Commission on Terrorist Attacks Upon the United States, at 391 (2004).

Implementation of risk-based security in many ways comes from and is reflected in leadership at TSA. Most recently, former TSA Administrator Peter Neffenger was a strong supporter of risk-based security. In his own words—

“I am a strong proponent of a risk-based approach to security. The vast majority of people, goods and services moving through our transportation systems are legitimate and pose minimal risk. The first necessary effort in pursuing risk-based security is to identify the low-risk majority so that we are not forced to apply our scarce resource capabilities to known or unknown threats. The drawbacks of a single approach are clear—severely limiting effectiveness and efficiency while perhaps introducing vulnerabilities and opportunities for harm. If we can understand the threats and identify the vulnerabilities of our systems, then we can design our security system to reduce the risk and close vulnerabilities.”<sup>2</sup>

We are hopeful that any TSA Administrator nominated by the President and considered by this committee and ultimately the Senate as a whole will continue a risk-based philosophy toward aviation security.

*Security Revenue Should Pay for Security.* U.S. aviation and its customers are subject to 17 Federal aviation taxes and ‘fees’, in addition to standard corporate taxes. In Fiscal Year 2016 alone, special U.S. taxes on airlines and their customers totaled approximately \$23.1 billion—more than \$63 million per day. Included within those numbers are revenues that are intended to support activities within the Department of Homeland Security. These ‘fees’ include the—

- *September 11 TSA Passenger Security Fee*—a \$5.60 fee imposed per one-way trip on passengers enplaning at U.S. airports with a limit of \$11.20 per round trip; the fee also applies to inbound international passengers making a U.S. connection
- *Customs User Fee (CUF)* —a \$5.50 fee on passengers arriving in the U.S. from foreign locations to fund inspections by U.S. Customs and Border Protection (CBP); passengers arriving from U.S. territories and possessions are exempt
- *Immigration User Fee (IUF)*—a \$7.00 fee imposed on passengers arriving in the U.S. from foreign locations to fund inspections performed by U.S. Immigration and Customs Enforcement (ICE)

As an industry we have seen an all too common trend of either directly or indirectly diverting the revenue collected from these ‘fees’ toward deficit reduction or other sectors of the government. For instance, starting in 2001 the TSA passenger security fee had been limited to \$2.50 per passenger enplanement with a maximum fee of \$5.00 per one-way trip. However, starting in July 2014, pursuant to the Bipartisan Budget Act of 2013, the fee was restructured into a single per-trip charge and increased to \$5.60 per one-way trip. That increase, over the 10-year period from Fiscal Years 2014–2023, is projected to raise \$40 billion in additional discretionary collections and \$13 billion for deficit reduction. Specifically, that law has diverted or will divert—

- \$390,000,000 for Fiscal Year 2014;
- \$1,190,000,000 for Fiscal Year 2015;
- \$1,250,000,000 for Fiscal Year 2016;
- \$1,280,000,000 for Fiscal Year 2017;
- \$1,320,000,000 for Fiscal Year 2018;
- \$1,360,000,000 for Fiscal Year 2019;
- \$1,400,000,000 for Fiscal Year 2020;
- \$1,440,000,000 for Fiscal Year 2021;
- \$1,480,000,000 for Fiscal Year 2022; and
- \$1,520,000,000 for Fiscal Year 2023.

Airlines and their customers now pay \$1.4 billion more in TSA security fees—\$3.7 billion (2016) vs. \$2.3 billion (2013)—for the exact same service. A similar story can be told in regards to customs user fees. The concept of a ‘fee’ specifically charged to pay for a specific service has long been lost in our industry and they have all simply become taxes by another name.

We would respectfully request this Committee do everything in its power to redirect TSA passenger security fee revenue back where it belongs: paying for aviation security.

<sup>2</sup><https://www.tsa.gov/news/testimony/2015/07/29/testimony-tsa-aviation-security-challenges>

*TSA Staffing Model.* Last summer many travelers unfortunately experienced unacceptably long TSA screening lines at airports across the Nation. The root causes of those excessively long wait times was clear to many in the industry. Looking back at the previous summer in 2015 there was a record setting travel season but the system did not experience excessive wait times. However, in 2016, as a result of reported TSA screening failures in a Department of Homeland Security (DHS) Inspector General's report, DHS significantly cut back on risk-based security efficiencies *without* making an adjustment to staffing to accommodate those modifications.

If there is a silver lining to the experience last summer it would be the collaborative discussions that took place under former Administrator Neffenger's leadership. As a result, airlines worked with TSA and airports to institute best practices. The TSA also established a National Incident Command Center that tracks daily screening operations and shifts officers and resources where they are needed most based on passenger volumes. The collaborative framework established during that time has continued momentum but we need to make sure TSA is transparent with their staffing model moving forward and has the resources available to meet demand.

We would also like to thank Congress for your assistance and attention to the staffing crisis. The budgetary reprogramming flexibility provided to TSA was critical in getting the necessary resources where they needed to be. Even as we sit here today, the Continuing Resolution that TSA is operating under contains language indicating funds may be apportioned up to the rate for operations necessary to maintain not less than the number of TSA screeners achieved on September 30, 2016. That funding flexibility through the end of April is critical. However, there is uncertainty and concern on how staffing will be dealt with this summer. We have a situation where the staffing number will stay close to stagnate while passenger volume is expected to grow. This point further underscores the need to redirect the lost TSA security fee revenue back to TSA.

*TSA Pre✓™ Enrollment and Expansion.* As an industry, we are promoting TSA Pre✓™, and in many cases our members are waiving the cost for some frequent flyers, allowing them to use frequent flyer miles to pay for the cost and giving TSA space in airports to set up PreCheck walk-up processing stations. Airlines also work collaboratively with TSA on the Known Crew Member (KCM) program, which now processes 50,000+ crewmembers through separate access points. Ever since the events of last summer—where exceedingly long security lines received national attention—we have seen significant growth in the number TSA Pre✓™ enrollees, but we need to dramatically expand the number as we are still a far cry from the 25 million plus that TSA aims to achieve. We applaud the focus this Committee had on this issue in the last FAA extension but much more needs to be done. Some specific recommendations—

- Fast-track a robust marketing campaign;
- Consider adjusting or waiving the fee for enrollment in the short term;
- Consider whether fingerprints are really necessary, given the cost and lengthy time that results; and
- Fast track the third party enrollment options.

TSA Pre✓™ expansion not only improves security by growing the pool of known travelers, it also improves the travel experience. According to a recent survey of the American adult population conducted by Ipsos (commissioned by Airlines for America) in January 2017, 36 percent of 2016 flyers who were not enrolled in expedited screening programs reported that they were 'very satisfied' with their overall air travel experience. Importantly, those enrolled in trusted traveler programs exhibited significantly higher levels of satisfaction, specifically—50 percent of flyers enrolled in TSA Pre✓™ were very satisfied with 2016 air travel and 68 percent of flyers enrolled in Customs and Border Protection (CBP) Global Entry program were "very satisfied".

We would like to work with the Committee and TSA to find ways to significantly expand TSA Pre✓™.

*Cargo Security.* Risk-based security is also of key importance on the cargo side of the commercial aviation industry. Overall, there is a need for a review and thorough revision of a number of programs that are currently not risk-based or outcomes focused, or that have not kept pace with the progress made in air cargo security over the past decade.

In particular, we are interested in the further application of intelligence-based risk targeting similar to the Air Cargo Advanced Screening (ACAS) pilot program to other TSA programs, especially Known Shipper. The Known Shipper program requires an overhaul, as the way in which TSA currently administers it imposes sig-

nificant operational burdens and market distortion without providing a corresponding security benefit. The standard security programs for both passenger and all-cargo air carriers are also in need of significant revisions to bring them in line with risk-based principles and eliminate gaps and inconsistencies with regard to the governing Code of Federal Regulation provisions. Last but not least, the greatly expanded use of canines for the primary screening of cargo in the U.S. is needed to complement existing cargo screening technology, to improve screening efficiency and efficacy, and to close particular commodity-specific gaps, commensurate with what TSA has already long recognized in the European Union.

*Employee Screening.* As an industry we strongly support the employee screening improvements recently enacted by Congress, which clearly provide that, consistent with a risk-based security approach, TSA shall expand the use of Transportation Security Officers (TSOs) to conduct random physical inspections of airport workers. Specifically, as part of H.R. 636, the Federal Aviation Administration, Safety and Security Act of 2016 (P.L. 114–190), Congress also—

- Directed TSA to consider expanding the scope of criminal background checks for airport workers who receive access to the secure area of an airport;
- Allowed TSA to conduct real-time, continuous criminal records checks through the FBI Rap Back service and via real-time access to additional terrorism-related databases maintained by the intelligence community;
- Expanded the use of enhanced, random, and unpredictable physical inspections of airport workers in each secure area of an airport and at each secure area access point; and
- Updated rules to consider increased fines and direct enforcement requirements for missing secure area badges.

We are actively working collaboratively with TSA, airports and other stakeholders to implement the requirements in the law and also the 2015 Aviation Security Advisory Committee (ASAC)<sup>3</sup> recommendations to address potential vulnerabilities related to the sterile areas of U.S. airports.

The application of risk-based principles will be an important component of addressing employee screening. Moving forward we need to implement the statute and recommendations in a way that will increase the overall level of system-wide protection and lower risk without unnecessarily clogging up the system.

*Canine Teams.* The use of canine teams has been a tremendous success in both the passenger and cargo security environment. We would advocate that Congress continue to support and expand the canine program. We also encourage TSA to consider the development of a certification program where canines could be used for primary screening of passengers and cargo.

*Importance of Commercial Aviation Sector.* Airlines crisscross the country and globe every day carrying passengers and cargo safely and securely to their destinations and is an integral part of the economy. In 2014, according to the Federal Aviation Administration (FAA), economic activity in the U.S. attributed to commercial aviation-related goods and services totaled \$1.54 trillion, generating 10.2 million jobs with \$427 billion in earnings. As of December 2016 our industry directly employed nearly 700,000 workers and contributes 5 percent of our Nation's GDP.

These facts underscore what is at stake and why we need to approach aviation security in a smart, effective and efficient manner and make sure we get it right. The daily collaboration and communication between TSA and stakeholders will play a vital role toward that goal.

Thank you, on behalf of our member companies, we appreciate the opportunity to testify.

Senator BLUNT. Thank you.  
Ms. Day?

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<sup>3</sup>The ASAC, a congressionally-mandated permanent advisory committee, provides advice to the TSA administrator on aviation security matters, including the development, refinement, and implementation of policies, programs, rulemaking, and security directives pertaining to aviation security. The committee is composed of individual members representing private sector organizations affected by aviation security requirements.

**STATEMENT OF KIM DAY, CHIEF EXECUTIVE OFFICER,  
DENVER INTERNATIONAL AIRPORT**

Ms. DAY. Thank you, Chairman Blunt, Senator Wicker, Senator Inhofe, and our great senator from Colorado, Senator Gardner. Thank you for having me here today. It's an honor to be here and have an opportunity to thank you in person for the package of amendments you offered in FAA Reauthorization to address security issues at airports in the last Congress.

I'm Kim Day, the CEO of Denver International Airport, and it's a very exciting time in Denver. We will soon announce we reached a record high of 58.3 million passengers in 2016, an 8 percent increase over our previous record of 2015. We're the sixth busiest commercial airport in the U.S., and last year, we became truly multimodal as commuter rail service began connecting our airport to downtown Denver. We are the newest large hub airport in the U.S., and a growing airport.

But we have our challenges, and one, in particular, is critically relevant to this conversation. Like most airports, we were not built with TSA checkpoints in mind. And with the modern pre-security threat, our configuration makes the location of our TSA checkpoints a vulnerability, as hundreds of passengers queue and TSA agents work in a pre-security area that is open from above. The recent deadly nonsterile area attacks in Brussels and Istanbul, as well as the attack in Fort Lauderdale, have been a call to action, a sobering reminder that we can wait no longer in addressing this critical issue. We feel the sense of urgency.

To address security at our airport, we're using every tool at our disposal. We're in the final stages of negotiating a P-3 to leverage private sector capital, experience and efficiency. We're reconfiguring our main terminal, streamlining the passenger experience, improving way-finding, and creating a greenfield site for new TSA security screening. We've sought expertise from stakeholders. We've reached out to TSA to work collaboratively on a new vision for our airport. But we feel we need your help as well.

We don't simply want to move the same, frankly, antiquated systems as we overhaul our main terminal. There is better technology available. We know we can improve this experience and see the project as an opportunity to create a new model for modern American aviation security. About 18 months ago, we met with TSA leadership and offered ourselves as a laboratory of security technology and innovation, and I'm happy to report that TSA embraced our offer and signed an MOU to work together with us on innovation.

Last August, we hosted a Security Innovation Summit at our airport, inviting innovative companies like Microsoft, Panasonic, and more than 100 others to teach us and TSA about currently available technology that we could deploy quickly. I'd also like to extend a special thanks to Senator Gardner for attending that Summit and learning with us.

I want to talk about what we've learned in the last 18 months of planning and highlight what this committee and Congress, in general, could do to hasten these improvements at our airport and airports across the country. TSA is working collaboratively with airports and our friends at the airlines. The agency has even begun

to improve efficiency with systems innovations at several airports. Automated lanes are now installed at airports in Atlanta, Newark, Chicago, and Dallas, and the entire industry has worked to address long lines, as Sharon mentioned, last summer.

We've worked hard to increase enrollment in PreCheck. We love PreCheck. In fact, Denver has the highest number of applicants for PreCheck of any U.S. airport. But if you've traveled to many major international airports, you understand that there is much more we could be doing. Simply reconfiguring and adding several spaces at the checkpoints where people can simultaneously empty their pockets and remove computers and shoes, or, in industry speak, multiple divestiture points, and designing screening systems that divert bags and people out of line when they alarm. All these would create dramatic improvements in efficiency and improve the passenger experience.

Think about it. Right now, the whole line is waiting on you when you go through security, and if you are traveling with children or disabled or elderly, it can be particularly stressful. With simple steps like these, already in practice in Amsterdam Schiphol and London Heathrow airport, we can take that pressure off the travelers and allow TSA to focus on screening rather than line management.

That's just the beginning. We would be grateful if this committee would encourage TSA to continue work with the Innovation Task Force. We see a future where we integrate existing technology, passenger segmentation, and systems integration so that the screening process begins the moment you book your ticket. Perhaps there's an opportunity to integrate parts of the screening process into the check-in process itself, and there's really no need to have an agent greet you, check your ticket, and look at your ID. That's a huge bottleneck in the system that uses critical labor resources, and it's more efficient and secure to automate that process using biometrics without compromising security.

We ought to have a continuum of security as travelers interact with airlines, move through the airport, and process through security. We think PreCheck is just the beginning of adding filters to the security experience. We can layer on detection of large masses of metal and explosive detection in passive ways pre-checkpoint. We're not far from the day, because you've checked in online, so when you enter the airport, we could text a message saying, "Welcome to DEN. You have a reservation at TSA screening lane number six at 10:43."

And if you're a vetted individual enrolled in PreCheck and a member of an airline frequent flyer program, TSA can filter you through a highly expeditious process. That means a far better experience for you. It allows TSA to focus on risk, and we think the future is multifactor, risk-based screening.

I can't say enough about how strongly I encourage TSA and this committee to continue the work on the Innovation Task Force. Last year, the Committee added a series of airport security measures to the FAA authorization extension. Again, thank you for that. Among these measures was language establishing a pilot program within TSA to work with large hub airports, such as ours, to develop modern security systems. I strongly urge you to see that that pilot pro-

gram moves forward and that the resources necessary to bring our security systems into the modern era are, indeed, allocated.

There are costs associated with these innovations. I think the industry has demonstrated we're willing to partner with you, and we're willing to invest in the future with you. But to address this, we need additional resources beyond what we have. We are not keeping up with the rest of the world, but yet we actually have an opportunity to eclipse them in the next few years if we do this right.

Thank you again for inviting me here today.

[The prepared statement of Ms. Day follows:]

PREPARED STATEMENT OF KIM DAY, CHIEF EXECUTIVE OFFICER,  
DENVER INTERNATIONAL AIRPORT

Chairman Blunt, Ranking Member Cantwell, and members of the Senate Aviation Subcommittee, thank you for your leadership on aviation security and for inviting me here today for the first Subcommittee hearing of this Congress. It is an honor for me to be here. My name is Kim Day, and I am the Chief Executive Officer of the Denver International Airport (DEN). Security is a critical focus and priority for airport operators, and I look forward to sharing an airport perspective on enhancing aviation security.

I would also like to thank Senator Gardner who is a great champion for Colorado and the Denver airport. It is a pleasure to be here today to thank you in person for the efforts you led last year as part of the *FAA Extension, Safety, and Security Act of 2016* (P.L. 114-90) to help foster innovation and drive forward-looking security solutions at our Nation's airports.

I would like to focus my remarks this morning on a few areas: improving and modernizing our aviation security, addressing insider threats, enhancing employee screening and addressing funding challenges. I'd also like to touch on how we think Congress can help. I know these issues are important to the Subcommittee, and I would like to convey how important they are to airports as well. Security and public safety are critical components of an airport's mission, and we are very serious about addressing vulnerabilities. We have made great strides, but we are aware of the evolving threats. As one of the Nation's greatest international hubs, continued collaboration with Congress, TSA, and our industry partners is imperative.

It is an exciting time at the Denver International Airport:

- DEN served a record-setting 54 million passengers in 2015, and will soon announce that we reached a new record high of 58.3 million passengers in 2016—nearly an 8 percent increase.
- DEN is currently the 2nd fastest growing metro area in the country; the airport has seen a 65 percent increase in international arrivals since 2012.
- DEN is the 6th busiest airport in the U.S.
- DEN is the 19th busiest in the world.
- DEN is the #1 economic engine of the State of Colorado and the Rocky Mountain region, according to a study by the Colorado Department of Transportation.
  - More than \$26 billion annually in economic benefit
  - Directly employs 35,000 workers and another 155,000 indirect jobs
- And last year we became truly multi-modal, as we began commuter rail service connecting our airport to downtown Denver in just 37 minutes.

**Innovation and Modernization**

As the threats to airports and the traveling public continue to evolve, we at the Denver Airport have engaged in an innovative project to improve security for the traveling public. The goal at DEN is to improve security, efficiency, and the overall passenger experience.

Denver is the newest large hub airport in the United States and with that we have a lot to be proud of, but we also have challenges. One in particular is relevant to this conversation. Like most airports, we were not built to house the current TSA security checkpoints. With the modern, pre-security threat, our configuration makes the location of our TSA security checkpoints a glaring vulnerability, as hundreds of

passengers queue and TSA agents work in a pre-security area that is open and exposed from above.

We have been discussing relocation of this important function and the associated passenger and employee queues for years, but the recent, deadly pre-security attacks at Brussels and Istanbul airports, as well as the attack at Fort Lauderdale, have been a call to action—a sobering reminder that we can wait no longer in addressing this critical safety issue. We feel a sense of urgency.

Just hours after the recent shooting at Fort Lauderdale airport last month, my office received calls from both our Senators, expressing their concern over the safety of our passengers and employees. Please know that this is constantly on our minds and a part of everything we do each and every day at DEN.

Senator Nelson: I want to offer my condolences to you on the attack at your airport. Mark Gale and the staff at Fort Lauderdale-Hollywood International handled that terrifying situation with much professionalism, and we have reached out to them to learn in order to inform our preparedness at DEN.

To address security at our airport, we are using every tool at our disposal. We are in the final stages of negotiating a public-private partnership to leverage private-sector capital, experience and efficiency. We are reconfiguring our main terminal, streamlining the passenger experience, improving wayfinding and creating a “greenfield” site for new TSA security screening. We have sought expertise from stakeholders and innovators. And we have reached out to TSA to work collaboratively on a new vision for our checkpoints. But we need the Federal Government’s help as well.

We don’t simply want to move the same, frankly antiquated, systems as we overhaul our main terminal. We are doing everything we can and are committed to this effort but we also need Federal funding. Security is a Federal responsibility and we need to be able to lean on TSA as a real partner. We know we can improve this experience, and we see this project as an opportunity to create a national model for modern American aviation security.

About 18 months ago, we met with TSA leadership and offered ourselves up as a laboratory for security technology and innovation. I am happy to report that leadership at TSA embraced our offer. We signed a Memorandum of Understanding with TSA to work together on innovation. Since that time, we have traveled with agency experts to visit a number of international airports that are already deploying innovations that make screening more efficient and secure.

Last August, we hosted a Security Innovation Summit at DEN inviting more than 10 companies like Microsoft, CISCO, IBM, Panasonic, Cruise Line International, and Boeing to teach us and TSA about already-available technology that we could deploy quickly. We appreciate that Senator Gardner was able to spend the day with us and actually listen in to our discussions. We learned much from the private sector and look forward to continuing the conversation as we know that working together, we can make airports safer, more secure and more efficient.

We hope as we learn from our partners around the world, that we can bring home lessons learned to make the best decisions for DEN to accommodate our growing traffic and ever evolving threats.

I want to talk about what we have learned in the last 18 months of planning and highlight what this Committee—and Congress in general—could do to hasten these improvements at DEN and at airports across the country and within TSA. TSA is working collaboratively with airports and our friends at the airlines. The agency has already begun to improve efficiency with systems innovations at several airports. “Automated lanes” installed at airports in Atlanta, Newark, Chicago and Dallas have reportedly shown significant increases in throughput.

As the entire aviation industry worked to address long lines at several airports last year; airlines, airport and TSA all deployed additional resources in short order, and working in harmony.

TSA has worked hard to increase enrollment in the PreCheck program. We love PreCheck. In fact, DEN has the highest number of applicants for PreCheck of any U.S. airport. But if you have traveled to major international airports, you will understand that there is so much more we can be doing.

First, there’s really no need to have an agent greet you, check your ticket and identification. That’s a huge bottleneck in the system, it uses up critical labor resources, and it’s more efficient and secure to automate that system without compromising security.

Simply reconfiguring and adding several spaces at the checkpoint where people can simultaneously empty their pockets and remove computers and shoes— or in industry speak, “multiple divestiture points” and designing screening systems that divert bags and people needing secondary screening out of the line would create dramatic improvements in efficiency AND improve the passenger experience.

Think about it. Right now, the whole line is waiting on you when you go through security. If you are elderly, traveling with children or disabled, this can be especially stressful. With simple steps like these—already in practice at Amsterdam Schiphol and London Heathrow airports, we can take that pressure off travelers and allow TSA to focus on screening rather than line-management.

And that's really just the beginning. We would be grateful if this Committee would encourage TSA to continue the work it began with the agency's Innovation Task Force. We see a future where we integrate existing technology, passenger segmentation and systems integration so that the screening process begins the moment you book your ticket. Perhaps there are opportunities to integrate portions of the screening process into the check-in process itself.

We ought to be able to have a continuum of security as travelers interact with airlines, move through the airport, and process through security. And we think PreCheck is just the beginning of adding filters to the security experience.

We can layer on detection of large masses of metal and explosive detection in passive ways, pre-checkpoint. We're not far from a day when, because you've checked in online when you enter the airport, we could text you a message saying, "Welcome to DEN, Senator Blunt. You have appointment reservation at TSA screening lane #6 at 10:43. And if you're a vetted individual enrolled in PreCheck and a member of an airline frequent flyer program, TSA can filter you through a highly expedited process.

That means a far less stressful experience for you. It allows TSA to focus on risk, and we think the future is multi-factory risk based screening. I can't say enough how strongly I encourage TSA and this Committee to continue the work of the Innovation Task Force.

There are costs associated with these innovations. I think the aviation industry has demonstrated that we are willing to partner with you. I know DEN is ready to invest in the future with you. But as we address the modern security threat, we will need additional resources to make these improvements.

Today, we are not keeping up with the rest of the world, but have the opportunity to eclipse them in the next few years!

#### **Challenges—Acquisitions and Funding**

I would like to address some of our challenges in getting our project across the finish line. We think TSA could improve the process for approving and deploying new technologies. Our current personnel-heavy model of aviation security will be difficult to sustain over time given space and budget restraints. It is clear that newer technologies are available, and that such systems would improve both security as well as the passenger experience. At DEN, we are eager to help facilitate the deployment of new technologies. For its part, the Federal Government must employ more nimble and timely approval and acquisition processes to ensure that more efficient and secure systems are deployed as soon as possible. This Committee has been very helpful in driving TSA to make necessary improvements in this area.

Funding is obviously a major challenge as well. As I mentioned, we have engaged both TSA and the private sector to partner with us on major changes to our terminal or what we call our Great Hall project. As an airport, we have limited resources and are leveraging everything we can in order to move this project forward. Both growth and security require capital investment. Airport financing has been a hot topic for years. I will touch on two specific ways Congress can help in this regard.

For one, we would urge you to discontinue the practice of diverting TSA security fee revenues for non-security purposes, including deficit reduction. This year, we understand that \$1.28 billion in TSA security fee revenue will be diverted away from security for other purposes. The estimates are that almost \$13 billion over 10 years will go to fund other Federal Government activities. Clearly these resources could be put to good use to address numerous security challenges at airports.

The Passenger Facility Charge (PFC)—a local airport user fee that is devoted specifically to local projects—is another important tool in our toolbox that we would like to use to meet security imperatives and upgrade airport infrastructure. Yet we are operating in a new world with an outdated funding mechanism. Airports operate under very strict FAA regulations that come with Federal grants for capital projects. The PFC is slightly more flexible and is often a critical part of an airport's security obligations. Yet the \$4.50 cap of the PFC has not been raised in over 16 years and it has not been indexed to inflation.

While airports have been advocating for a PFC increase for years; all efforts have been unsuccessful. I urge this Committee to think about how airports can make all the needed infrastructure and security improvements needed without adequate funding. DEN is a willing and able partner, but we are only one part of the equa-

tion. Security is a Federal responsibility and we need Congress to help us and TSA obtain adequate funding to meet our ever growing security challenges.

*Insider Threat and Employee Screening.* As a member of the airport community, no one takes the prospect of an insider threat more seriously than we do. We are proud of our ongoing efforts in this area—to help educate our workforce, secure airport worker access, track airport employee credentials/badges—all in an effort to protect the public.

DEN has worked hard to improve security. To this end, we have moved forward with several initiatives based on the Aviation Security Advisory Committee Working Group recommendations on Employee Screening and Airport Access Control. We have worked with TSA to reduce the number of access doors, increased employee inspections, and enhanced background screening for workers with secure area access.

Airports remained concern with the idea of 100 percent physical screening of employees. The Working Group's concluded that 100 percent physical screening would not completely eliminate potential risks and could divert limited resources from other critical security functions. Recent studies have indicated that implementing a 100 percent physical screening approach would cost an estimated \$15 billion annually and could cause significant operational disruptions. We support the approach recommended by ASAC that airport operators and TSA adopt local risk mitigation plans with an intelligence-driven, risk-based and layered approach to mitigate any threats. Resources are limited, so we must find a way to mitigate this threat without shutting down the national system.

*Pilot Program.* Last year, this Committee added a series of airport security measures to the *FAA Extension, Safety and Security Act of 2016*. Among those measures was language establishing a pilot program within TSA to work with large hub airports to develop modern security systems. TSA has not yet started this pilot, but we are one of the three airports TSA has chosen for this program. We are working with our good friends and partners at TSA, but we would ask that you see that the pilot program moves forward and that it has the resources necessary to bring our security systems into the modern era.

I am grateful to have an audience with you today. We have a real issue to confront at Denver International Airport and I am confident that with your leadership we can capitalize on this opportunity and make improvements to the benefit of all U.S. passengers.

Thank you.

Senator BLUNT. Thank you.  
Mr. Laustra?

**STATEMENT OF MARK LAUSTRA, VICE PRESIDENT, GLOBAL BUSINESS DEVELOPMENT AND GOVERNMENT RELATIONS, ANALOGIC CORPORATION**

Mr. LAUSTRA. Thank you, Chairman Blunt and members of the Subcommittee. I am testifying on behalf of the Analogic Corporation, a public company based in Peabody, Massachusetts, that employs over 1,700 highly skilled employees that are engaged in the design and manufacture of high-tech components for the medical and security screening industry.

Our technologies can be found in lifesaving equipment, such as CT scanners, MRI machines, and state-of-the-art ultrasound systems. We are also a pioneer in security CT equipment, and since 9/11, our technology can be found in many of the deployed explosive detection systems as our nation achieved 100 percent screening of checked baggage as required by ATSA. We are now developing a next-generation checkpoint CT system for the purpose of automatically detecting explosives in passengers' carry-on bags.

I have submitted written testimony that outlines the concerns of our industry in more detail. However, today, I'd like to bring to your attention the fact that we are in a pivotal period in U.S. aviation security. TSA continues to be the gold standard for aviation se-

curity around the world, but it risks falling behind. We at Analogic see Europe as a quickly evolving market whose airports are seeing the benefits of smart lane technology and advanced checkpoint screening systems designed to allow passengers to keep their liquids and laptops in their cabin baggage.

And it's not just Europe that is sprinting ahead. Countries in the Asia-Pac region are also planning advanced technology checkpoint lanes in anticipation of more travelers due to high-profile events such as the 2020 Olympic Games in Tokyo. These countries will begin to place large orders for advanced screening equipment and industry will follow these opportunities.

I'm sure you are aware of the innovations being implemented at select U.S. checkpoints across the country. These continue to be financed by airlines and airports who have purchased smart lanes and gifted them to TSA. This model is not sustainable and will not go on forever. Unless this is addressed, many airports will not see the new technology that will help speed up passenger throughputs, increase detection capabilities of homemade explosives, and improve the passenger experience.

The TSA's Innovation Task Force, an initiative formed under former Administrator Peter Neffenger and staffed with some of the brightest people at TSA, is the first real opportunity for TSA to advance promising new technologies quickly through test and evaluation and then to the acquisition phase. But the Task Force continues to be unfunded. It is not currently a program of record. In order to get us to the so-called "checkpoint of the future," we need to provide proper resources and support.

We hope the new TSA Administrator continues to lead the agency toward innovation. As you know, the agency has been challenged by constantly changing leadership. Some consistency of tenure at the top is needed to drive a true cultural change at TSA and to embrace innovation.

This committee and your House counterparts have been immensely helpful in pushing TSA to be more transparent in their technology development and acquisition plans. In particular, industry welcomed the 5-year technology investment plan that was required under the 2014 Transportation Security Acquisition Reform Act. The first plan issued in the summer of 2015 was a good first step, and the report is up for a 2-year update this summer. This update provides an excellent opportunity to get more clarity on where TSA intends to be in the future.

I have included the detailed recommendations in my written testimony, but here is a quick list of those recommendations. The investment plan should include specific details on TSA's plans to replace aging equipment. The investment plan should provide additional details on the transition to next-generation technologies. The investment plan should provide specific details on new TSA programs and initiatives. The investment plan should include detailed R&D plans for aviation security equipment. And, finally, the investment plan should detail specific steps and ways that the TSA has improved the test and evaluation and overall acquisition process over the past 2 years, along with plans for the future.

TSA's recent reorganization should be detailed in the report update and how the reorganization will help improve the acquisition

process. I know the Committee will work with us to find solutions to the U.S. aviation security system and equip the brave men and women of the TSA with the best screening tools available to keep our Nation safe.

Again, thank you for this opportunity.

[The prepared statement of Mr. Laustra follows:]

PREPARED STATEMENT OF MARK LAUSTRA, VICE PRESIDENT, GLOBAL BUSINESS DEVELOPMENT AND GOVERNMENT RELATIONS, ANALOGIC CORPORATION

Chairman Blunt and members of the Subcommittee thank you for the opportunity to share my thoughts on potential areas of improvement in technology research, strengthening the TSA test and evaluation process, and bringing clarity and stability to technology acquisitions. Industry stands ready to work with you and the TSA in 2017 to improve the security and experience of the traveling public.

I am Mark Laustra, Vice President, Global Business Development and Government Relations testifying on behalf of the Analogic Corporation; a public company based in Peabody, Massachusetts that employees over 1,700 mostly highly skilled employees that are engaged in the design and manufacture of high tech components for the medical and security screening industry. Our technologies can be found in life-saving equipment such as CT scanners, MRI machines and state of the art Ultrasound systems. We are also a pioneer in security CT equipment, and since 9/11, our technology can be found in many of the deployed Explosive Detection Systems (EDS) as our Nation achieved 100 percent screening of checked baggage as required by the Aviation and Transportation Security Act of 2001. These EDS machines capture millions of data sets of each bag and use high powered algorithms to automatically detect explosives within seconds. We are now developing a second generation checkpoint CT system for the purpose of automatically detecting explosives in passenger's carryon bags.

**TSA Leadership**

My testimony today will largely focus on TSA's five-year acquisition plan requirements of the Transportation Security Acquisition Reform Act (TSARA—P.L. 113-245), and Congress's important role moving forward. However, first and foremost, any meaningful result today and in the future will only be achieved when industry has an active and purposed seat at the table with government—not simply to receive information, but to generate a constructive dialogue on the threats we face and vulnerabilities ripe for exploitation by our adversaries. This will enable manufacturers to align private sector technology research and capabilities with current and future threats, as well as to ensure a viable domestic security technology industrial base is maintained.

Industry has seen a laudable increase in engagement by TSA with the industry. We hope this trend continues under the new administration and especially since TSA has reorganized critical departments and job responsibilities. We are optimistic TSA understands how unpredictable purchasing cycles and multi-year timelines for equipment development, testing and qualification negatively impact both government and the industry.

**TSA Acquisition Plan**

TSARA required TSA to develop a 5-year technology acquisition plan. Released in August 2015, the *Strategic Five-Year Technology Investment Plan for Aviation Security* (henceforth referred to as the "Five-Year Plan"), was a positive step forward in accountability, cross-jurisdictional collaboration and industry engagement. An essential document for industry planning, the Five-Year Plan provided some visibility into TSA's schedule for replacement and upgrades of existing equipment, and projected future capability needs. But it was just a first step. Industry needs a more precise roadmap to know where and when to invest. Ensuring our R&D efforts focus on the capabilities that will meet TSA priorities and address emerging security threats is critical to protect the citizens of this country. Greater partnership between TSA and industry will only help with this process.

The Five-Year Plan can be leveraged to vastly improve TSA's acquisition process and, ultimately, the security of our aviation system. This Committee is in a unique position to monitor progress TSA is making on acquisition reform. In fact, the TSA was directed by Congress to update the Plan every two years, and a new report is due to Congress this summer. This is an excellent opportunity to for the Committee to ensure TSA is making necessary changes to: streamline and strengthen the test and evaluation (T&E) process; align budget requests to identified requirements; pro-

vide clear and consistent details on the threat profile to ensure industry is prepared to respond and TSA is making the right investments; and ensure meaningful engagement with industry.

#### **Plan Details**

In the update, we encourage Congress to request more specific dollar allocations and investment detail from TSA tied to particular equipment type. The 2015 Plan generically suggests a \$3.6 billion investment over the five-year period but fails to align those expenditures along actual programs, projects and activities. Further, there was virtually no mention of “new” acquisition as opposed to recapitalization. Finally, the acquisition plan should be based on the true needs of the TSA from a technology capabilities standpoint, not an expected budget framework.

Since its release, industry has been challenged by constantly shifting and changing funding levels for equipment, particularly for the checkpoint program. For example, the Plan stated that the TSA intended to purchase 897 Enhanced Metal Detectors for checkpoint screening with FY16 funds. The Five-Year Plan also indicated the TSA did not plan to purchase any Boarding Pass Scanners (BPS) or Credential Authentication Technology (CAT) systems. However, the FY17 TSA budget justification materials indicated that the TSA intended to use FY16 enacted funds to purchase 625 CAT machines and 175 BPS. Similarly, the FY17 request indicates that no EMD will be procured in FY16. Late last spring the TSA announced that it was not moving forward with the procurement of 296 AT-2 machines in FY17.

The TSA has provided justification for shifts in the figures provided in the Five-Year Plan versus actual procurements. However, these constant shifts have challenged industry in developing their business and staffing plans. Industry needs more certainty that the figures contained in the Five-Year Plan update are reliable and will stick, and at a minimum that Congress and industry be advised right away if any changes occur.

Overall, industry is concerned about future recapitalization plans outlined in the Five-Year Plan that consist of peaks and valleys on a year by year basis. This makes resource allocation and staffing extremely challenging for manufacturers. A more consistent, level spend plan spread out over the five years would enable original equipment manufacturers (OEMs) to maintain consistency in staffing and manufacturing plans.

#### **T&E Process Reform**

TSARA is an important first step to meaningful reforms, but while plans are great, it is the implementation of those plans that determines ultimate success. TSA outlined a number of initiatives underway in the initial Plan that seek to improve the acquisitions process, particularly relating to the development, testing, and qualification of security equipment. While TSA has done a good job of providing transparency into the process for industry, the fact remains that under the best scenario, it can take three years or longer to navigate a piece of equipment through the T&E process. While the bar must be high, this process impacts innovation, competition, improved security and efficiency, as both the government and industry expend undue time and resources navigating a complicated process. Industry encourages the TSA to outline the specific steps in detail that have been taken to reform the testing process in the Five-Year Plan update.

Perhaps the single, most critical element for ensuring a successful test and evaluation process is the thoughtful development of equipment requirements. TSA and industry have struggled over the years with requirements that number in the hundreds, many of which have little relevance with the core detection and operational performance of the equipment. There is also the challenge of constantly shifting requirements, which cause significant disruptions in the testing process. Industry has urged TSA with each procurement to identify the handful of solid, core requirements to test capabilities. Industry again suggests the TSA outline how its reorganization will facilitate the development of better requirements to ensure a more efficient T&E and overall acquisitions process.

In summary, shortening and streamlining equipment testing and collaborating with industry to identify recurrent chokepoints in the process and develop solutions would go a long way to getting newer, more advanced equipment into the field. It will provide a higher-degree of certainty to industry that the process isn't a series of roadblocks, but important, measurable checkpoints on a linear road. It will also help to foster more competition and effective use of government and industry resources.

#### **S&T Investment & Interagency Collaboration**

The TSA's Five-Year Plan projects a more integrated engagement with the DHS Science & Technology Directorate. We urge the Committee to require more detail

in the update to the Five-Year Plan to include specific examples and plans of S&T investment directly tied to fulfilling TSA identified capability gaps and future requirements; the subsequent transition of TSE from development to the T&E stage; and eventually acquisition. There are substantial opportunities to improve coordination between S&T and TSA to ensure the development of newer, higher-capability equipment that can be transitioned to a more effective testing process and fielded more expeditiously.

Industry supports the thoughtful investment of research dollars, provided it is tied to addressing real threats identified by TSA as a capability gap and with an eye toward eventual and realistic procurement either by the government or as a requirement of government (as in the case of air cargo). Former Secretary Johnson's efforts to better align S&T Integrated Product Teams (IPT) under the Unity of Effort Initiative was a welcome first step. TSA needs to have a prominent role in the IPT effort, and ultimately should have a lead role in identifying key R&D needs and activities, as they are responsible for acquiring and operating equipment that will meet new and evolving threats. Further, industry input should be solicited early on in the process to ensure research goals align with achievable, cost-conscious results.

#### **Lifecycle**

Along with the T&E process and up and down procurement cycles, there are other notable challenges for industry. In 2014, with no industry input, TSA made a decision to expand the projected lifecycle of EDS equipment from 10 to 15 years. This had significant implications on company manufacturing and staffing plans. While the justification by TSA was that detection capabilities for known threats continues to be sufficient, the results are that future threat research and response is stifled and next-generation detection and high-speed capabilities are delayed.

The lifecycle decision may have a very real budgetary and operational impact for TSA, as the ability to maintain and keep equipment fully operational and performing its mission after 10 years of service is increasingly difficult. This means more patches, difficulty finding replacement parts, more service calls, antiquated operating systems, and less efficiencies. Further, trying to bring 10-15-year-old equipment into the Age of the Internet of Things is almost impossible as the equipment was designed and built to requirements that never envisioned cybersecurity, Internet connectivity or data conversion capabilities.

Congress should closely watch TSA lifecycle equipment determinations for both delayed security impacts, operational cost increases and the very real implications for a viable domestic security industrial base. At a minimum, pushing equipment approval timelines to the right delays the next generation of equipment with increased capabilities, hinders current performance and stifles innovation.

A market environment that engenders innovation is our best defense against improvised explosives and thwarting transportation threats. Certainly intelligence is key, but when this fails, if we are not encouraging technological innovation and next-generation investment, we will lose not only our technological edge, but the industrial base that goes with it.

#### **Open Architecture**

Related, the Five-Year Plan touches on a desire by TSA to move to a networked system of equipment, or as former Administrator Neffenger referred to, a "system of systems." A key component of this end-state is an open architecture which functionally seeks to better integrate technology applications and apply security countermeasures, "at the system level rather than the component level."

Industry appreciates the discussion provided in the initial Five-Year Plan on this system of systems approach and recognizes the security proposition of data-sharing. However, industry remains skeptical of this initiative without greater transparency on what could be a significant business disruption and potentially impact security efficacy. With a goal of implementing this concept within the next 5-10 years, the constructive engagement with industry right now is vital.

Industry encourages caution and thoughtfulness in an effort that appears to seek uniformity, commonality, and standardization amongst the various TSE, which could ultimately discourage the drive for innovation and newer capabilities. While industry supports the concepts behind risk-based, layered security, potentially surrendering intellectual property and company-sensitive algorithms developed through tens of millions of dollars of private sector investment generates another set of risks, including the potential degrading of the competitive nature and vibrancy of the industry. We look forward to discussing this in more detail with TSA in the future to reach a desired state of better capabilities and integration, while maintaining a viable industry base.

### **Transportation Security Equipment Funding**

As mentioned in the Five-Year Plan, TSA is transitioning into a technology sustainment mode focusing on recapitalization of over 2,400 pieces of equipment that are reaching their end of life over the next five years. While process is key, it is also absolutely critical to ensure that recapitalization of security equipment is fully funded to keep our transportation system safe and the industry viable.

Industry is grateful to Congress for its leadership in fully funding the FY16 DHS budget request for TSA Checkpoint Support and EDS Procurement/Installation. We encourage the Subcommittee to work with your colleagues to continue this trend while reducing the bureaucratic barriers for innovation and deployment.

This Committee is encouraged to require future TSA budget documents to allot specific funding amounts to various technologies within the Checkpoint Support account and insist the newly revised Five-Year Plan provides a lookback on actual equipment purchased during the preceding three Fiscal Years. Because Checkpoint Support funding is not delineated to individual equipment types, industry has had difficulty ensuring Federal funds are truly reaching the intended target and consistent with previous documents. Further, previous EDS procurements have been significantly delayed or cancelled after significant vendor investment. Congress should insist on an accounting for these unspent funds and ensure they are carried over EDS replacement only.

These details would go a long way to informing Congress on the true TSA operational equipment need as opposed to budget constrained funding requests.

#### *Industry Recommendations to Improve TSA Wait Times*

Industry supports common sense solutions to help alleviate passenger wait times at screening checkpoints, both now and into the future. While short term fixes were necessary to address wait times last summer, the back-up at security checkpoints indicates deeper systemic issues that require sustained attention. The International Air Transport Association (IATA) predicts that the number of air passenger journeys globally will increase by four percent on average per year until 2034, more than doubling the overall number of trips taken as of 2014. So while alleviating the immediate pressure on the checkpoint screening process is a necessary objective, without turning towards medium and long term solutions, a piecemeal approach will only mask underlying issues. To that end, we suggest TSA and the Congress consider the following action items:

1) Develop and Implement an R&D Checkpoint Investment Plan:

We support former DHS Secretary Johnson's announcement that the Department will "double down" on R&D investments for technology that will improve passenger processing. Given current conditions, TSA should immediately reassess its R&D and procurement strategy to identify upgrades to current technology or new technologies that will significantly improve the passenger screening process, both in terms of processing time and detection capabilities. Some short-term options for consideration include investments in security lane design and reconfiguration; remote screening; equipment to automate the checkpoint process; immediate development and deployment of advanced algorithms to improve the throughput and detection capabilities of fielded passenger and carry-on baggage screening technologies; and a plan to advance the deployment of next generation CT scanners for the checkpoint.

2) Improve Equipment Qualification and Acquisition Practices:

Opportunities to improve the passenger screening process have been mired by a lengthy equipment qualification and acquisition process. Many new technologies and technology upgrades are languishing—often for over three years—in the test and evaluation phase and hampered by unnecessary administrative delays, retesting of non-security equipment elements, and poorly defined requirements. DHS and TSA should immediately develop a plan to improve transportation security equipment (TSE) acquisition by streamlining the test and evaluation process; allowing new technologies to be tested and trialed in the field; and setting strict deadlines on administrative decisions.

3) Designate Specified Lane Design Funding and Pre-Screening Improvements:

Increasing TSO staff levels will not decrease wait times alone without significant changes to lane configuration and passenger cueing strategies, where possible. Congress should dedicate additional funding to reconfigured lane design and throughput improvement. This investment will help augment staffing needs and allow TSA to think strategically about how to manage passenger volume increases in the future while reducing airport vulnerabilities. TSA should also consider mobile security checkpoints designed to randomly screen passengers

and employees with hand-held explosive trace detection, portable X-ray systems and K-9 units to reduce airport chokepoints at centralized screening locations.

4) Revise TSA Equipment Training Protocols and Certifications:

While TSA is examining its current training protocol, the agency should consider allowing manufacturers greater direct input and engagement with trainees on how to efficiently and effectively utilize screening equipment both for speed and detection. In most instances, equipment training is handled by third parties. TSA should look to establish a certification process with the manufacturers to ensure TSOs fully understand the functionality and capabilities of each component.

5) Survey Existing TSE Fleet and Replace Aging Equipment:

The TSA manages over 15,000 checked baggage and checkpoint screening technology devices. As equipment is extended past warranty and reaches and exceeds its manufacturer recommended useful life, airports occasionally experience increased wait times and delayed baggage due to greater service and maintenance needs. TSA should more routinely refresh and recapitalize equipment, with a specific focus on those systems that have limited capability to be upgraded to meet current and future requirements, as well as those at or nearing their lifecycle replacement timeframes. This will reduce maintenance expenses, limit equipment downtimes, and ensure higher fidelity and capacity screening equipment is in the field.

6) End the Raid on Aviation Security Fees:

Pursuant to the Bipartisan Budget Act (BBA) of 2013, upwards of \$15.8 billion in security fees paid for by travelers, is due to be diverted to deficit reduction and other non-security activities over 12 years. This sort of burden shifting is risky at any time; however, given the increased passenger volumes and demand on screening infrastructure and the TSA, it seems only prudent to direct these funds to targeted investments in security technology and TSA workforce training.

**Closing**

As equipment begins to phase out, new technologies must be researched, developed and purchased. New threats cannot be resolved with antiquated solutions.

Industry encourages continued, vigilant oversight. However, we would encourage the Congress to be mindful of new legislation that could serve to bog down an already ponderous acquisitions process with more requirements and procedures. This could serve to add additional delays and costs. We recommend Congress work with TSA and industry to find efficiencies and make this complicated process more streamlined and effective. Doing so will save time and money, while providing OEMs and emerging companies more certainty to develop and produce a new generation of equipment with better capabilities to meet ever-evolving threats.

Senator BLUNT. Thank you. Thank you for your testimony and for all of you being here.

Mr. Alterman and Mr. Laustra, are you both on the Aviation Security Advisory Committee?

Mr. LAUSTRA. I am not.

Senator BLUNT. You're not.

Mr. ALTERMAN. I am.

Senator BLUNT. And do you serve on any advisory committee at all for TSA?

Mr. LAUSTRA. I'm Chair of the Security Manufacturers Coalition.

Senator BLUNT. Of the coalition?

Mr. LAUSTRA. Yes.

Senator BLUNT. Thank you.

Let's go to Ms. Pinkerton and Ms. Day. You know, one of the things that I thought we were able to have the most success on last year with the FAA reauthorization, disappointingly short as it was, was a lot of new guidance to what we thought TSA could do in a better way in security and helping to encourage more people to get in the PreCheck program. I'm not sure where we need to be in

those areas, but a lot of that was cooperative in trying to figure out how the private sector could be a more helpful partner or vice versa in this.

In terms of PreCheck, how do you think PreCheck is working? And if it is working, what can we do to get more people in it? Ms. Pinkerton and Ms. Day?

Ms. PINKERTON. I'll take a shot. Is it working? I'll take a shot at that first. Thank you, Chairman Blunt. The PreCheck program needs to be expanded, and you're right. The FAA extension bill had several provisions directing TSA on how to expand the program. Their goal is to have 25 million people in the program. Right now, they've got just under 10 million people. I think there's just under 6 million in CBP's Global Entry, and then just over 4 million in TSA's Pre✓ program.

One of your most important ideas and direction to TSA was to get a third party involved in marketing the program to get more people into it. But as I mentioned, 2 months after your bill passed, TSA withdrew that RFP, and as a result, we're very concerned that the government procurement policies that are so complicated and time consuming are really holding back from getting more people into the program.

So our recommendation is, yes, you need to continue to encourage TSA to move forward with that third-party program. But I think they need to use the authority that they have today. The process is too complicated. There are too many steps. There's a certain hassle factor that goes along with getting into PreCheck. We know who our market and our target community is. They're frequent flyers. They're pretty sophisticated, but they're also busy.

So our recommendation is for TSA to use their authority, simplify the process right now, they're using a process that was designed for truck drivers and port workers. That's not who we're talking about here. We're talking about busy air travelers. So that's one thing. But we also want TSA to think more creatively. Can we give families a discount for the summer? Can we waive the fee? We're trying not to micromanage their business, but there has to be a way to get more people into the program more quickly.

Senator BLUNT. Ms. Day?

Ms. DAY. I agree with everything Ms. Pinkerton said. Let me say that everybody who uses the PreCheck program loves it. So we just need to get the word out.

One thing that's really interesting—last year, Microsoft signed up their entire workforce for PreCheck. If we could get more corporations to realize that it is worth them paying for the program to allow their employees to have a better experience through airports, it would be great. So that's just one thing I would add—would be encouraging more corporate—more companies to participate that way.

I'd also say in Denver, TSA actually opened a remote location where you can get your PreCheck done. It's downtown, and it's terrific. It has increased their enrollment.

Senator BLUNT. From the point of view of an airport manager—just the logistics of PreCheck and screening, generally—how much input are you allowed to have into the number of lines open, when

they're open, where they're located? Talk to me about that a little bit.

Ms. DAY. Our operations group meets with TSA on a daily basis to review our loads during the day and the amount of passengers we're expecting, and they do work on trying to control that and making it the best that it can be, based on the availability. But in the end, it is the Federal security director's decision.

Senator BLUNT. Right.

Senator Wicker, you and I may go vote after others get here.

**STATEMENT OF HON. ROGER F. WICKER,  
U.S. SENATOR FROM MISSISSIPPI**

Senator WICKER. Thank you.

Well, on the process designed for truck drivers and port workers, is it the screening process itself or the application process that was designed for truck drivers and port workers, and how so?

Ms. PINKERTON. I think it's both, Senator. I think, you know, the application process has several steps. That needs to be simplified. But it's also the back end, the processes that are done, what data is used, and how that moves forward. And I don't want to micro-manage the way TSA does this. I don't have all the solutions. But I do know that it's too complicated. It can be simplified, and I think it merits your oversight.

Senator WICKER. Well, obviously, it is being simplified in Europe. So let me start with Mr. Laustra, and then anyone else can jump in.

Why are we behind Europe? Are they smarter than us? Are they less patient standing in line than we are? Why are they so far ahead?

Mr. LAUSTRA. Well, one of the problems, as I see it—and some of the panelists have talked about—is the leadership at TSA. TSA is always in a start-stop mode. Whenever there's a new Administrator, there's a new set of initiatives with no continuity. For example, when Administrator Hawley started Checkpoint Evolution back in 2009, we transformed four lanes at BWI airport with smart lane technology, and when he left, the checkpoint evolution program fell off TSA's radar, and we dismantled those smart lanes. So, I mean, that was back in 2009.

Senator WICKER. So it's a lack of continuity from—

Mr. LAUSTRA. A lack of continuity, exactly right, yes.

Senator WICKER. Anything else?

Mr. LAUSTRA. Well, the Innovation Task Force is a great first step. I mean, we need to get that funded. Innovation Lanes are a great place to test new technologies at an actual checkpoint and really provide the impetus for the checkpoint of the future so we can test these new technologies.

Senator WICKER. Ms. Day?

Ms. DAY. If I could add, I also think it's a procurement issue. We are very slow to certify equipment. Some of the equipment that is currently utilized in Amsterdam is right now in the TSA's certification program. But it seems to take a great deal of time to get those things done. And it's also the way we're funded. In Amsterdam, the royal family basically said, "We want this technology." They went out—there was a sole source, and it was put in place,

and that's just not how the funding and the procurement works here in this country.

Senator WICKER. OK. Amsterdam. That's one country.

Ms. DAY. Yes.

Senator WICKER. Are they ahead of the rest of Europe?

Ms. DAY. They're probably leading the pack. London Heathrow has also a great system. It was done through privatization. They hired a private company, Ferrovial, to come in and operate their facility at Terminal 2 and Terminal 5, including standing up and operating the security there.

Senator WICKER. Now, on this procurement issue you mentioned, Ms. Day, do you think we need a statutory change there, or does there just need to be another mindset at the agency?

Ms. DAY. I don't know the solution to it, Senator. I wish I did.

Senator WICKER. Anybody else?

Mr. Alterman?

Mr. ALTERMAN. I hesitate to say this, because I'm not sure how to do it. But I think it needs a statutory change. I don't think that in the current bureaucratic environment even leadership can overcome the burdens of meeting the requirements of procurement. I think that runs across TSA, I think it runs across the FAA, and I think it runs across a whole lot of other agencies. By the time you get technology certified, you're on to the next technology.

Senator WICKER. So, Mr. Laustra, the testimony here is that there's state-of-the-art equipment out there, and the rules under our current statutory law slows us down there. Now, you ought to know a lot about that issue.

Mr. LAUSTRA. So the process does take way too long, and it's because TSA has a very robust process of certifying new equipment and integrating, for example, these new smart lanes with x-ray technology.

Senator WICKER. How does a smart lane work, Mr. Laustra? You don't have to take your liquids out and you can keep your laptops?

Mr. LAUSTRA. No, sir. The smart lane is just a conveyance system. So you have a multiple divest station so multiple passengers can divest at the same time into a bin. Then you have a divert process built into the system that diverts suspect bags off the primary conveyor allowing cleared bags to move through to the passenger. And finally, you have a bin return system that automatically sends the empty bins to the front of the smart lane system.

Senator WICKER. OK. Did I hear one of you say that there is a process, or ought to be, where you don't have to take your liquids out and your laptop?

Mr. LAUSTRA. Yes. That's in the new X-ray technology that is designed to allow passengers to keep their liquids and laptops in their bags.

Senator WICKER. So the X-ray says that's just a bottle of water and we're not going to worry about that, and the X-rays says that's a—

Mr. LAUSTRA. No. Once you—

Senator WICKER.—That's a legitimate laptop and we're not going to worry.

Mr. LAUSTRA. So in Europe, with the smart lane technology, we're seeing a 20 percent to 30 percent increase in passenger

throughput. When you place a checkpoint CT system into that checkpoint, airports are experiencing up to a 50 percent passenger throughput improvement which also improves the passenger travel experience. So it's an optimized solution, having the smart lane and the checkpoint CT system.

Senator WICKER. Great.

Thank you, Mr. Chairman.

Senator BLUNT. Senator Cantwell?

**STATEMENT OF HON. MARIA CANTWELL,  
U.S. SENATOR FROM WASHINGTON**

Senator CANTWELL [presiding]. Thank you, Mr. Chairman. I'm going to submit a statement for the record.

[The prepared statement of Senator Cantwell follows:]

PREPARED STATEMENT OF HON. MARIA CANTWELL, U.S. SENATOR FROM WASHINGTON

Thank you Mr. Chairman, and I would like to take this chance to congratulate you on your new role as Chairman of this subcommittee. We have much to do this year to address issues regarding aviation safety and security, infrastructure, NextGen implementation, and a host of other issues. I look forward to working with you on an FAA Reauthorization bill that will move our Nation's aviation policy forward and allow the industry to prepare for the tremendous growth that we know is ahead of us.

I would like to thank our distinguished panel for being here to share both their testimony and their expertise with the subcommittee. Our panelists deal with aviation security on a daily basis, and I appreciate the opportunity to hear their insights on what is working in the aviation security system and what needs to be improved.

In my own state of Washington, Sea-Tac airport has been the fastest growing large airport in the country for three consecutive years thanks to tremendous growth in our economy. To keep that growth going in Seattle and across the country, we need to make sure that when passengers arrive at the airport, they are not met with the nightmare that they faced last year: security lines well in excess of an hour—and sometimes much longer—at the Nation's busiest airports.

I was thankful that Administrator Neffenger payed close attention to this problem last year, and agreed to allow local training of new Transportation Security Officers in order to get adequate staff trained and mobilized quickly in order to address the problem. TSA has also acted proactively to hire additional staff to deploy to the most severely impacted airports, and the results have shown.

Airports and airlines also deserve credit both for their response to last year's situation, and for the steps they've taken to look ahead. Last year, airlines and airports acted quickly and creatively, and at their own expense, to ease the burden on their travelers. They have also taken steps to improve checkpoint efficiency and technology; and launched apps and installed signs to direct travelers toward the checkpoints with the shortest lines.

These are all important steps, because airports play an absolutely vital role to our economy. To keep the economy moving forward, we need to maintain the free flow of goods and passengers through our system, while also being sure to maintain the highest level of safety and security.

To keep passengers safe, and to keep lines moving, TSA employs a number of tactics and technologies.

Risk-based security programs like PreCheck allow travelers who have submitted to a thorough background check to move through expedited screening lines, keeping shoes on and liquids in their bags. PreCheck is a key component of a risk-based system, as it allows for pre-vetted passengers to move more efficiently through security checkpoints. I hope that TSA will continue to work to grow the PreCheck program, particularly by taking advantage of 3rd party firms to enroll and collect the necessary data from passengers, as this committee has called for.

The continued development of automated screening lanes, which both improve the screening process while also adding up to 30 percent more capacity to screening lanes. While these lanes are being rolled out in a few airports across the country, I would like to see TSA and their Innovation Task Force do more to work with airports and airlines to develop and incorporate technology into checkpoints that will add to security and save time for passengers. This includes improving the procure-

ment process to make sure that automated checkpoint technology can work with a wider array of equipment which is already installed at checkpoints.

Finally, passenger screening canines are a critical tool in terms of both effectively screening passengers and keeping lines moving. Canines drastically increase the output of security lines, and it is well known that when it comes to sniffing out harmful materials, there is no match for the nose of a well-trained dog.

While canines are effective, we need more of them to allow them to deliver the maximum possible benefit to the system. At Sea-Tac, for example, we only have five out of our allocation of 10 passenger screening canines. While the TSA's training center at Lackland Air Force Base in Texas is doing good and valuable work, passenger screening canines are a tremendously valuable asset, and the demand is not being matched by the supply. This is an issue that I am sure this committee will be paying close attention to going forward.

Thank you, Mr. Chairman. I look forward to hearing from our panel.

Senator CANTWELL. Sorry I wasn't here earlier, between votes and a nominee in the Finance Committee. But one of the things that I wanted to see if you had comments on—obviously, air travel time at our airports is critically important, moving through the TSA process. One of the things we have found in that process is that these extra canine units have been very helpful, and they have—I mean, I'm asking because so many of you represent the air infrastructure and participate in lots of these issues as it relates to helping to move the traveling public.

But have you taken positions on this issue? What do you think about our need to help expedite this part of our infrastructure so that we can keep flights safe and moving in a timely fashion?

Ms. PINKERTON. Good morning, Ranking Member Cantwell. My name is Sharon Pinkerton with A4A, and both Steve Alterman and I in our testimony covered the fact that we love dogs. They are incredibly effective at sniffing out bad things, and they're very, very efficient. But TSA has limited resources right now with respect to canines. They've got about 187. I think they're shooting to have 500. Those dogs are incredibly effective in both the all-cargo environment but also the passenger environment in aiding passengers to get into the PreCheck line. So we're very supportive of more canine units.

Senator CANTWELL. Part of the issue is, right now, all the certification is through one entity. Should we up the ability to certify these dogs to more areas of the United States?

Mr. ALTERMAN. Obviously, yes. There simply are not enough dogs that are certified by the TSA to do the job that's necessary in both the passenger and the all-cargo environments. The dogs in the passenger environment have proven extremely useful in enabling people who may not have been enrolled in PreCheck to get into the PreCheck lines, because the dogs are so efficient in sniffing out potential explosives.

It's absolutely crucial in the all-cargo environment as our businesses expand and our screening requirements expand. The technology to screen freight as it moves in the all-cargo environment simply isn't there, and we absolutely need dogs to help us meet our requirements. Just as an example, the International Civil Aviation Organization just passed a new standard that will require us to shift our export operations to screen a whole lot more freight, which we will not be able to do and still meet the service needs of our customers unless we get dogs to do primary screening.

To TSA's credit, after long stops and starts, they put out a request for information on how such a program would work. The industry responded. I'm not sure how many responses there were, but there were many responses to it, and TSA has now established an industry day for next Wednesday, the 22nd, where the industry will meet with TSA to try to chart a path forward. It's been too long coming, and it has been slow. But I'd rather look at the future rather than the past, and, hopefully, this will expedite things.

Ms. DAY. If I could just add one thing?

Senator CANTWELL. Yes, go ahead.

Ms. DAY. I think, you know, we all talk about how wonderful the dogs are in the TSA checkpoint. But I also think there's an application for dogs pre-security. The dogs are passive, and if we had enough dogs, we could use them in a more robust way in our airports to actually roam and make detections before you actually get to that checkpoint.

Senator CANTWELL. That's why I was bringing that point up, because we heard from experts after the Belgium bombing that the dog system would have been able to smell those individuals coming into the airport and they would have been alerted. So since so many of these—whatever you want to call them—ticket areas have now become targets as well, having that exterior activity—we've had so many airports tell us that they—police on duty, TSA—have seen people literally turn around and leave when they see the dogs. So it is almost—they don't know what people are up to. They just know that when they see the dogs, people are saying, "Oh, I'm not staying here. I'm leaving."

So that, in and of itself, is a great deterrent, and, obviously, its ability to detect people in line as well. So both of those are great benefits.

Yes, go ahead.

Ms. DAY. Just one anecdote. We have a dog therapy program at our airport as well. We have 60 dogs that wear DEN vests and roam around, and the TSA has said they love it because passengers don't really know if those dogs are sniffing dogs or not.

Senator CANTWELL. Oh, very interesting. Well, I definitely think with our success and, obviously, how air transportation has remained a—or the facilities themselves or the traveling public a target, I definitely think we need to figure out how to put this canine program on steroids and build the infrastructure, because it is such a resilient part of what it takes to build a system of security. So thank you very much.

Senator Gardner is next.

Senator INHOFE. OK. Go ahead.

Senator CANTWELL. I'm going with what Senator Blunt's staff has given me, but I'm happy to—

**STATEMENT OF HON. CORY GARDNER,  
U.S. SENATOR FROM COLORADO**

Senator GARDNER. Madam Chair, I'm happy to yield to my senior colleague from Oklahoma, who I hope will continue to fly through DIA if I proceed here.

[Laughter.]

Senator GARDNER. Senator Inhofe, thank you, and Senator Cantwell, thank you.

Welcome again to all the witnesses, particularly Kim Day for her work at DIA. In your testimony, you talked about the opportunity for Congress to work with the TSA on Innovation Task Force. I have a letter that we'll be sending later today expressing our willingness and desire to push the TSA on making sure we increase efficiency, developing and testing prototypes for new screening technologies according to the SCREEN FAST Act that we put into law last year through the FAA reauthorization or extension, also encouraging them to work with Congress on the innovation ideas and making sure that they implement the Task Force as quickly as possible.

So I was looking at some numbers. Stapleton airport, who many people across the country remember, peaked in the 1990s, I think, at 30 million passengers, and today, DIA is approaching 60 million passengers, so doubling since the 1990s the ability of passengers, international and domestic, to go through Denver as one of the major hubs, as you mentioned, largest commercial hub—newest airport of the large hubs, what you talked about in your testimony.

So I want to thank Senator Thune for his work on the SCREEN FAST Act to include it in the FAA bill and the work that we did together to make this possible, to focus on efficiencies, reducing vulnerabilities, and security. Could you talk a little bit about how Denver has collaborated with TSA and the private sector and the stakeholders to move forward with this large-scale security project—because it is very significant—and how this could be a model for other airports?

Ms. DAY. Thank you, Senator. Yes, I'm happy to talk about it. So you all may not know, but we're actually in the middle of a program to completely relocate TSA from its current position to a new position that is more secure in our airport. The idea is not to move what we have today, but to create something new when we move it.

So we reached out to TSA. We signed an MOU with them and have been working with them. We actually went with them to see Amsterdam and to see Heathrow, to see the new model in Cologne, and are trying to also look at the new technology that Mr. Laustra talked about to add passive security, filtering as you get to the checkpoint.

So what we're looking at is a checkpoint that would be very different than what you see today. You would actually use biometrics with your ID to assign you to a particular lane based on your risk. So it is a risk-based view of a checkpoint, which we've not seen today. I'd also like to say we are in the pilot program with TSA. We're going to start testing—some field testing of biometric ID as early as this fall, and we're real excited about that.

Senator GARDNER. Thank you. And could you talk a little bit more about the public-private partnerships you described in your testimony and how Denver has been able to realize it? Has it been helpful? And has TSA been a good partner as part of that public-private partnership?

Ms. DAY. Yes. So there are two parts of that. Thank you, Senator, for mentioning it. We had this Summit last year where we

had Microsoft, Panasonic, Disney—a number of private firms who came and have presented to us how they can use some of their current existing technology and apply it to the screening process, things that are not used that way today. So they're coming in with ideas.

And then we formed a public-private partnership with Ferrovial's infrastructure group and Saunders, a local contractor, to actually invest their money and their expertise in our checkpoints. So, yes, the private sector is very much involved.

Senator GARDNER. And describe a little bit the economic impact that DIA has on the state of Colorado, if you could.

Ms. DAY. We're the largest economic engine not just in the state of Colorado but the Rocky Mountain Region, generating over \$23 billion annually into the economy.

Senator GARDNER. Thank you.

Thank you, Ms. Chairman, and thank you, Senator Inhofe.

Senator CANTWELL. Senator Inhofe?

**STATEMENT OF HON. JIM INHOFE,  
U.S. SENATOR FROM OKLAHOMA**

Senator INHOFE. Thank you very much. It's pretty obvious by now, if you didn't already know it, that I'm new on this committee. In fact, this is the first Subcommittee hearing that I've been to. I do have a background, a career in aviation, so I'm looking forward to this.

But, quite frankly, I have to say, Ms. Day, I didn't know that anyone had a dog therapy program, so I've learned something here.

Ms. DAY. Actually, many airports do, not just ours.

Senator INHOFE. Oh, they do? All right. Well, I'll keep my eyes open and try to learn about that.

When I left to go out on the second vote, you were talking about all the advantages of enhancing the Canine Corps, and I guess I don't understand, being new on this committee, what the problem is. I mean, why aren't we already doing it? All four of you agree on that, right?

Mr. Alterman, what's the problem?

Mr. ALTERMAN. I think that change is always difficult in an agency, and things that are new come more slowly than we would like, and I think that everybody on the panel has recognized that with the constant changes in leadership of the agency, sometimes messages get lost between the new administrators. I think there is sometimes resistance in the bureaucracy, that people don't want to do things differently, and that culture is difficult to change.

Looking forward, though, we do have a process now. We have a request for information that was issued. There's an industry day next week to talk about the dog program as we move forward. I'm cautiously optimistic that we'll make progress. I wish it had been faster. I still think there may be some differing factions within the agency that may slow this down, but—

Senator INHOFE. OK. That's fine. I appreciate that. Let me ask you on the term—one of you mentioned right before I went for the second vote on the fact that we have—is it a 2-year term now for a TSA Administrator?

Mr. ALTERMAN. There is no term for a TSA Administrator.

Senator INHOFE. There's no term at all. All right. Would you recommend a 5-year term, like the FAA Administrator?

Mr. ALTERMAN. I would recommend that. Actually, if your lawyers go back and look at the statute, you'll discover that the statute is really messed up with respect to the TSA Administrator. The TSA was formed right after 9/11. It was initially part of the Department of Transportation. The next year, it was transferred to the Department of Homeland Security. As I read the Act, the Act still says the TSA Administrator reports to the Secretary of Transportation. So there needs to be a tweaking of the statute. The initial statute that established TSA had a five-year term for the Administrator. It did not survive when it was transferred to DHS.

Senator INHOFE. Do all of you agree that it would be better to have a—

[Chorus of yeses.]

Senator INHOFE. All of the stakeholders agree.

Ms. Day, you were saying—as I went for the second vote, you were talking about emulating—I think you said Heathrow? I'm not sure. Was it Heathrow?

Ms. DAY. Heathrow and Amsterdam Schiphol.

Senator INHOFE. OK. What I'd like to have you do, each one, until my time expires—it's always a good idea to look to someone else who is doing something better before you start making a lot of changes. We don't need to reinvent something if someone else has already invented it. Now, I'd like to have each one of you—it'll have to be brief—comment on who is the best one out there to emulate right now and why. Starting with you, Ms. Day.

Ms. DAY. Well, I think I would say Amsterdam Schiphol. They use these innovation lanes where multiple people divest at one time. If your bag alarms, you and your bag are taken offline. Everybody else goes through. The actual agent who is looking at the image of your bag is remote so they don't have the pressure of you looking at them looking at their bag. They can also do multiple lanes so it's more efficient for the agency.

They also have a person, as you divest, who is basically doing a visual risk analysis of you and can push a button so that you actually get extra screening. So they've got multiple layers there, and it's a wonderful passenger experience. I've got to tell you, they've got low lights, and they've got plants growing in the area, and it's a very stress-free environment.

Senator INHOFE. Well, they have to have plants if they have their dogs going everywhere.

[Laughter.]

Senator INHOFE. Mr. Laustra?

Mr. LAUSTRA. Yes, I would agree with Ms. Day. Amsterdam certainly is an early adopter and progressive airport. I would also ask you to look at our neighbors to the north in Canada. They're upgrading their security systems at all the airports, adding biometrics, queue monitoring software, remote screening workstations, and smart lanes. They're doing all of that. They're way ahead of us in trialing these technologies.

Senator INHOFE. That's good. My time has expired. Do you all generally agree?

Ms. PINKERTON. Just one extra thought. I completely agree with both of the other folks that have talked—Schiphol, Canada. The difference is the government procurement process, quite frankly, I don't know if we can fix it. So we—

Senator INHOFE. We have the same problem with our military. That's right.

Ms. PINKERTON. Yes.

Senator INHOFE. Well, thank you very much.

Senator CANTWELL. Senator Capito?

**STATEMENT OF HON. SHELLEY MOORE CAPITO,  
U.S. SENATOR FROM WEST VIRGINIA**

Senator CAPITO. Thank you, and thank all of you for your testimony and for answering the questions.

I just have a quick question on—and I think, Ms. Day, you mentioned this, that the screening is going to focus on more risk-based screening as opposed to just generalized updating the technologies in advanced screening. Do you think it should be on a dual track, or do you think that one outweighs the other in terms of where you could get the best results?

Ms. DAY. I think we need to do everything, as much as we can, yes.

Senator CAPITO. So do you agree with the heavier emphasis on the risk-based screening as well?

Ms. DAY. I do.

Senator CAPITO. Does anybody else have a comment on that?

[No verbal response.]

Senator CAPITO. I'd like to talk about—I'm from a rural state, basically, West Virginia—small airports. The screening—we learned, I think, in 9/11 that the screening that occurs in those small airports can be exceedingly important when we saw what happened. Some of those folks entered, I think, in Maine or some other of the smaller airports, much like the airports we have.

But I've noticed our own TSA as I pass through there a lot. We have a lot of TSA agents. But there seems to be a lot of turnover in terms of—not so much at the level at which the actual screening is done, but at the supervisory level. They're moving in and around the areas. Do you find that in all of your experience at Denver? Are folks moving around a lot, like maybe they do in the VA and other agencies, and is that an issue for you? Or do you have the continuity there that you think that you need?

Ms. DAY. It's not so much that we see people moving around, but there is a great deal of turnover. TSA is constantly hiring to replace those who have left, and I don't know the cause of it. But that certainly is the situation.

Senator CAPITO. Does anybody else have an opinion on that?

[No verbal response.]

Senator CAPITO. In terms of cargo screening, I would imagine by the time we get to cargo screening at a smaller airport, we're going to be pretty far down the road. Do you have any insights into the best way that we could do that, that we could make it more pervasive into the smaller airports, smaller regional airports? Do you have any opinion on that?

Mr. ALTERMAN. I think that our members operate at all smaller—we have regional airlines flying from the smaller airports into the hubs.

Senator CAPITO. Right.

Mr. ALTERMAN. The screening that's done there should be as pervasive as in any other airport. We don't recognize—we know there's a difference in the airports, but in terms of following the rules on what we screen and how we have to screen—those are applicable at all the airports, both small and large. And I don't know if Sharon has any comments on that for the freight that moves in the passenger planes. We represent the freight that moves with the all-cargo guys. But, you know, the screening we do there is the same as we do at a major airport.

Ms. PINKERTON. It is the same, and the same for passengers, obviously. I would just go back to—we love dogs, and we think that the more that we can use them and build capacity for training for dogs, it's going to help the entire system.

Senator CAPITO. Well, thanks for bringing that up, because I was going to say I used to—last session, I chaired the Subcommittee on Appropriations for the Capitol Police, and I went out and looked at the capitol police training center for the dogs, and you see them rather prominent here—very important part of what goes on here. And, really, one of the reasons that they don't—and we are trying to up their capacity, too, to do external, outside buildings, not just cars going up onto the plaza and those kinds of things—is the capacity. It takes a long time to train the dog, it's expensive, and it's sort of a niche kind of occupation.

So I think probably the reason that we don't have more—and you all are having trouble accessing it—is there's just not enough there. So if anybody's listening, it would be a great career path for somebody to get into this, because their ability to detect at really low levels—and I think what you're saying, if you're external, outside of the airport, maybe where you're getting dropped off by cabs or where there have been a few attacks, it wouldn't—it's not like somebody carrying a large gun walking around as a deterrent. They really can't see that this dog is doing anything, you know, unless they're really, really paying attention. Some people might overlook the fact that this is a detection dog, and that's where I think a lot of usefulness could come in for them as well. So I'm very supportive of that, and thank you all very much.

Senator BLUNT [presiding]. Mr. Alterman, if you haven't commented on that while I was gone, before we go to Senator Hassan, would you make the point you made about looking at the private sector?

Mr. ALTERMAN. Yes. I was going to jump in. The problem we have now is the only dogs that are operating in most environments are TSA dogs. It's absolutely correct that there are not enough of those dogs. But in terms of career path, we could have a whole lot more dogs if the program was open to third-party screening—third-party dogs doing the screening. That's the program that's in its infancy now at TSA that we're going to have industry meetings on next week.

But TSA will never be able to provide enough dogs by themselves. What we have asked is that TSA provide a program where

they would certify facilities—private facilities—and then audit those facilities to make sure that they’re doing the right job. It would be up to the industry, in our case, the all-cargo carriers—if they want to use those dogs, they would actually pay for the dogs and pay for the use of the dogs.

TSA’s job would be to actually certify everything to make sure they’re to TSA standards, but we would be buying the dogs. And I think the market would expand rapidly, and there are people out there to do that, and that’s the program we’ve been encouraging them to do.

Senator BLUNT. And in that idea, would there also be a third-party handler?

Mr. ALTERMAN. There would.

Senator BLUNT. Those standards would have to be—

Mr. ALTERMAN. Those standards would have to be established, and that does not now exist, and we’re in the process now of trying to figure out how that would work.

Senator BLUNT. And you’re anticipating no government cost for that program?

Mr. ALTERMAN. There would be a government cost. The government cost would be for TSA to certify the facilities to make sure they’re doing it right and to make sure that they continue to do it right by having some sort of repeat audit program to do it. But they wouldn’t have to actually buy the dogs. The dogs would be leased by the companies.

Senator BLUNT. Thank you.

Senator Hassan?

**STATEMENT OF HON. MAGGIE HASSAN,  
U.S. SENATOR FROM NEW HAMPSHIRE**

Senator HASSAN. Thank you, Mr. Chair.

Well, good morning, everybody, and I’m sorry I missed your initial testimony. I thank you for the work you do, and I thank you for being here.

I wanted to start, Ms. Day, if I could, because I do understand that in your testimony, you brought up the need for the TSA Pre✓ program to be fully supported and expanded. I’m from New Hampshire, and at our Manchester-Boston Regional Airport, we’ve encountered challenges ensuring that we have enough TSA personnel on the clock to keep our PreCheck lanes open.

So our local TSA team is doing absolutely the best it can, but when they face resource shortfalls, it’s a problem for them. When TSA reduces its staffing levels, the airport has to shut down PreCheck lanes temporarily. That means the passengers who would be in that lane merge into regular lanes and give up some of that expedited screening privilege that they’ve paid for.

So on a large scale, I think a lack of resources for PreCheck and TSA, generally, may serve as a disincentive for travelers to sign up for the program. You would pay for it, but then on your regular travel schedule, you rarely get to use it. So is this a challenge beyond my own airport, I guess I’m asking, and how would you suggest that TSA address the issue?

Ms. DAY. Yes, it’s a problem at our airport, too. The PreCheck line at each security checkpoint is not open the entire time, and it

is based on resources. I was mentioning earlier that we sit down with TSA every day and go through the loads and what we expect the passenger traffic to be like, and we try and best use their resources. But the reality is their resources are limited. So the reality is that those checkpoints are closed sometimes.

Senator HASSAN. Thank you.

To both Ms. Day and Mr. Alterman, I know you've addressed in some of your testimony, but I'd like to explore it a little bit more, the issue of violence in the unsecured parts of our airports. We know over the last few years we have seen several troubling incidents of violence in these so-called nonsterile areas, the 2013 incident at the Los Angeles International Airport where a TSA officer was murdered and earlier this year the active shooter who killed five people near the baggage claim area in Fort Lauderdale.

Last spring, we saw suicide explosions occurring in public areas at Brussels and in Istanbul. So I know that securing these areas requires cooperation between TSA, local police, and airport officials.

So I just would love to hear, maybe starting with Mr. Alterman—has your Advisory Committee looked at ways to improve security in the public areas? And I'd love some recommendations about how to do it.

And, Ms. Day, you touched on it briefly, but if you have anything to add after Mr. Alterman speaks, that would be great.

Mr. ALTERMAN. Thank you, Senator. Actually, the Aviation Security Advisory Committee has not been involved in public area security, but there's a reason for that, and it's not because TSA is not doing something about it. Well before Fort Lauderdale happened, the TSA has established something called the Public Area Security Summit. We've had three meetings of that Summit so far. The most recent one was last Friday.

That summit brings together all the elements that you mentioned, because they're all involved in the process—the airport directors, the FSDs, the local law enforcement, the airport law enforcement. There are so many jurisdictions involved that we've got to find a way to have coordination among those officials so that, hopefully, we can prevent incidents. But if an incident happens, we need to understand who's in charge and how things are going to work.

The next meeting of the Summit is April 26. Then what we're trying to do is put together a framework. When you're dealing with an inherently public area—and you're going to have a public area no matter where you put the checkpoint. You could shut down, you know, and have to check in at the door, but then you'd have groups of people outside the door. So it's a real challenge.

I think that the way TSA is looking at this is it has got to be—one thing I've discovered—and I'm not an airport guy. I'm a cargo guy. But just like different segments of the aviation industry are not the same, every airport is not the same. And the one thing we've discovered is each airport has different risks and different requirements. So whatever is done as a result of this public area security summit, it's got to be airport specific, because each airport is different.

So my guess is what's going to come out of this will be a framework of how airports can deal with a menu of options, depending on their unique needs. It's difficult. I'm not sure I could ever tell you that we're going to get to a system in the public area where we're always safe, because we're dealing in the public area. But the use of canines, again, a deterrent; the cooperation between the various police forces—I think TSA understands this now. They've understood it for a while, and they've taken the action to put together this summit, and that's where we're going in that area.

Senator HASSAN. Thank you.

Ms. DAY. If I could add, I totally agree with the dogs. I think also there's a lot of technology being evolved today that is passive, that you won't even know you're going through. We had a pilot going in January of a device that you could install in the doors of an airport that could detect large masses of metal.

There are lots of other technologies. There are things we could put on the train that goes from downtown to the airport that you as a train passenger would not even know whether it is metal detection or explosive detection. Or at the base of an elevator—I mean, there are a lot of options out there. The technology that's being evolved today is amazing, and, hopefully, we can integrate that into our facilities in the next few years.

Senator HASSAN. Thank you very much.

And, Mr. Chair, thank you for indulging my going over.

Senator BLUNT. Thank you, Senator Hassan.

Senator Duckworth.

**STATEMENT OF HON. TAMMY DUCKWORTH,  
U.S. SENATOR FROM ILLINOIS**

Senator DUCKWORTH. Thank you, Mr. Chairman. My constituents sent me here with one of the top priorities is to invest in our infrastructure, and Illinois is home to one of the busiest airports in the world, depending on time of day and how many aircraft happen to be on the ground. You know, TSA's counterterrorism mission is and must always remain your highest priority. I know that all the witnesses today share a common goal of putting systems in place to make sure our nation's airports can thoroughly and efficiently screen travelers, even on the very busiest of days.

But last spring, passengers at O'Hare and at Midway Airport were subject to excessively long wait times at TSA checkpoints. In May, checkpoint delays were so bad, O'Hare was forced to advise travelers to arrive 3 hours prior to departure. People were spending two and three hours in the TSA line trying to get through security. However, Administrator Neffenger was able to act quickly by redirecting resources, collaborating with the private sector, and coordinating across agencies to address delays and prevent a major national catastrophe—a wonderful reaction, got it done.

Ms. Pinkerton, in addition to the current Federal hiring freeze, I'm deeply concerned that the current administration has yet to nominate a new TSA Administrator. If tomorrow we face the same long lines at any one of our major airports that we faced last spring, would we right now be capable of addressing the problem without the ability to quickly hire additional screeners?

Ms. PINKERTON. Thank you for the question, Senator. In my oral testimony, I talked about exactly this, what happened last summer, and the question that I posed back was: Is TSA ready today for the summer surge, and do they have a plan and adequate resources to address what we know will be increased traffic in the summer?

Yes, we need a TSA Administrator as soon as possible. I commended Administrator Neffenger for his leadership and the way—it was a silver lining on top of what was really a meltdown last year. I do believe he put in place some lasting processes—the incident command center; the daily conversation that goes on at the local level and in Washington between airports, airlines, and TSA; looking at the staffing at each airport; seeing if we need to reallocate resources. I think that's still the question on the table that you need to ask TSA: What is the plan for the summer, and do you have the staff and the resources needed to meet the demand?

Senator DUCKWORTH. I couldn't agree with you more. I introduced a bill last year in the House that would address some of TSA's chronic staffing shortages, and one of the things that we've been briefed on—our security in our aviation system and access for passengers—is actually the fact that TSA overly relies on part-time workers with high turnover who don't maintain the skill levels that they need to, and you're constantly training new people as opposed to having someone who's there full time, has been there full time, and has gained the knowledge that's important.

That's why my TSA Workforce Flexibility Act—you know, it would have lifted that arbitrary cap that Congress places on the number of full-time Transportation Security officers that TSA can employ in any given year. I served in administration at one point. I understand how types—all congressional mandates don't always work when they get out into the agencies. So if the appropriators tell an agency, "Hey, you can only hire 45,000 additional people," no agency head is going to turn around and request 50,000 because it has been clear what Congress has said, that you can only have 45,000, even though 50,000 is what you need in order to maintain security.

This question is for all members of the panel. Would you concur that we should provide TSA with workforce flexibility that guarantees the agency can deploy personnel based on mission needs rather than evolving—mission needs related to evolving security threats and fluctuating travel volumes and not meeting an arbitrary, inflexible staffing ceiling?

Ms. PINKERTON. I will just add this. I believe that the CR did provide some flexibility to TSA, both budget reprogramming flexibility and also staffing flexibility in between part-time and full-time employees. The question is what happens when the CR ends at the end of April. We're urging that that flexibility be maintained.

Senator DUCKWORTH. Thank you so much.

Thank you, Mr. Chairman.

Senator BLUNT. Thank you, Senator.

Senator Klobuchar.

**STATEMENT OF HON. AMY KLOBUCHAR,  
U.S. SENATOR FROM MINNESOTA**

Senator KLOBUCHAR. Thank you very much, Mr. Chairman, and thank you to all of you for the work that you do.

Mr. Alterman, in your testimony—and I know that Senator Inhofe already asked you about this—but the idea of the fixed 5-year term for the FAA Administrator. I just wonder if you could elaborate on that. I personally enjoyed working with—I did enjoy working with Administrator Neffenger very much. But we've had different TSA administrators, and I've found it to be an issue. So could you address this?

Mr. ALTERMAN. Yes. We've discussed this a little bit, but the problem is that when you have instability at the top, change is very difficult, and that providing a fixed term for the Administrator would help to solve that, assuming we got the right person in the job. One thing we've discovered is that this is an agency that needs top-down leadership. There's inertia for not doing new things. There's inertia for not doing new programs.

One of the first things that Peter Neffenger said to me the first time I met with him was that culture change is difficult, and it takes time, and it can't be imposed on people. It has got to bubble up. In order to do that—I agree with him 100 percent. But in order to do that, you can't change administrators every 6 months, because what happens is the people that don't want to change suddenly become in charge. I really think it would go a long way to providing the stability and providing a mechanism for the top-down leadership to do things a little differently in the agency.

Senator KLOBUCHAR. Thank you. I have fully embraced that culture change issue. I once managed 400 civil service, very good employees in the county attorney's office, and I remember when I first came in from the private sector, I tried to rearrange the lobby furniture, and it got moved back three times. And then the receptionist, without identifying people, took notes of what everyone said, and in one hour, there were 18 negative comments claiming that people would be hurt, and no one was ever hurt. I ended up winning, and it was better for our clients. But I just think that culture change can be hard, and that's why I think turning over so much can be a difficulty.

Canines—you have talked at length about that, and I just wanted to note that we had an amazing change of events when we got some canine teams in the Twin Cities Airport. It made a big difference. And I know Senator Blunt has asked about the TSA Pre✓ issue, and I am a supporter of the program.

Ms. Pinkerton, you made several suggestions for increasing enrollment. How could streamlining PreCheck Enrollment for individuals who already undergo more extensive background checks help to increase enrollment, specifically?

Ms. PINKERTON. I really think since TSA has pulled back on their RFP to try to get third parties involved, I think you should continue to exercise oversight to ask them to move forward, but I don't think we can necessarily wait on it. I think they need to use their existing authority to simplify the application process and the screening process as well. It was designed for port workers and

truck drivers, not for the traveling public. There has got to be a simpler way.

Senator KLOBUCHAR. Very good. The FAA Extension Safety and Security Act that was signed into law last year allows airports and air carriers to coordinate with TSA on staffing levels through the Staffing Advisory Working Group.

Ms. Day, in your experience, how can closer coordination between the TSA and airports on staffing levels improve the screening process?

Ms. DAY. Well, we don't have a steady number of travelers that go through the airport at different hours of the day, different days of the week. So I think the more that there can be communication with TSA and they can know what to expect in advance—I know our teams have already sat down and talked about spring break and what we are expecting in the loads. The airlines publish their schedule. We know their load factor. So it's pretty easy for us to—

Senator KLOBUCHAR. Yes, I noticed, actually, for this weekend, we had—there was an article in our paper today in Minnesota about what the wait times were going to be ahead of time for the President's Day weekend, which I thought was pretty interesting, and I think that was part of our issue. When we had this somewhat of a disaster of wait lines, there was a training going on for TSA, we were reconfiguring the front airport, we had added security measures, and it was like a perfect storm. But part of it was, I think, there hadn't been as much coordination as there should have been.

Last question of you, Ms. Day, focusing on the soft targets. The FAA bill that was signed into law last year authorized a doubling of Visible Intermodal Prevention and Response, or VIPR units, from 30 to 60. Could you talk about beyond the dog issue—I know some of them include dogs and some of them don't—how that more visible security in baggage claim and check-in areas can improve safety?

Mr. DAY. Well, I think someone mentioned earlier that just seeing a dog can be a deterrent, whether or not it is a bomb sniffing dog or not. I think seeing the VIPR units is one thing, but I think the other thing is these people actually are looking for people who look nervous, people who seem to have some stress about traveling. So if we really do believe in risk-based screening, which I do, the place to do that is to get people out and see people before they are even at the checkpoint and be able to identify them. There's even great technology today that will let you track people around your airport if they've been identified as a high risk.

Senator KLOBUCHAR. Thank you very much.

Senator BLUNT. Thank you, Senator Klobuchar.

Senator Blumenthal.

**STATEMENT OF HON. RICHARD BLUMENTHAL,  
U.S. SENATOR FROM CONNECTICUT**

Senator BLUMENTHAL. Thank you, Mr. Chairman.

As you know, in 2013, Congress passed a measure reducing the deficit as part of a major budget compromise, and Congress used the user fee that passengers pay to fund TSA efforts. That fee went

from \$5 to \$5.60, known on our tickets as the September 11 security fee. I could make some arguments about the accuracy and truthfulness of that label, as a consumer advocate, but Congress required some of the increase in revenue to go toward reducing the deficit, not to the TSA.

The airlines protested, as I recall, concerning the cost of the ticket that was going up. But the new incremental revenue was going nowhere—was going somewhere other than the airlines, in fact, going to the Federal Government instead. So Congress acquiesced, as you'll recall, acquiesced to the airlines' demands and eliminated the airlines' responsibility to contribute about \$400 million annually to TSA, which they had been required to do soon after September 11.

One publication called this one of the top lobbying victories of 2013. That victory actually blew a massive hole in the TSA's budget. Taxpayers and passengers were forced to cover the loss. Resources had to be shifted from elsewhere. In fact, that development came just as airlines imposed more check bag fees and other charges, causing difficulty and inconvenience for passengers. I've raised this issue before. So have others.

Let me ask you, Ms. Pinkerton—in your testimony, you say, and I agree, that the security fee perhaps should not have been directed toward deficit reduction instead of toward the TSA. You raised that question in your testimony. And I'm wondering whether the \$400 million that airlines no longer pay annually as a result of this situation, which is billions of dollars over time, that—also to question whether your industry should pay perhaps some part or all of that \$400 million.

Ms. PINKERTON. Senator, I think you've correctly identified the issue here today, and that's the fact that passengers and consumers are paying billions of dollars annually in TSA security fees, and every year, \$1.3 billion is being siphoned away for deficit reduction. And it's not just at TSA that's happening, it's CBP fees as well.

So carriers certainly have done their part. We talked about the crisis that happened last summer and the fact that carriers stood up, paid millions of dollars for contractors to stand and do queue management, to do divestiture responsibilities. We are currently paying for innovation lanes. I heard another witness here today say that's not a sustainable way of moving forward. We engage in reimbursable agreements with CBP to pay for security and we are stepping up to the plate.

But you've identified what the real issue here is, in that passengers will pay over the next 10 years \$13 billion that they will not get back. It should be put back into the security system, we need newer technology, we need more efficient processes. Instead, that money is being siphoned away.

Senator BLUMENTHAL. How much do you think it's fair for airlines to have to pay? And what do they pay now?

Ms. PINKERTON. Airline passengers are bearing the responsibility for security fees right now.

Senator BLUMENTHAL. No, I'm talking about the airlines themselves. How much do they pay?

Ms. PINKERTON. We don't pay into the security system. It's supposed to be a—

Senator BLUMENTHAL. That's what I thought. Wouldn't it be fair to ask the airlines to pay some of the cost of security since they're the ones who benefit?

Ms. PINKERTON. I think the users of the system are the passengers, and we're supposed to have a user-based fee system. Unfortunately, you can't call it a user fee if the money that's being put in today is being siphoned away, and that's what needs to be fixed first.

Senator BLUMENTHAL. Isn't the vast majority of the dollars that passengers pay going into security and only a small proportion going to deficit reduction?

Ms. PINKERTON. No, I wouldn't say that. The industry is paying 17 different Federal Government taxes and fees. Commercial aviation as a whole pays that. Some monies go into the aviation trust fund, some monies are a PFC that go into airports, and some money goes to CBP, some money goes to the Agriculture Department. But in two of those fees, for a total of—it's \$13 billion plus \$5 billion over the next 10 years—that's \$18 billion—again, I think you've correctly identified the issue. Passengers are paying, but the money is being diverted away from what they're paying for.

Senator BLUMENTHAL. Well, it strikes me—and I'm out of time, so we can pursue this in another channel—that, yes, money is diverted to deficit reduction when perhaps it should go to security. But, also, airlines benefiting from security should be tasked or charged themselves with some of the cost of a really essential service that the government provides them as a commercial benefit to them, not just to passengers who happen to be the users of that service.

Ms. PINKERTON. We actually do pay separate CBP fees for inspection of cargo on a plane-by-plane basis. But I think, again, what I will say is a user-based system—the user is the passenger who's using those TSA security functions, and it's not fair that those fees are being siphoned away.

Senator BLUMENTHAL. I'll give you the last word.

Thank you, Mr. Chairman.

**STATEMENT OF HON. TED CRUZ,  
U.S. SENATOR FROM TEXAS**

Senator CRUZ [presiding]. Thank you very much to each of the witnesses. Chairman Blunt had another commitment, so I'm going to chair the tail end of this hearing. I want to thank each of the witnesses for being here. Thank you for your hard work and your helpful testimony.

Airport security and security on flights is something that matters to all of us. In recent years, we have seen fatal terror attacks in Brussels, in Fort Lauderdale, in Los Angeles, and, of course, all of us grieve the horrific attack on September 11. My question to each of the witnesses is: We're now 16 years, nearly, past September 11. How great would you estimate is the threat of terror attacks at airports or on airplanes, and what better could we be doing to protect against those threats?

Ms. PINKERTON. I'll start first, Senator. Sharon Pinkerton from Airlines for America. I think today's system is safe and it is secure. It's not perfect, and the Committee and the Aviation Advisory Committee has identified places where TSA could improve. So we've seen those areas. We've talked a little about employee screening that needs to be improved. We've made some progress. We've now got a program with the FBI where all of our employees can be continuously vetted.

But this is a system which requires constant improvement, continual daily collaboration between TSA, airports, and airlines. I think we're all committed to that. But I do think the system is safe and secure. It's not perfect, and we are continuing to work on it. But it is safe and secure.

Ms. DAY. If I could add—I'm Kim Day, Denver International Airport. I think what we've seen since 9/11 is that the threat has changed, and we've seen terrorists use different methods. So our security has had to evolve, too. TSA has tried to keep up with it, but I do think that there is technology out there today that we are not implementing in our airports that could make us even safer.

The private sector has really responded to the fact that, today, you don't just need screening to go into an airport. You need it to go into a sports stadium. You need it to go into this building. So they have developed some amazing things, some of it passive, that could make our airports more secure if we could implement it.

Senator CRUZ. So what technology, in particular, would you suggest we look more closely at?

Ms. DAY. So we just did a test of a machine that you walk through that looks for large metal. There are also some passive systems that can detect explosives that you would not even know that you are passing through.

Senator CRUZ. Anybody else?

Mr. LAUSTRA. Yes, I'd like to add to that. I agree with the panelist that the system is safe, but there are some promising new technologies on the horizon for passenger screening, and with the advent of the TSA Innovation Task Force and the Innovation Lanes TSA has set up, I think we're going to be able to finally test those technologies in a real-world setting.

Senator CRUZ. One potential area of threat is the insider threat, whether it is employees at airports, whether it is those within TSA. Now, there are a great many brave men and women who are protecting us in TSA, but looking at the vulnerabilities that we have faced, in particular, the TSA informed my office that the Office of Inspection documented reports of 1,297 arrests of TSA officers between December 2002 and March 2015. That is a dismayingly large number.

And, indeed, the U.S. Attorney's Office just announced this week that on February 8, 2017, a Federal grand jury returned a superseding indictment against 12 current and former airport and TSA employees for conspiracy to possess with intent to distribute cocaine in Puerto Rico. The defendants are accused of helping smuggle approximately 20 tons of cocaine over the course of 18 years, from 1998 to 2016.

How significant do you all assess the insider threat to be, and what further steps should we be doing to keep the flying public safe?

Mr. ALTERMAN. Thank you, Senator Cruz. The insider threat is a significant threat, and in terms of—I happen to chair the Aviation Security Advisory Committee, which was tasked a few years ago with trying to come up with recommendations to counter it. It wasn't TSA employees at that point. It was a gun smuggling operation out of Atlanta.

At that point, Acting Administrator Carraway said, "OK, ASAC, you've got 90 days to come up with recommendations because we understand there's a threat on the inside." Within that 90 days, we formed a working group that came up with 28 separate recommendations, all of which were eventually concurred with by the agency, and they are in the process of implementing them. They go anywhere from more extensive use of the FBI Rap Back program to make sure that we don't have criminals and have current information on the people that are working at airports to more robust screening of people who have access to the airport secure area.

You know, one of the things we discovered in the Advisory Committee was it's really nice when TSA concurs with the recommendations, but it really is important that those recommendations be implemented, not just concurred with, and they are in the process of doing that, sometimes more slowly than some of us would like, but they've got the internal bureaucracy to worry about. And I think they have made progress and continue to make progress on the insider threat area. That doesn't go to TSA employees, necessarily. I think that may be a separate issue which you'd have to ask them about.

But in terms of trying to secure the area, one of the things that the Advisory Committee recommended and I think is really important—there has to be robust screening. The goal is to make every employee who works in a secure area of an airport understand that he is likely to be screened at any point during his work day. It's not only at the checkpoints. It's on the airport surface, too. And in order to do that, there has to be a sophisticated, robust screening program, and that's a bit in its infancy. I think it has moved more slowly than the Committee would like, but it's moving, and it's moving faster now.

So they have taken that seriously, and I know that the role of the Advisory Committee is simply to advise the administrator, who then does what he thinks is necessary. We in the Committee and the working group that worked on insider threat told them that we would also monitor the implementation, because it was important that they be implemented, and we're still doing that.

Senator CRUZ. Thank you. That was helpful, and we'll continue that conversation.

I'll now recognize Senator Sullivan, and he is going to take over the gavel and chair the Committee as I step out.

Senator Sullivan.

**STATEMENT OF HON. DAN SULLIVAN,  
U.S. SENATOR FROM ALASKA**

Senator SULLIVAN. Thank you, Mr. Chairman. I'm not sure—I think the real Chairman just walked in.

[Laughter.]

Senator CRUZ. I'll let you guys work that out.

Senator SULLIVAN. That was about a 2-second flash of glory of me chairing the Committee. Nevertheless, thank you.

Mr. Chairman, nice to see you.

I apologize. I missed a lot of the hearing. I was presiding in—but I know this is a very important topic for my constituents and I think for all Americans, and we really appreciate your testimony and focusing on it. So if this question was asked earlier, please forgive me. But I know this issue of pushing out the perimeter in terms of safety at airports is something that many of us, many in the agency, many advisors like yourselves are looking at.

How should we think about this? Because there's obviously—you look at some of—where the terrorist attacks have been focused, whether, you know, recently, unfortunately, in Florida or in Europe, and it seems to be this kind of soft target area in the airports but beyond the security perimeter. So, again, if you've already discussed this, please accept my apologies, but I think it's a really important issue that a lot of us have questions about. So how do we look at the balance?

Ms. DAY. Maybe I'll start, if I may. I'm Kim Day with Denver International Airport. I think we all agree that if you move the checkpoint closer to the entry, then all you're doing is moving the problem. You're not solving the fact that there is a pre-checkpoint area that you have to defend. There are lots of ways you can do that. Today, the airlines have information on passengers—even when you check in, you can be risk-based through a database. There is technology being evolved that can passively screen you for large amounts of metal or for explosives.

We talked about using dogs. Dogs are wonderful, and they could roam the area and give an extra level of security. I think the day is going to come when every door in the airport has some passive detector that you don't even know you're passing through as you open the door, or if you get off the train at our platform, or you go up an escalator. So that day is coming with all the great technology that the private sector is developing.

Senator SULLIVAN. Right. That's very helpful. Any other comments on that?

Ms. PINKERTON. Well, you also missed a discussion—we all agree that we love dogs, and that the canine program is one that really needs to be—the capacity for training those dogs needs to be expanded, and we need to figure out more ways to get more dogs. And dogs can be used in the public area access as well.

Senator SULLIVAN. Let me ask another question. We often focus on TSA and the threats with regard to passenger terminals, which, of course, is appropriate, given that we want to protect our citizens. My state is also a big state for—the hub of cargo, air cargo. I would just like to know from the threat perspective—what do you see as the biggest threats to places like Anchorage International Airport

that are, you know, one of the biggest cargo hubs in the country, if not the world, and how do we address those?

Mr. ALTERMAN. I think they are being addressed in the routine, day-to-day operations of the all-cargo industry which operates significantly at Anchorage. The issues are slightly different. One thing we've discovered—and I've mentioned it before—in terms of all airports not being the same and you have to tailor your response to the threats being presented, neither is the airline industry a unitary body, and the threats are different in the cargo area. That's why we all operate under different security programs.

All of our carriers that operate all-cargo flights have proven to be very secure. They are screened for threats. They are threat-based. One thing we could use is perhaps a better flow of intelligence information. One of the things that really impressed me with certain things that have happened throughout the world is the best way to really manage threat is to have the best intelligence.

But on a day-to-day basis, all of our members do the screening that's necessary by our security programs and do more than that, actually, and there really hasn't been much of a problem. Our operations are threat-based. We have perhaps as good intelligence capabilities from our people around the world as does the agency, and the key is to share that information to get the information to all our carriers and to the airports so that we can respond to individual threats. But on a daily basis, it works through the application of our security program, and we're confident that we're doing the job.

Senator SULLIVAN. Let me ask, Mr. Chairman, if I may, just one final question on the balance between kind of urban and rural airports. And, again, I know that TSA has to look at that. Again, in my state, we have a number of airports that are very, very small, but very, very important, and some have a lot more intensive screening than others.

How do you recommend that that balance be looked at? Is it primarily threat-based, meaning, you know, small communities that are not really connected to many other parts of the state or the country are viewed in a much kind of lower threat capacity? Because, as you know, we all want protection, but if the measures and requirements become so burdensome, you actually, in some communities, certainly in Alaska, you can risk pricing small local commuters and airlines out of that market. How do you guys recommend that we look at that balance?

Mr. ALTERMAN. Everyone is looking at me, so I'll take a shot at it, I think, because they don't want to answer the question. You know, I said earlier—and, you know, it's true—you've seen one airport, you've seen one airport. That's not my line. It's the airport's line. But I think that we have to provide adequate security at all airports. We can't afford at a local small airport someone getting into the system and then doing havoc somewhere else, or even at the local airport. But that doesn't mean all the measures have to be the same.

What we have to ensure is—we have to understand what the outcome has to be. We have to understand what the goal of the security measures are. And I think the way we should be looking at

security, generally, not just the difference between small airport, big airport, is that we should demand that the outcome be the same. But the way to get to that outcome may be different, depending on each entity, whether it's a small airport versus a big airport, whether it's a cargo airline versus a passenger airline, even within all those parameters.

I happen to think—and I think our industry happens to think—the best way to proceed is to make sure that TSA establishes the elements and the goals of what we have to accomplish, and then monitor how that's being done. But it should be up to the regulated parties who are responsible for airports and airlines to best tailor their operations to meet the established goal of the agency.

Senator SULLIVAN. Thank you.

Thank you, Mr. Chairman.

**STATEMENT OF HON. JOHN THUNE,  
U.S. SENATOR FROM SOUTH DAKOTA**

The CHAIRMAN [presiding]. Thank you, Senator Sullivan, and thank you all for participating in the hearing today. I especially want to thank Senator Blunt for holding the hearing in his new role as Subcommittee Chair. We've got a busy year ahead—FAA reauthorization as well as other TSA oversight issues that we'll be working with you on.

Last year, with that FAA reauthorization, we did pass the most comprehensive set of TSA reforms that we've seen in a decade, and I know a lot of those have been covered today, mostly in questions from our members. So I won't belabor most of that. But I do think it's really important—these areas that are public areas, the threat of insider activity at airports, and the steps that were taken in the bill last year to mitigate that. So I'm hoping that we'll be able to continue to see progress in addressing a lot of those issues.

I know that it was talked about—the VIPR teams, specifically, dogs, very popular, and hope we can see more of those deployed at airports, too. But the bill last year was designed to authorize more of those types of remedies as well. And, then, of course, the vetting of airport workers with SIDA badges was required, too, and I'm hoping that we'll continue to see steps taken that will better vet people who are going to have access to those areas in our airports that could present threats.

So I did want to ask just one sort of follow-up question to some of the questions that were asked earlier, and I guess this would be directed to you, Mr. Laustra, and that has to do with how the directives in the 2014 Transportation Security Acquisition Reform Act have been utilized in terms of industry engagement and planning. How have they done with that?

Mr. LAUSTRA. So a byproduct of the 2014 Transportation Security Acquisition Reform Act was the TSA five-year investment plan, and we received our first report last year, and it was a good start. It laid out the strategy for TSA, but it didn't give us enough granularity into what TSA was actually going to buy. And from a manufacturer's standpoint, that is a challenge—it's difficult to plan resources and materials around something when we don't know when to expect it.

So it was a good start. We need more granularity in the next report, which is due this summer. So that's where we stand right now.

The CHAIRMAN. I think everything else has been pretty well covered, so I won't keep you here any longer. But we do appreciate your testimony and your responses to our questions. This is, again, part of our ongoing oversight responsibility, and we want to make sure that we're taking every step we possibly can to see that the traveling public is moving through our airports in a safe and secure way. So we'll continue to focus on that as we get ready for the next FAA reauthorization which is just around the corner.

But I do want to just point out that we'll keep the hearing record open for 2 weeks, during which time Senators who want to ask questions for the record can submit those, and we would ask that upon receipt, that you would all respond to those as quickly as possible.

So, again, thank you all for participating. I don't have a gavel here, but I will say that the hearing is now adjourned. Thank you. [Whereupon, at 12:32 p.m., the hearing was adjourned.]

## A P P E N D I X

### RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TODD YOUNG TO STEPHEN A. ALTERMAN

*Question.* Mr. Alterman, in April 2015, the Aviation Security Advisory Committee promptly responded to TSA's request for assistance in reevaluating airport security. The Working Group that the Committee released put forward 28 separate recommendations for the improvement of airport security. This report itemized a number commonsense recommendations such as the expansion of random employee screenings, the expansion of disqualifying criminal offenses for employees, and the introduction of biometric standards for identify validation of employees. Could you please speak to TSA's reception of the Committee's 2015 Report and more specifically any outstanding recommendations that you believe TSA should focus on further implementing and improving?

*Answer.* Thank you very much for the question. As you note, the Aviation Security Advisory Committee (ASAC) made 28 separate recommendations for dealing with the issue of insider threats at nation's airports. These recommendations were issued unanimously by both the Employee Access Working Group formed to address the issue and by the full ASAC.

Upon review, TSA concurred with all 28 recommendations and has either implemented, or is in the process of implementing, all the suggestions made. As with anything as comprehensive as the 28 recommendations, some of the recommendations were easier to implement than others. And some of the more important recommendations are also some of the most complex and have taken longer to implement than others. For example, one of the centerpieces of the ASAC report is the recommendation that employees with access to the secure areas of airports be subject to increased random inspections that give the employees the expectation of being screened at any time that they are attempting to enter the secure areas and when they are in that secure area. Implementation of this recommendation requires sophisticated algorithms that create protocols that are both risk-based and airport specific. TSA is currently in the process of piloting this program at various airports around the country and ASAC continues to monitor its progress.

In addition, other recommendations have taken longer than expected due to necessary coordination with other Federal agencies. However, even those are now in the initial implementation stage and we look forward to full implementation in the relatively near future.

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### RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. BRIAN SCHATZ TO STEPHEN A. ALTERMAN

*Question.* *President Trump's travel and refugee ban.* Has President Trump's executive order banning travelers and immigrants from seven Muslim-majority countries made it safer for our traveling public?

*Answer.* An answer to this question demands intelligence information that I do not have either in my position of President of the Cargo Airline Association or as Chairman of the Aviation Security Advisory Committee. Therefore, I have no way to know the answer to the question.

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### RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. GARY PETERS TO STEPHEN A. ALTERMAN

*Question 1. Insider threats and employee screening.* The FAA Extension included a number of provisions to respond to insider threats and improve the screening of airport workers, such as requiring the recurrent vetting of airport workers as part of the FBI's Rap Back Program. The Detroit Metropolitan Airport has been very proactive in implementing these requirements and even going further by rebadging

all 18,000 employees every year and establishing a thorough and standardized inspection process for all deliveries to the airport. Considering the recent changes we have made to address insider threats, what else do you think Congress and TSA should do to protect airports and the traveling public from attacks?

Answer. In view of several incidents traced to insider threats, TSA tasked the Aviation Security Advisory Committee (ASAC) with developing recommendations to combat this threat. The 28 recommendations made have either been implemented by TSA or are in the process of being implemented. ASAC continues to monitor progress and make further suggestions where appropriate.

In addition, TSA has convened a Public Area Security Summit to address the issue of the threats to the public areas of airports. This Summit has representatives from all segments of the airport community (airport officials, local law enforcement, TSA representatives, airlines, academia etc.) and has met three times. The next meeting is scheduled for April 26 with the hope that a framework of dealing with public area threats can be agreed upon.

Finally, one of the most effective deterrents is the targeted use of canine explosive teams to screen both passengers and cargo. Unfortunately, TSA does not have enough canines to be effective across the entire country and in all areas of the airport. In order to address this issue, ASAC has recommended that TSA establish a program to certify and audit third-party vendors who can be a source of additional canines. TSA has begun this process with the issuance of a Request for Information that led to an Industry Day on February 22 to discuss options for moving forward. TSA is currently digesting the information presented before taking further steps.

*Question 2. New Technologies.* I am also a member of the Senate Homeland Security and Governmental Affairs Committee where I have been briefed about the various emerging threats our Nation is facing, and I believe we must be better prepared to detect these threats at our airports. Particularly, research is needed to more efficiently and effectively detect explosive devices during passenger and cargo screening. I understand TSA's Atlantic City laboratory has been working on explosives detection technologies to address the emerging threat of explosive devices. How can we incent the private sector to work collaboratively with TSA to research and develop these technologies?

Answer. ASAC has also addressed this issue by recently establishing a Security Technology Subcommittee to explore ways to improve the development and certification of new technologies. It is important that industry be involved in this process at the earliest possible stages of development to ensure that the research envisioned by TSA will be usable by the industry. In addition, in an era of limited resources, TSA and industry should be encouraged to explore public-private partnerships in the development of the most promising technologies.

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RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. MAGGIE HASSAN TO  
STEPHEN A. ALTERMAN

*Question.* The FAA Extension bill from last Congress helped to increase vetting of U.S. airport workers in order to prevent against insider threats to U.S. airports and our air travelers. However, we obviously do not have complete authority over foreign airports. In two recent attacks, one at Mogadishu International Airport in Somalia in 2016 and one at Sharm El Sheik Airport in Egypt in 2015, foreign airport workers were believed to be complicit in aiding the attack. How can we ensure that foreign airports, especially those that are points-of-last-departure in to the United States, are effectively screening their workers in order to root out potential terrorist threats?

Answer. It is my understanding that TSA does a security assessment of all airports that are last points of departure for the United States. If an airport does not meet certain standards, flights to the United States are not permitted. More details on this process can probably be obtained directly from TSA.

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RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO  
SHARON PINKERTON

*Question 1. President Trump's travel and refugee ban.* Does President Trump's executive order banning travelers and immigrants from seven Muslim-majority countries negatively impact your member companies?

Answer. Our members work in partnership with Customs and Border Protection (CBP) on a daily basis to ensure compliance with all laws governing international travel and to address any travel accommodations that need to be made for inter-

national customers. We have not seen any operational impact as a result of the most recent executive order.

*Question 2.* What are your member companies doing to support their consumers negatively impacted by President Trump's travel and immigration ban?

Answer. Please see *Question 1*.

*Question 3.* Has Airlines for America taken an official position on the travel and immigration ban? If not, please let me know when Airlines for America plans to take an official position?

Answer. Please see *Question 1*.

*Question 4.* Please provide a list of your member companies that have publicly opposed the travel and immigration ban and a list of the companies that have not.

Answer. Please see *Question 1*.

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RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. MAGGIE HASSAN TO  
SHARON PINKERTON

*Question.* The FAA Extension bill from last Congress helped to increase vetting of U.S. airport workers in order to prevent against insider threats to U.S. airports and our air travelers. However, we obviously do not have complete authority over foreign airports. In two recent attacks, one at Mogadishu International Airport in Somalia in 2016 and one at Sharm El Sheik Airport in Egypt in 2015, foreign airport workers were believed to be complicit in aiding the attack. How can we ensure that foreign airports, especially those that are points-of-last-departure in to the United States, are effectively screening their workers in order to root out potential terrorist threats?

Answer. Oversight and effective implementation of the provisions in the last Federal Aviation Administration (FAA) extension, including the requirement for the Transportation Security Administration (TSA) to conduct comprehensive security assessments for all overseas airports serving the United States, will play an important role in enhancing our aviation security system. Information sharing amongst governments will also play a key role in an ever improving risk-based security system.

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RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. GARY PETERS TO  
KIM DAY

*Question 1. Insider threats and employee screening.* The FAA Extension included a number of provisions to respond to insider threats and improve the screening of airport workers, such as requiring the recurrent vetting of airport workers as part of the FBI's Rap Back Program. The Detroit Metropolitan Airport has been very proactive in implementing these requirements and even going further by rebadging all 18,000 employees every year and establishing a thorough and standardized inspection process for all deliveries to the airport. Considering the recent changes we have made to address insider threats, what else do you think Congress and TSA should do to protect airports and the traveling public from attacks?

Answer. As I mentioned in my written testimony, no one takes the prospect of an insider threat more seriously than the airport community does. At DEN, we are proud of our ongoing efforts in this area in an effort to protect the public, including our efforts to educate our workforce, secure airport worker access, and track airport employee credentials/badges.

In your question, you cite a great example of an airport like DEN, going above and beyond the baseline requirements to enhance security and do what is right at their facility. Airports of all sizes across the country have implemented measures that are tailored to their facilities—both in regards to employee screening and security overall. DEN supports the risk based approach to employee screening and airport access control that was recommended by Aviation Security Advisory Committee's. TSA just recently issued an Information Circular to airports recommending that airports conduct and update at least every 24 months an insider threat risk assessment and corresponding risk mitigation plan.

These locally TSA-approved and airport implemented insider threat risk mitigation plans encompass (1) existing measures:

- physical employee inspections,
- limitations on the number and use of airport access points,
- enhanced employee vetting

and (2) additional measures and airport best practices:

- threat intelligence sharing,
- security awareness training and security recognition programs,
- identification media vetting and auditing,
- covert testing of aviation workers,
- random screening of individuals throughout the secure area and beyond access points.

Finally, the security imperatives of airports and TSA are closely aligned, and collaboration between the two to enhance the layers of security that exist and to identify and address potential treats in the airport environment is essential.

*As for what else Congress can do to help protect airports and the traveling public, we urge the Committee and Congress to fully fund TSA and its airport security programs.* Airports perform a number of inherently local security-related functions at their facilities to assist TSA including, incident response and management, perimeter security, employee badging and credentialing, access control, infrastructure and operations planning, and a myriad of local law enforcement functions. TSA leans on airports for help and we give it. But there is an impact on airport budgets when this happens, which in turn impacts an airports' ability to fund other security initiatives.

On the same note, *we also urge you to reject proposals to eliminate funding for programs that help airports fulfill Federal security mandates—such as the law enforcement reimbursable agreement program.* Airports, like the Federal Government, are resource constrained. We cannot afford the elimination of longstanding funding for statutorily mandated Federal requirements while continuing to provide TSA with additional staff and equipment voluntarily and balance law enforcement needs in other critical areas of our facilities.

*We urge the committee and Congress to reject efforts to federalize local security functions at airports.* From a security and resource perspective, it is critical that inherently local security functions—including incident response and management, perimeter security, employee vetting and credentialing, access control, infrastructure and operations planning and local law enforcement—remain local with Federal oversight and backed by Federal resources when appropriate.

*We urge the Congress to keep TSA focused on innovation and technology, in particular its pilot programs required by sections 3502 and 3503 of the FAA Extension, Safety and Security Act of 2016.* DEN has been selected to work with TSA on a pilot program to develop and test prototypes for new screening technologies to help address the evolving threats to our aviation system. Finding new and innovative ways to improve security must remain a top priority for the agency. We also request that Congress encourage TSA to continue its work with the Innovation Task Force which facilitates collaboration with TSA, industry and airports to ensure that the development, testing and deployment of innovative solutions continues to improve airport security.

*Question 2. VIPR teams.* The FAA Extension provided TSA the authority to double the number of Visible Intermodal Prevention and Response (VIPR) teams from thirty to sixty and required them deployed at airports to conduct operations at sterile and non-sterile areas according to a risk-based approach. Have you seen any increased activity by VIPR teams or coordination between VIPR teams and airport law enforcement at Denver International Airport?

*Answer.* Since 2011, Denver International Airport has had a VIPR team that is also tasked with supporting Colorado, Utah, Wyoming and New Mexico. DEN has enjoyed a very collaborative relationship with the VIPR Team and TSA in general for a long time. We have not seen an increase in activity related to growth of the VIPR program.

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RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. MAGGIE HASSAN TO  
KIM DAY

*Question.* The FAA Extension bill from last Congress helped to increase vetting of U.S. airport workers in order to prevent against insider threats to U.S. airports and our air travelers. However, we obviously do not have complete authority over foreign airports. In two recent attacks, one at Mogadishu International Airport in Somalia in 2016 and one at Sharm El Sheik Airport in Egypt in 2015, foreign airport workers were believed to be complicit in aiding the attack. How can we ensure that foreign airports, especially those that are points-of-last-departure in to the

United States, are effectively screening their workers in order to root out potential terrorist threats?

Answer. Last year, Congress recognized the challenges of operating in a global environment and the potential vulnerabilities presented by varying security protocols at foreign airports. In the FAA Extension, Safety and Security Act of 2016 (P.L. 114–190), Congress directed the Transportation Security Administration (TSA) to conduct a comprehensive security risk assessment of all last point of departure airports with nonstop flights to the United States. The risk assessment needed to include, among other items, consideration of the security vetting undergone by aviation workers at such airport. DEN would be interested in reviewing the results of TSA’s risk assessments of foreign airports, especially ones with last point of departure flights directly to our facility.

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RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. JOHN THUNE TO  
MARK LAUSTRA

*Question.* Mr. Laustra, could you describe in more detail how TSA has fallen short in its implementation of technology acquisition reforms, and identify specific improvements that the agency should make to facilitate better industry engagement and planning?

Answer.

**Background**

It starts with TSA’s five-year acquisition plan requirements of the Transportation Security Acquisition Reform Act (TSARA—P.L. 113–245), TSARA required TSA to develop a 5-year technology acquisition plan. Released in August 2015, the Strategic Five-Year Technology Investment Plan for Aviation Security (henceforth referred to as the “Five-Year Plan”), was a positive step forward in accountability, cross-jurisdictional collaboration and industry engagement. An essential document for industry planning, the Five-Year Plan provided some visibility into TSA’s schedule for replacement and upgrades of existing equipment, and projected future capability needs. But it was just a first step. Industry needs a more precise roadmap to know where and when to invest. Ensuring our R&D efforts focus on the capabilities that will meet TSA priorities and address emerging security threats is critical to protect the citizens of this country. Greater partnership between TSA and industry will only help with this process.

The Five-Year Plan can be leveraged to vastly improve TSA’s acquisition process and, ultimately, the security of our aviation system. This Committee is in a unique position to monitor progress TSA is making on acquisition reform. In fact, the TSA was directed by Congress to update the Plan every two years, and a new report is due to Congress this summer. Additionally, H.R. 1353, Transparency in Technological Acquisitions Act of 2017, was introduced last month by Rep. Kathleen Rice (D-NY). The bill would require TSA to notify Congress of any changes to its Five-Year Technology Investment Plan for Aviation Security, as well as require TSA to give Congress an annual update on its plan. This is an excellent opportunity to for the Committee to ensure TSA is making necessary changes to: streamline and strengthen the test and evaluation (T&E) process; align budget requests to identified requirements; provide clear and consistent details on the threat profile to ensure industry is prepared to respond and TSA is making the right investments; and ensure meaningful engagement with industry. In the update, we encourage Congress to request more specific dollar allocations and investment detail from TSA tied to particular equipment type.

**Where Did TSA Fall Short?**

The 2015 Plan generically suggests a \$3.6 billion investment over the five-year period but fails to align those expenditures along actual programs, projects and activities. Further, there was virtually no mention of “new” acquisition as opposed to recapitalization. Finally, the acquisition plan should be based on the true needs of the TSA from a technology capabilities standpoint, not an expected budget framework.

Since its release, industry has been challenged by constantly shifting and changing funding levels for equipment, particularly for the checkpoint program. For example, the Plan stated that the TSA intended to purchase 897 Enhanced Metal Detectors for checkpoint screening with FY16 funds. The Five-Year Plan also indicated the TSA did not plan to purchase any Boarding Pass Scanners (BPS) or Credential Authentication Technology (CAT) systems. However, the FY17 TSA budget justification materials indicated that the TSA intended to use FY16 enacted funds to pur-

chase 625 CAT machines and 175 BPS. Similarly, the FY17 request indicates that no EMD will be procured in FY16.

The TSA has provided justification for shifts in the figures provided in the Five-Year Plan versus actual procurements. However, these constant shifts have challenged industry in developing their business and staffing plans. Industry needs more certainty that the figures contained in the Five-Year Plan update are reliable and will stick, and at a minimum that Congress and industry be advised right away if any changes occur.

Overall, industry is concerned about future recapitalization plans outlined in the Five-Year Plan that consist of peaks and valleys on a year by year basis. This makes resource allocation and staffing extremely challenging for manufacturers. A more consistent, level spend plan spread out over the five years would enable original equipment manufacturers (OEMs) to maintain consistency in staffing and manufacturing plans.

#### **T&E Process Reform**

TSARA is an important first step to meaningful reforms, but while plans are great, it is the implementation of those plans that determines ultimate success. TSA outlined a number of initiatives underway in the initial Plan that seek to improve the acquisitions process, particularly relating to the development, testing, and qualification of security equipment. While TSA has done a good job of providing transparency into the process for industry, the fact remains that under the best scenario, it can take three years or longer to navigate a piece of equipment through the T&E process. While the bar must be high, this process impacts innovation, competition, improved security and efficiency, as both the government and industry expend undue time and resources navigating a complicated process. Industry encourages the TSA to outline the specific steps in detail that have been taken to reform the testing process in the Five-Year Plan update.

Perhaps the single, most critical element for ensuring a successful test and evaluation process is the thoughtful development of equipment requirements. TSA and industry have struggled over the years with requirements that number in the hundreds, many of which have little relevance with the core detection and operational performance of the equipment. There is also the challenge of constantly shifting requirements, which cause significant disruptions in the testing process. Industry has urged TSA with each procurement to identify the handful of solid, core requirements to test capabilities. Industry again suggests the TSA outline how its reorganization will facilitate the development of better requirements to ensure a more efficient T&E and overall acquisitions process.

In summary, shortening and streamlining equipment testing and collaborating with industry to identify recurrent chokepoints in the process and develop solutions would go a long way to getting newer, more advanced equipment into the field. It will provide a higher-degree of certainty to industry that the process isn't a series of roadblocks, but important, measurable checkpoints on a linear road. It will also help to foster more competition and effective use of government and industry resources.

#### **S&T Investment and Interagency Collaboration**

The TSA's Five-Year Plan projects a more integrated engagement with the DHS Science & Technology Directorate. We urge the Committee to require more detail in the update to the Five-Year Plan to include specific examples and plans of S&T investment directly tied to fulfilling TSA identified capability gaps and future requirements; the subsequent transition of TSE from development to the T&E stage; and eventually acquisition. There are substantial opportunities to improve coordination between S&T and TSA to ensure the development of newer, higher-capability equipment that can be transitioned to a more effective testing process and fielded more expeditiously.

Industry supports the thoughtful investment of research dollars, provided it is tied to addressing real threats identified by TSA as a capability gap and with an eye toward eventual and realistic procurement either by the government or as a requirement of government (as in the case of air cargo). Former Secretary Johnson's efforts to better align S&T Integrated Product Teams (IPT) under the Unity of Effort Initiative was a welcome first step. TSA needs to have a prominent role in the IPT effort, and ultimately should have a lead role in identifying key R&D needs and activities, as they are responsible for acquiring and operating equipment that will meet new and evolving threats. Further, industry input should be solicited early on in the process to ensure research goals align with achievable, cost-conscious results.

### **Lifecycle**

Along with the T&E process and up and down procurement cycles, there are other notable challenges for industry. In 2014, with no industry input, TSA made a decision to expand the projected lifecycle of EDS equipment from 10 to 15 years. This had significant implications on company manufacturing and staffing plans. While the justification by TSA was that detection capabilities for known threats continues to be sufficient, the results are that future threat research and response is stifled and next-generation detection and high-speed capabilities are delayed.

The lifecycle decision may have a very real budgetary and operational impact for TSA, as the ability to maintain and keep equipment fully operational and performing its mission after 10 years of service is increasingly difficult. This means more patches, difficulty finding replacement parts, more service calls, antiquated operating systems, and less efficiencies. Further, trying to bring 10–15-year-old equipment into the Age of the Internet of Things is almost impossible as the equipment was designed and built to requirements that never envisioned cybersecurity, Internet connectivity or data conversion capabilities.

Congress should closely watch TSA lifecycle equipment determinations for both delayed security impacts, operational cost increases and the very real implications for a viable domestic security industrial base. At a minimum, pushing equipment approval timelines to the right delays the next generation of equipment with increased capabilities, hinders current performance and stifles innovation.

A market environment that engenders innovation is our best defense against improvised explosives and thwarting transportation threats. Certainly intelligence is key, but when this fails, if we are not encouraging technological innovation and next-generation investment, we will lose not only our technological edge, but the industrial base that goes with it.

### **Transportation Security Equipment Funding**

As mentioned in the Five-Year Plan, TSA is transitioning into a technology sustainment mode focusing on recapitalization of over 2,400 pieces of equipment that are reaching their end of life over the next five years. While process is key, it is also absolutely critical to ensure that recapitalization of security equipment is fully funded to keep our transportation system safe and the industry viable.

Industry is grateful to Congress for its leadership in fully funding the FY16 DHS budget request for TSA Checkpoint Support and EDS Procurement/Installation. We encourage the Subcommittee to work with your colleagues to continue this trend while reducing the bureaucratic barriers for innovation and deployment.

This Committee is encouraged to require future TSA budget documents to allot specific funding amounts to various technologies within the Checkpoint Support account and insist the newly revised Five-Year Plan provides a lookback on actual equipment purchased during the preceding three Fiscal Years. Because Checkpoint Support funding is not delineated to individual equipment types, industry has had difficulty ensuring Federal funds are truly reaching the intended target and consistent with previous documents. Further, previous EDS procurements have been significantly delayed or cancelled after significant vendor investment. Congress should insist on an accounting for these unspent funds and ensure they are carried over EDS replacement only.

These details would go a long way to informing Congress on the true TSA operational equipment need as opposed to budget constrained funding requests.

### **Industry Recommendations to Improve TSA Wait Times**

Industry supports common sense solutions to help alleviate passenger wait times at screening checkpoints, both now and into the future. While short term fixes were necessary to address wait times last summer, the back-up at security checkpoints indicates deeper systemic issues that require sustained attention. The International Air Transport Association (IATA) predicts that the number of air passenger journeys globally will increase by four percent on average per year until 2034, more than doubling the overall number of trips taken as of 2014. So while alleviating the immediate pressure on the checkpoint screening process is a necessary objective, without turning towards medium and long term solutions, a piecemeal approach will only mask underlying issues. To that end, we suggest TSA and the Congress consider the following action items:

#### 1) Develop and Implement an R&D Checkpoint Investment Plan:

We support former DHS Secretary Johnson's announcement that the Department will "double down" on R&D investments for technology that will improve passenger processing. Given current conditions, TSA should immediately reassess its R&D and procurement strategy to identify upgrades to current tech-

nology or new technologies that will significantly improve the passenger screening process, both in terms of processing time and detection capabilities. Some short-term options for consideration include investments in security lane design and reconfiguration; remote screening; equipment to automate the checkpoint process; immediate development and deployment of advanced algorithms to improve the throughput and detection capabilities of fielded passenger and carry-on baggage screening technologies; and a plan to advance the deployment of next generation CT scanners for the checkpoint.

2) Improve Equipment Qualification and Acquisition Practices:

Opportunities to improve the passenger screening process have been mired by a lengthy equipment qualification and acquisition process. Many new technologies and technology upgrades are languishing—often for over three years—in the test and evaluation phase and hampered by unnecessary administrative delays, retesting of non-security equipment elements, and poorly defined requirements. DHS and TSA should immediately develop a plan to improve transportation security equipment (TSE) acquisition by streamlining the test and evaluation process; allowing new technologies to be tested and trialed in the field; and setting strict deadlines on administrative decisions.

3) Designate Specified Lane Design Funding and Pre-Screening Improvements:

Increasing TSO staff levels will not decrease wait times alone without significant changes to lane configuration and passenger cueing strategies, where possible. Congress should dedicate additional funding to reconfigured lane design and throughput improvement. This investment will help augment staffing needs and allow TSA to think strategically about how to manage passenger volume increases in the future while reducing airport vulnerabilities. TSA should also consider mobile security checkpoints designed to randomly screen passengers and employees with hand-held explosive trace detection, portable X-ray systems and K-9 units to reduce airport chokepoints at centralized screening locations.

4) Revise TSA Equipment Training Protocols and Certifications:

While TSA is examining its current training protocol, the agency should consider allowing manufacturers greater direct input and engagement with trainees on how to efficiently and effectively utilize screening equipment both for speed and detection. In most instances, equipment training is handled by third parties. TSA should look to establish a certification process with the manufacturers to ensure TSOs fully understand the functionality and capabilities of each component.

5) Survey Existing TSE Fleet and Replace Aging Equipment:

The TSA manages over 15,000 checked baggage and checkpoint screening technology devices. As equipment is extended past warranty and reaches and exceeds its manufacturer recommended useful life, airports occasionally experience increased wait times and delayed baggage due to greater service and maintenance needs. TSA should more routinely refresh and recapitalize equipment, with a specific focus on those systems that have limited capability to be upgraded to meet current and future requirements, as well as those at or nearing their lifecycle replacement timeframes. This will reduce maintenance expenses, limit equipment downtimes, and ensure higher fidelity and capacity screening equipment is in the field.

6) End the Raid on Aviation Security Fees:

Pursuant to the Bipartisan Budget Act (BBA) of 2013, upwards of \$15.8 billion in security fees paid for by travelers, is due to be diverted to deficit reduction and other non-security activities over 12 years. This sort of burden shifting is risky at any time; however, given the increased passenger volumes and demand on screening infrastructure and the TSA, it seems only prudent to direct these funds to targeted investments in security technology and TSA workforce training.

### Closing

As equipment begins to phase out, new technologies must be researched, developed and purchased. New threats cannot be resolved with antiquated solutions.

Industry encourages continued, vigilant oversight. However, we would encourage the Congress to be mindful of new legislation that could serve to bog down an already ponderous acquisitions process with more requirements and procedures. This could serve to add additional delays and costs. We recommend Congress work with TSA and industry to find efficiencies and make this complicated process more

streamlined and effective. Doing so will save time and money, while providing OEMs and emerging companies more certainty to develop and produce a new generation of equipment with better capabilities to meet ever-evolving threats.

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RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. GARY PETERS TO  
MARK LAUSTRA

*Question. New technologies.* I am also a member of the Senate Homeland Security and Governmental Affairs Committee where I have been briefed about the various emerging threats our Nation is facing, and I believe we must be better prepared to detect these threats at our airports. Particularly, research is needed to more efficiently and effectively detect explosive devices during passenger and cargo screening. I understand TSA's Atlantic City laboratory has been working on explosives detection technologies to address the emerging threat of explosive devices. How can we incent the private sector to work collaboratively with TSA to research and develop these technologies?

*Answer.* Perhaps the single, most critical element for ensuring continuing investments in R&D by the security manufacturers is the thoughtful development of equipment requirements. TSA and industry have struggled over the years with requirements that number in the hundreds, many of which have little relevance with the core detection and operational performance of the equipment. There is also the challenge of constantly shifting requirements, which cause significant disruptions in the testing process. Industry has urged TSA with each procurement to identify the handful of solid, core requirements to test capabilities. Industry again suggests the TSA outline how its recent reorganization will facilitate the development of better requirements to ensure a more efficient Test & Evaluation and overall acquisitions process.

In summary, developing robust equipment requirements, shortening and streamlining equipment testing and collaborating with industry to identify recurrent chokepoints in the process and develop solutions would go a long way to getting newer, more advanced equipment into the field. It will provide a higher-degree of certainty to industry that the process isn't a series of roadblocks, but important, measurable checkpoints on a linear road. It will also help to foster more competition and effective use of government and industry resources.

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RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. MAGGIE HASSAN TO  
MARK LAUSTRA

*Question.* The FAA Extension bill from last Congress helped to increase vetting of U.S. airport workers in order to prevent against insider threats to U.S. airports and our air travelers. However, we obviously do not have complete authority over foreign airports. In two recent attacks, one at Mogadishu International Airport in Somalia in 2016 and one at Sharm El Sheik Airport in Egypt in 2015, foreign airport workers were believed to be complicit in aiding the attack. How can we ensure that foreign airports, especially those that are points-of-last-departure in to the United States, are effectively screening their workers in order to root out potential terrorist threats?

*Answer.* Respectfully, the question of how we can ensure foreign airports are effectively screening their workers is better addressed by the Department of Homeland Security agencies whose mission it is to ensure the safety of the traveling public including those traveling overseas.