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IMPLEMENTATION OF THE AVIATION AND TRANSPORTATION SECURITY ACT

HEARING

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

FEBRUARY 5, 2002

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

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IMPLEMENTATION OF THE AVIATION AND TRANSPORTATION SECURITY ACT

TUESDAY, FEBRUARY 5, 2002

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

The Committee met, pursuant to notice, at 2:30 p.m. in room SR–253, Russell Senate Office Building, Hon. Ernest F. Hollings, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. ERNEST F. HOLLINGS, U.S. SENATOR FROM SOUTH CAROLINA

The CHAIRMAN. Alright, the Committee will please come to order. We've been trying our best to get an update from the Department of Transportation on airline security and airport security.

Let the record show our warm feelings for the Secretary. I understand he underwent a hip operation last week. In fact, during the joint session when the President was speaking, his hip hurt so bad that he had to keep getting up and sitting down. The President thought he was cheering him on. But I understand it's worked well, he's recovering well, and we certainly hope so.

Be that as it may, we're behind the eight ball in the government. We started 9/11, and we immediately started moving on this particular measure. And everybody—the record will show the witnesses are nodding, because they know, particularly Mr. Jackson who'd been there—we've been working on this for a long time. We got a hundred votes, all Republicans and all Democrats, so it's a bipartisan issue—it's not a partisan thing at all.

But, more particularly, with respect to the scanners—the machinery to scan the baggage, for example—we have yet to make the orders. We keep studying the problem. I know there's a problem. There's a cost problem and there's a placement problem and all of these other problems. But with the full 429 airports—we've got 30 major hubs—they should have been able to be redesigned immediately, because if something occurs, we in government are going to be held responsible. And it's too easy still to come in and bring a baggage bomb on a plane in America. And if it just blew up and the plane landed safely, that would stop airline travel for months around this country. We couldn't afford it. And it's a very, very serious proposition, particularly with respect to the travel itself. I'll get into that.

What we're trying to do is expedite the hearing this afternoon. I apologize to the Committee, but we couldn't find another time.

We just filled up. But let me cut all statements short and recognize Senator Wyden.

STATEMENT OF HON. RON WYDEN, U.S. SENATOR FROM OREGON

Senator WYDEN. Mr. Chairman, I'll be very brief. First, I commend you for holding this hearing, because I think the only way this job's going to get done is by exactly the approach you're taking, which is to bird-dog this every single step of the way, because the history is if you don't do that, it isn't going to happen.

One of the areas I hope that we'll be able to touch on this afternoon, Mr. Chairman, deals with a headline in the paper this morning—and we've known that this was coming—and that it really appears that we're not making the kind of progress that we need to with respect to the contracts with the airport screening firms. This is touched on in the *Wall Street Journal* today. It looks like you may have to pay these companies more than the entire budget for the Transportation Security Administration. I think we've got to get to the bottom of this, because if this key aspect of the law isn't addressed in a responsible way, it's hard to make the other pieces fall in place.

I would ask unanimous consent, Mr. Chairman, that this article from the *Wall Street Journal* be placed into the record, because it does outline the problems that we're having with these airport screening firms.

The CHAIRMAN. It'll be included.

[The information referred to follows:]

[From the Wall Street Journal, Feb 5, 2002]

AS DEADLINE LOOMS, BUSH HASN'T SIGNED CONTRACTS WITH AIRPORT-SCREENING FIRMS

(By Stephen Power)

WASHINGTON.—With less than two weeks to meet a congressional deadline for taking over security at the nation's airports, the Bush administration hasn't signed any contracts with private companies that handle airport security and hasn't determined how it will pay the firms during the nine-month transition to a federal work force.

Officials at the U.S. Transportation Department are wrestling with how much to pay the screening companies, some of which are seeking steep increases from what airlines have traditionally paid them. Although the companies aren't due to submit contract proposals to the agency until tomorrow, administration officials say informal estimates indicate the government could have to pay the companies as much as $2 billion this year, more than the entire $1.25 billion budget for the new federal transportation-security agency.

"They know their contracts [with the airline industry] are going to end and that there's very little hope of getting them back in the short run," said an administration official familiar with the matter. "So they're trying to recoup all their costs right up front."

The Bush administration is also considering paying airlines to oversee security checkpoints at some airports during the transition to a federal work force, an arrangement that some critics worry would give the carriers undue influence over airport security.

Under the new Aviation and Transportation and Security Act, signed by President Bush last November in the wake of the Sept. 11 terrorist attacks, the federal government must assume responsibility for screening all airline passengers and luggage for weapons by this November. Currently, airlines are responsible for those duties, though most contract with private companies to do the actual work, often for low wages and with little training for workers.

The new Transportation Security Administration, which is charged with implementing the aviation-security law, plans to gradually hire and train 30,000 federal

screeners this year, while contracting with private companies to staff airport-security checkpoints during the transition. The agency has said it plans to assume contracts with those companies by Feb. 17.

An attorney who represents several of the country's largest airport-security companies, Kenneth Quinn, declined to comment on negotiations between the government and his clients, citing a "multitude of complex questions that need to be resolved" before the Feb. 17 deadline. But administration officials familiar with the negotiations say some companies have cited increased costs since the Sept. 11 attacks, during which their staff levels and hourly wages have nearly doubled.

The new federal aviation-security law gives the Transportation Security Administration $1.25 billion during its first year, but much of that money must pay for costly bomb-detection machines and the hiring of federal air marshals to ride aboard commercial flights.

One person familiar with the government's negotiations said some airport-security firms are concerned about the administration's plan to reimburse airlines for the cost of overseeing the screening of passengers and luggage during the transition to a federal work force. Since Sept. 11, the Federal Aviation Administration has directed airlines to assign one of their employees to monitor each screening checkpoint, to ensure that security companies follow federal procedures.

"It's unclear who will be shutting down terminals and concourses if you have a major breach in security," said this person. With airlines continuing to supervise the checkpoints, "there's the possibility of undue pressure to keep things open and not clear passengers" from the terminals in the event of security breaches.

A spokesman for the Transportation Security Administration, James P. Mitchell, declined to comment on whether the agency plans to use airlines to supervise airport security checkpoints. Other administration officials, who asked not to be identified, said the arrangement was needed as a short-term measure while the agency goes about hiring new federal security directors at airports, a process that is expected to last several months.

Credit: Staff Reporter of The Wall Street Journal

The CHAIRMAN. And we welcome the distinguished panel. We have the deputy secretary, the Honorable Michael P. Jackson, the under secretary, the Honorable John Magaw, and the inspector general of the Department of Transportation, the Honorable Kenneth Mead. Let me recognize first Secretary Jackson. Oh, excuse me. I'm sorry.

Senator Hutchison.

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

Senator HUTCHISON. Thank you, Mr. Chairman. I just want to say a couple of things. First, I have certainly been in close contact with you, Mr. Jackson, as we have tried to move this ball forward. I have also participated in several television appearances on the progress.

I want to say, for the record, that a lot of so-called security experts out there are criticizing everything that is being done. Some have even gone so far as to say there's been no change since September 11 in aviation security. I think that is hogwash. I think anyone who has gone through an airport today must acknowledge that there's a difference.

One of these so-called experts the other day was so negative, and the interviewer said, "Well, what would you have us do?" He said, "Well, I think we need new and better technology." I came on later, and I said, "Well, what are we supposed to do until we get the new technology? Are we supposed to do nothing?" The answer is "no".

We're trying to move forward at the quickest pace possible. With all of the problems we had passing the legislation, it is incumbent on us to work together to find out what it is that you need and don't have, if you are going to have trouble with deadlines, and the

status of the new technology? The last thing I would condone is doing nothing until we get the new technology, which I know the Department of Transportation is very quickly trying to get.

I am working very diligently to try to help you meet the deadlines that we have set. They've been tough. We've been tough. However, we need to be helpful in making sure that you have the ability to meet these deadlines.

Second, I would like to say that we have focused on aviation, as we should have, because so many of the traveling public needed that confidence in order to come back to flying. But this new fledgling authority that we have, the Transportation Security Administration, is also going to have to take port security and highway and rail security under its wing. Particularly, Senator Breaux and I had a hearing in Houston over port security. Senator Breaux also held one in New Orleans and also Florida. Port security should definitely be on your radar screen. We have a lot of chemical complexes on our ports throughout the Gulf of Mexico, so I would just ask you, please, look at that.

Finally, there are a couple of things that I think we need to ask you, as the head of the Transportation Security Administration, about the aviation field. One is the rule that we put in place—or maybe you put it in place—but it's the 300-foot rule on parking. I hope that you will look at that before we make every rural airport start parking cars in pastures. Let's just assess it. I'm not saying change it, but I'm saying that is one rule that certainly needs to be looked at.

Second, the issue of non-passengers going through security and be inside to meet loved ones or help carry bags or escort children. I know that we have discussed this, and it's something that you are not ready to address yet. But at the earliest time that we have settled in with our security measures, I hope that you will keep that in mind, as well, as long as there is a good security clearance and anyone going through has had the full technological capacity to be checked that we can provide.

So those are the things. I appreciate very much, Mr. Jackson, coming to the DFW airport and walking through it with me and learning firsthand some of the issues. I look forward to working with you, Mr. Magaw, and you, Mr. Jackson, in the future, and Mr. Mead, always we enjoy hearing from you, as well. Thank you.

The CHAIRMAN. Let me recognize the Subcommittee Chairman, Senator Rockefeller.

STATEMENT OF HON. JOHN D. ROCKEFELLER IV, U.S. SENATOR FROM WEST VIRGINIA

Senator ROCKEFELLER. Thank you, Mr. Chairman. I also welcome all three of you—and I thought it was going to be all two of you, but I'm delighted to see you're here also, Mr. Jackson, since you were very helpful in this whole process.

I want to say that what my colleague, Senator Hutchison said, is that we did do this bill, that it was thoroughly conferenced and worked through many times, and we were apart, then all of a sudden we're together, then all of a sudden we conferenced and it was done. We did it carefully, and we did it tightly, there are no questions. I suspect that that's making the job of Mr. Magaw a little

bit more difficult. That was not our intention, to make it difficult or to make it un-difficult, but it simply was to get the job done as fast and well as we possible could.

First, I need to really recognize what you have done, which is a great deal. And we on the Committee ought to be mindful of that and appreciative of that, because you've been under terrific pressure. You've got to go out and find more than 50,000 people. And we were talking about 30,000. So, you've recalculated, and it's a lot. And that's a lot of pressure on you, and we do understand that, and you need to be commended for that.

The points that I will bring up today are related to the baggage screening, including connecting flights, which I do want to talk about, and which we can have a good discussion on. We read language very carefully on the so-called one-year—the high school education matter. There is that little clause that does allow you to do, in fact, what you are doing, and I want to probe a little bit as to why you're doing that. Will we pay a cost for that, particularly when you take in mind what I believe is going to be the incredible amount of technology involved in this whole screening process in a very short order of time and from biometrics to all kinds of things.

The pay and benefits for screeners is at your discretion, and I'm interested in how you feel thus far about that and what you plan to do about it, because I think that pay and benefits are, as much as salary, what people often—and particularly these days, people often need to look to. And, of course, there's a cost attached to that. So I'll be interested in that.

The cargo part, I think you understand what I'll be asking you about that. And general aviation and air charters, I don't do a lot of that, but sometimes we've got to take a vote, like yesterday afternoon, you know, you've got to charter to get back for one judicial vote. So it's just a little annoying, even if you only come from West Virginia. That's close to Ohio, Senator.

But in any event, it does constantly stun me that I can just walk in and out, as can they, those who fly, just walk in and out with absolutely nothing. And I am a more or less perfect person when I fly commercially or when I fly that way, that—well, we will see.

But in any event, you've made a lot of progress. We have questions that we want to ask, because all of this stuff counts for real. It's the most vulnerable part of America, and I think will continue to be. Ports and authorities, I understand. Bombs in suitcases, I understand. But this is what we've passed, this is what we've asked, and this is an oversight hearing, which you understand.

I thank you Mr. Chairman.

[The prepared statement of Senator Rockefeller follows:]

PREPARED STATEMENT OF HON. JOHN D. ROCKEFELLER IV, U.S. SENATOR FROM WEST VIRGINIA

Mr. Magaw and Mr. Mead, welcome. Two months ago, Mr. Magaw was before us for his nomination hearing. Mr. Mead has been here many times, and I appreciate his appearance again today.

When Mr. Magaw was last here, we could not have been clearer about our expectations of him and the new Transportation Security Administration. We didn't ask for incremental, "we'll try our best" change. We asked for—and fought for—fundamental changes for airport security. *Everyone* who now boards a plane, be it in West Virginia or in Chicago, must know that everything possible is being done to make

that flight secure. However difficult it may be, whatever it takes, it must be done. Today's hearing examines how we're doing—both what we have accomplished and what we *will* accomplish in the coming months.

First, I must acknowledge the gains you have made. All of you at DOT have worked extraordinarily hard to meet the goals of the Security Act and its tight deadlines. And you have accomplished much: cockpits have been secured; millions of bags are being screened today that weren't a month ago; new training programs have been devised; hiring of Federal Security Managers has begun. For this, you should be commended.

At the same time, a number of serious concerns remain. Barely a day goes by without a new article about gaps in the aviation security system. The eyes of the entire nation will be upon you as you address these gaps. So, today, we look for elaboration on your plans to address the following issues:

• Baggage Screening—January 18 Deadline. The Security Act mandated that, by January 18, every bag must be screened. And it gave you a number of options for doing so. In meeting the deadline, I want to make sure that you use the most effective combination of technologies to screen bags and cargo going on board passenger aircraft—*including* connecting flights.

• Baggage Screener Qualifications. The Act requires baggage screeners to have a high school diploma, except for those few who otherwise have sufficient relevant experience to demonstrate that they can do the job. Yet you interpreted that as meaning that baggage screeners with just *one year* of experience as a screener can keep their jobs, even without a high school diploma. This is certainly not what we meant by sufficient experience, and I'd like to examine your reasoning behind this policy.

• Pay and Benefits for Screeners. The Act gives you the unique authority and flexibility to set pay and benefits, and we need to know how you're going to use it. If baggage screeners are treated, and paid, like second class citizens, they will do second class work.

• Communication with airports and airlines. Both airports and airlines have expressed confusion about what security functions are being left to them. They need answers—and specifics—and I'd like to know what you're doing to alleviate this situation.

• Cargo. The Act specifically requires mail and cargo loaded on passenger planes to be screened, but also requires you to address security on cargo aircraft (e.g., UPS and FedEx). This is a serious gap in aviation security.

• General Aviation and Air Charters. The incident last month in Tampa (with the young student flying a Cesna into a bank building) should put us all on notice that general aviation and air charters also represent enormous gaps in aviation security. We asked you for an early plan on how to handle that, and we may need to pass some additional legislation on it, so I want to hear your best ideas in this area.

With respect to all these issues, let me emphasize that it is not enough to simply implement the bare minimum of the Act's requirements. We expect you to use the *maximum* authority granted you by the Act to keep the skies secure. And we are prepared to support you, with resources and political muscle as you need it.

Again, you have done much, and I commend you for it. But much work remains. Mr. Magaw, we have been told that you are the right person for the job. We have given you the tools and the money to get the job done. We expect nothing less, and I know we are all watching your work carefully.

The CHAIRMAN. Thank you.

Senator Burns.

STATEMENT OF HON. CONRAD BURNS, U.S. SENATOR FROM MONTANA

Senator BURNS. I'd just ask permission to put my statement in the record, Mr. Chairman.

The CHAIRMAN. So ordered.

Senator BURNS. I've got several questions here, and I guess I'm more concerned about the non-hub airports because we're at the end of the line on everything and some more questions.

And so I thank the Chairman.

[The prepared statement of Senator Burns follows:]

PREPARED STATEMENT OF HON. CONRAD BURNS, U.S. SENATOR FROM MONTANA

Thank you Mr. Chairman, this is a very important hearing for Montana's airports. Airports in rural states seem to have taken an unproportionate share of the burden as they try to comply with the national standards applied to the nation's airports.

Most important, I want to express how important it is that Under Secretary Magaw include airport directors in the decision making process relating to security measures at the nation's airports. What works for Dulles International Airport may not work at Billings Logan International Airport.

The national standard that was applied to all airports following the 9/11 attacks have created economic chaos with airports.

We need more clarity re: the role that federal security officers will play at our airports and how this dovetails with the apparent ongoing role of local or airport law enforcement.

We need to consider the massive number of Federal employees that need to be hired, trained and placed at America's airports. This needs to be done in a manner that will ensure the public that flying is a safe mode of transportation.

We need to consider regional training sites in facilities that can handle the massive numbers of screeners to be trained.

The most significant concern left over from the airport security mandate is the alteration or elimination of the very onerous 300-foot rule. This rule prohibits parking within 300 feet of an airport terminal unless very costly practices are enlisted.

The expense and operational inconvenience is not justified at Montana's non-hub airports.

Finally, we need to consider alternative methods to screen luggage. The Explosive Detection System, also known as the EDS, is compared in size to an SUV. The miles of conveyor system as well as the EDS machines required by the aviation security bill for the nation's airports would fill ten times the amount of space we currently have available for such security measures.

Under Secretary Magaw is responsible to implement an enormous task. It is important we remain in contact and establish a record of these hearings as this implementation occurs.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Smith.

STATEMENT OF HON. GORDON SMITH, U.S. SENATOR FROM OREGON

Senator SMITH. Thank you, Mr. Chairman. I won't reiterate some of the questions already been asked by my colleagues that I intended to raise, but I have a particular concern about the rural-airport issue, the 300-feet setback, and some of the inability that these airports have had so far of complying with the law but not getting any relief from the standard if they can show other compliance otherwise. So I'm anxious to hear their comments on that.

And, of course, the explosive detection systems, the machinery, how they're being paid for, what kind of infrastructure changes are being made, how they're dealing with it, how they're paying for it.

So thank you, Mr. Chairman, I'll wait for the answers.

The CHAIRMAN. Yeah, thank you.

Senator Cleland.

STATEMENT OF HON. MAX CLELAND, U.S. SENATOR FROM GEORGIA

Senator CLELAND. Thank you very much, Mr. Chairman. Thank you for holding the hearing in which we take a very public look at where the Department of Transportation and the new Transportation Security Administration are going in terms of implementing the aviation security law. I was proud to be a cosponsor of that legislation and proud that it passed the Senate one hundred to nothing.

Mr. Magaw, you are indeed the captain at the helm of this new agency. And let me say I appreciate your taking on this formidable challenge. If it's any comfort, Dr. Martin Luther King used to say that, "You can judge a man by the tasks he undertakes." He said, "The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy." So welcome to the NFL. We're glad to see you.

Last December, I chaired a commerce Committee field hearing in Atlanta on the new Aviation and Transportation Security law. We were fortunate then to have the deputy secretary as a witness. I'm looking forward again to hearing from Mr. Jackson. Thank you very much for coming. Mr. Mead, always nice to see you.

These are formidable challenges that we face. They will require that the Transportation Security Administration incorporate the best thinking from key players in the aviation industry.

I'm pleased to hear that DOT and the Transportation Security Administration recently had a conference call with several airport operators and representatives of the airport associations and that more calls are scheduled. Thank you very much. This is a good first step.

And I just want to hear what else the TSA is doing to bring these individuals with firsthand knowledge of airport operations into the play. I also want to hear if the TSA is calling on the expertise of the current FAA security work force.

In addition, I have deep concerns about the consequences of modifying the securities law requirement that screeners must have a high school diploma or GED. We want to get the smartest people possible. We don't want to dumb down the system. We saw what that does. We saw what that does in the form of what happened on September 11th. We want to smarten up the system, and I'll be looking forward to see how you plan to do that.

I'd also like some feedback on legislation that I introduced following last November's shutdown at Hartsfield. I was on one of those aircraft, one of 60, marooned on the tarmac while some intruder ran amuck in Hartsfield, only to find that an intentional violation of airport security in this country is not a Federal criminal offense. It should be. I've introduced legislation along those lines. Certainly the recent incident at the San Francisco International Airport underscores, in red, the need for such a measure.

So I'm looking forward to hearing from all of you who are here to address this all-important issue of aviation security when—we are in the wake of September 11th, we've learned in the most painful way possible that aviation security is equivalent to national security.

Thank you very much.

The CHAIRMAN. Thank you. Secretary Jackson, I understand that you have a statement for yourself and for Secretary MAGAW. Secretary Jackson, I'd be glad to recognize you.

STATEMENT OF HON. MICHAEL P. JACKSON, DEPUTY SECRETARY, AND HON. JOHN MAGAW, UNDER SECRETARY OF TRANSPORTATION FOR SECURITY, DEPARTMENT OF TRANSPORTATION

Mr. JACKSON. Mr. Chairman, thank you for having me here today. Thank you for your kind words about Secretary Mineta. He sends his greetings, as well.

And I want to just reiterate, from my side of the table, how much we appreciate the bipartisan spirit of work that's brought to this topic. We committed to you early, and recommit today, that we welcome and will engage in a spirited and continuous basis with you to oversee this work that we're doing and to seek your counsel as we go forward.

I'm pleased to be here with John Magaw, who does take on a tough job, and I thank the members of the Committee for expediting his appointment to this position. You don't know how much I personally appreciate having someone else with me here in this process.

A large amount of activity is going on relative to this process, and I'd like to talk just about three channels of activity, in a broad way at the beginning, and then perhaps we could address some of the particular questions that have been raised by the members in their opening statements.

First, just a little word about the process. How are we handling the job? How are we organized to do the job?

Second, a word about how we stand on creating this new agency, standing up a brand new agency from scratch.

And, third, how are we going to meet performance requirements? What are we going to measure ourselves against, what do we have to accomplish, and how are we going to know when we're successful in doing it?

This is certainly laid out in the statute in a great deal of detail, but in this effort we are trying to meet a variety of goals, and I want to talk just a little bit about how we measure our performance there and what some of the key issues are that we're trying to grapple with.

So let me just say an introductory word about each of these three topics. First, on the process, we briefed the President immediately following the bill on passage of the legislation on a method that we were going to use to manage the stand-up at the Department of Transportation. It involved creating a transitional set of teams to work on issues while we recruited an Under Secretary and began to staff up this office. And it called upon a variety of business tools and government tools that have been used for massive deployments by the government, but also for mergers and acquisitions, for new-business creation.

We've gotten good counsel from outside the Federal Government—excellent cooperation from agencies as diverse as the Defense Department, the Justice Department, the Treasury—and brought them into a series of teams managed out of a war room that is standing up this new agency.

When we first started, we had about eight Go-Teams to manage particular problems with a very short timetable. For example, how are we going to meet the 30-day requirements of the legislation?

Those eight have, by and large, done their jobs and gone, but there are now 40 of them cranking away at various different processes.

We've brought in some folks from outside to advise us for four to 5 months on some of these issues, from some of the smartest folks in the private sector. It's a very small handful of folks, but they're layered in and working hand in hand with the government folks that we're hiring and that we have borrowed from around the government to do the task. So we've got about 40 different Go-Teams working on things.

We're using a process that is going to map four key vulnerabilities—passengers, cargo, the movement of people through airports, and physical assets at airports—airplanes, perimeter security, et cetera. So we're mapping how this process works from the time you make reservation until the time you drive away, and we're looking at each different part along the way assessing what type of tools, technology, people, and otherwise we can put against the vulnerabilities of each of these four layers of problems. So we're putting in place building blocks to do that.

The second category of things that we'd be happy to talk about today here has to do with how we're standing up the new agency. And Under Secretary Magaw will talk about this in more detail in response to some of your questions, I'm sure. But we've got his crucial team beginning to come onboard and be in place and work at a series of these tasks. And we have laid out a structure at 429 airports which are going to receive the work that we have to do.

They key these jobs is a new position, so-called Federal Security Director, which we will have in place, which will own all of the security issues at that airport for which we have responsibility. This is a person who has to know every aspect of the airport, has to work very closely with the airport director, the local police, the local officials, as well as other Federal agencies working at that airport. This is an individual who has to have great skills and able to command the forces at their disposal in that—in the organization.

We've retained Korn-Ferry to help us search for the FSDs, the directors—at 81 largest airports. And we have a parallel process for the remaining airports in place.

So with these key jobs, with key Departmental jobs, we are moving through a process to create the organization and stand it up. We have been moving people from FAA in increments to help manage the transitional process. And, as the statute contemplates, we'll be moving a significant number of FAA employees into the new organization as we move ahead in the weeks to come.

Finally, I think there is a fair bit of discussion that we should have today in response to some of the opening statements about the two, sort of, channels of how we manage this job that have to do with the Federalization of the work force and particularly of the screening tools that we're using to get to the 1-year requirement for EDS—100-percent EDS.

Our goals here, and how we will measure our success, is—are complex but can be distilled to this: world-class security, world-class customer service. We know that our commitment is multimodal in nature. It's about ports. It's about airports. It's about all the modes of transportation that we have to deal with, but we

have to balance world-class security first and customer service. And we think that we can do this in a coherent and intelligent way, meet our requirements, deliver on the EDS and other technology tools that we have to be deployed by the end of the year.

So, Mr. Chairman, I would just simply outline the terrain for this conversation in that way and stop at this point and say that we'll be happy to dig into the particular questions that the Committee might have in this regard.

[The prepared statement of Mr. Jackson and Mr. Magaw follows:]

PREPARED STATEMENT OF HON. MICHAEL P. JACKSON, DEPUTY SECRETARY, AND HON. JOHN MAGAW, UNDER SECRETARY OF TRANSPORTATION FOR SECURITY, DEPARTMENT OF TRANSPORTATION

Mr. Chairman and Members of the Committee:

We are pleased to appear before you today and wish to thank the Committee for calling this hearing on a matter of critical importance to the Nation—ensuring the security of air travel across the United States and implementing the Aviation and Transportation Security Act.

INTRODUCTION

On behalf of Secretary Mineta we want to assure Congress that the Department of Transportation is making and will continue to make every effort to fulfill each and every deadline contained in the statute enacted on November 19 last year. Your leadership in passing the Aviation and Transportation Security Act—creating the Transportation Security Administration—means that Americans will continue to exercise their right to travel free from the fear of terrorist violence.

As you know the President has appointed John Magaw to take on the challenging task of establishing TSA and carrying out the mandates of the Act. We wish to thank the Senate for confirming his nomination last week.

In just a few months TSA will have hired tens of thousands of new employees to screen passengers and baggage at 429 airports nationwide. We will have put in place additional employee background screening tools in the aviation industry. With our public and private sector partners we will strengthen every mode of transportation based upon comprehensive security assessments.

As part of that effort Secretary Mineta announced recently that, beginning last month, TSA is working with the State of Maryland to use Baltimore-Washington International Airport as a site to study airport security operations, test TSA deployment techniques and technology, and begin to train senior managers for TSA.

This testimony will address two topics: first, meeting the baggage-screening and other deadlines established by the Act and second, developing TSA into a functioning agency as rapidly as possible.

1. DEADLINES IN THE AVIATION AND TRANSPORTATION SECURITY ACT

From the date of enactment the Secretary has focused our efforts intensively on complying with or exceeding the deadlines established in the new law. As Secretary Mineta has stated, we consider the law's tight deadlines as promises made to the American people, and we will do everything humanly possible to keep these promises. Secretary Mineta has given those of us in DOT a simple mandate with regard to these deadlines: let's figure out how to meet them because they are not negotiable. To date our efforts have been successful.

As you know we met the "30 day" deadlines—action on Enhanced Class B airspace, qualifications for future screeners, a report on general aviation security, and claims procedures for reimbursement of direct security-related costs for airport operators and certain vendors.

January 18 marked the "60 day" deadline for action. Among the 60-day deadlines the requirement for 100 percent screening of checked baggage was the most important and the most challenging. While security considerations prevent us from discussing details of the comprehensive baggage-checking measures in a public forum, let me say that the approach contemplated in the Act—employing a combination of explosive detection equipment and alternative techniques as set forth in that provision by Congress—has been adopted.

We are continuing to work with the airlines to take the necessary action to meet the bag-checking requirement, using the full menu of options provided for in the law. Passengers, airline staff, and current screeners have already experienced

changes as a result. We will have overlapping, mutually reinforcing layers of security, some of which are visible, like screening stations, while others remain unseen, like intelligence, undercover work and state-of-the-art technology tools.

Explosive detection equipment is a vital part of our baggage-checking program. Every available explosive detection machine will be used to its maximum capacity. Where we do not yet have such equipment in place, we will use other options outlined in the law. On originating flights, checked baggage will be matched to passengers on board. Computers will screen passengers, and passengers will be screened for weapons—often multiple times. In addition more bags will also be subject to sniffing by trained dogs, to more comprehensive screening by both explosive-detection and explosive trace detection devices, to manual searches, or to a combination of those techniques.

We will work to meet the requirement that each checked bag be screened by explosive detection equipment by the end of this year. Working with a team of consultants, we are looking at a wide variety of innovative approaches using technology, different ways to run the check-in process, and procurement strategies that can get us to that goal.

September 11 taught us that our enemies are willing to die to attack us, and that means that we must successfully screen all baggage and cargo on a passenger flight, not just succeed at matching bags to passengers. Screening all baggage and cargo through detection technology is therefore among one of our highest priorities.

In addition to the bag screening requirement, there are several other 60-day deadlines that we met:

- FAA issued its guidelines for flight crews who face threats onboard an aircraft.
- Air carriers began to electronically transmit foreign airline passenger manifests.
- We released our screener training plan, which was written with input from leading government and private sector training experts.
- We also issued the necessary guidance to implement the new September 11 $2.50 Passenger Security Fee on airline tickets sold on or after February 1 which will help finance TSA operations.

Early on, Under Secretary Magaw and FAA Administrator Jane Garvey combined the efforts of TSA and FAA Civil Aviation Security staffs to implement our new program of initiatives to meet the 30- and 60-day deadlines. And as of yesterday the TSA officially assumed responsibility for the personnel and functions of the FAA's Office of Civil Aviation Security.

The enormous contributions of our team of dedicated employees has been the most important factor in our success to date. We also appreciate the input of the Nation's airports, air carriers and aviation industry trade associations; their cooperation was an important factor in our efforts to successfully meet these deadlines.

In concluding this portion of the testimony, we would like to mention the other future deadlines on which the TSA and the Department are most focused. On February 17 just a few days from today, TSA will take over the aviation screening responsibility that has been the airlines' up until now by assuming the airline screening contracts and equipment that provide passenger screening at the Nation's airports. We will implement the charter air carrier security program mandated by Congress. Most significantly we will also begin to staff TSA with sufficient Federal screeners and other personnel to be able to certify to Congress on November 19 of this year that we have complied with section 110(c) of the Act to carry out all passenger screening with Federal personnel.

This brings us to the second topic bringing TSA on line.

2. MAKING THE TRANSPORTATION SECURITY ADMINISTRATION A FUNCTIONING AGENCY

The new TSA is foremost a security agency. We will use all the tools at our disposal—intelligence, regulation, enforcement, inspection, screening and education of carriers, passengers and shippers. Under Secretary Magaw is assembling a seasoned group of managers to assist him in creating the headquarters and field organization and fully staffing it within 10 months. The process itself entails consultation and participation by many outside groups—airlines, airport executives, labor unions, screening companies, airport vendors, airplane and security equipment manufacturers, trade associations and experts of many sorts.

To jumpstart work on critical tasks, we created "Go-Teams" to work intensively on specific tasks, present decision options, and then disband. Some of these have successfully completed their tasks and moved on. At present, we have some 36 Go-Teams launched and operating. They cover a thousand details small and large—from what uniforms the TSA security force will wear, to the procurement, installation, and maintenance of explosive detection equipment for 429 airports. In addition, we have teams developing detailed strategies to protect not only passengers, cargo,

and people working in and moving through airports, but also physical assets such as aircraft and terminal facilities.

Funding and staffing up this enterprise are enormous challenges. We are relying on the FAA Civil Aviation Security organization, which is now incorporated into TSA, the Secretary's Office of Intelligence and Security and detailees from throughout the Department to undertake the many procurement, personnel, and provisioning challenges we face. The Secretary has formed a DOT Management Committee that makes assignments, tracks progress, and reports to him on the accomplishment of discrete projects. This process has accounted for our ability to meet the Act's deadlines and to produce the highest quality results.

A great deal of coordination within the Executive Branch is necessary to bring staff and resources online in an expedited manner, and we plan to place heavy reliance on the new Transportation Security Oversight Board composed of cabinet Secretaries and representatives of intelligence and national security groups, in particular the Office of Homeland Security. Unprecedented cooperation by these entities and the Office of Management and Budget on funding issues has already assisted us greatly.

The President's 2003 budget for TSA requests $4.8 billion, an increase of $3.6 billion above the level of funds provided directly to TSA in fiscal year 2002 and $2.5 billion above the amounts appropriated to both TSA and the Federal Aviation Administration. The $4.8 billion would be funded through a combination of direct appropriations, offsetting collections in the form of the passenger security fee of $2.50 and an airline charge. The total for the offsetting collections is estimated to be $2.2 billion. Resource information for the Federal Air Marshal program can be provided in a classified document or briefing.

TSA's budget has been presented to Congress in a service-oriented manner, rather than by expense type (i.e. operating expense, capital costs, and research). These broad service areas are security operations, law enforcement, intelligence, and security regulation and enforcement, and include headquarters and field resources with administrative, support and management personnel.

We are creating a flat organizational structure at TSA that emphasizes front-line service delivery with well-trained managers and is supported with an array of services deployed from Washington.

One key to our success at airports nationwide will be a core of senior managers, the Federal Security Directors. These FSDs are the strong front-line managers who will bring federal authority directly to the point of service, the airport. Under Secretary Magaw will select the first FSDs shortly.

Another key to the success of our efforts will be baggage screeners. The Under Secretary is designing a compensation and benefit structure that will help attract the highest quality employees while also developing a fair process that allows us to quickly remove those who neglect their work. Screeners will receive compensation that is substantially higher than what screeners generally now receive and also full Federal benefits, including health insurance and leave and retirement programs. We believe that this compensation and benefit package will have a positive effect on screener retention rates and effectiveness. In addition, we will create a career path and provide other job enhancements for the screener workforce. In December of last year, we announced the qualifications for the new screeners. As required by the Act, these new screeners must meet strict requirements before they are hired and must successfully complete a rigorous training program and pass an exam before they can be deployed.

The TSA is charged with security for all modes of transportation, and a focus on aviation must not slow the TSA's pace in addressing the security needs of other transportation modes. Across every mode, we must continue to develop measures to increase the protection of critical transportation assets, addressing freight as well as passenger transportation. We will maintain a commitment to measure performance relentlessly, building a security organization that provides world-class security and world-class customer service to those who travel.

The new security system will be robust and redundant, and we will be relentless in our search for improvements. It is better today than yesterday; and it will be better still tomorrow.

The CHAIRMAN. Very good.

Mr. Mead.

STATEMENT OF HON. KENNETH M. MEAD, INSPECTOR GENERAL, DEPARTMENT OF TRANSPORTATION

Mr. MEAD. Thank you, Mr. Chairman and members of the Committee.

The focus of our testimony today is on aviation security, but as some of the members of the panel and Deputy Secretary Jackson pointed out, in the months ahead we're also going to have to focus resources on things like ports, transit systems, and containers that go on trucks, trains, and ships.

Mr. Chairman, I reported to the House 2 weeks ago, and I want to reiterate today, that in the job of inspector general you report on weak underbellies on things, and you also report on strengths. And I want to tell you, I've been impressed with the diligence and aggressiveness with which the secretary, his team, and the under secretary have pursued implementation of this act. And there are some, as you know, formidable milestones in it, but we've been watching this firsthand, and they deserve a hats-off for putting in a 24-7 effort on this.

Since November, Mr. Chairman, we've been conducting undercover audits at airports around the country at the request of the President and the direction of the Secretary. We've been feeding back the results we've been finding. And I think it's accurate to say that since September, and since mid-November particularly, we've seen security at all categories of airports progressively getting tighter. There are still, though, alarming lapses of security. Perhaps they're more visible today, but we're still finding them. Ensuring that those lapses don't recur is just one of the challenges we face in the months ahead.

I'd like to say a word about screening checked bags, hiring and training the TSA work forces, and money to do all this.

First, screening checked baggage. There's a requirement in the law now that 100 percent of checked baggage gets screened. But because there's a shortage right now of those explosives detection machines, the law says you can use alternative methods. The predominant method that the airlines are using is called "positive passenger bag match." Based on our audit observations on the day this first was implemented, and subsequently across the country, we found high levels of compliance—very high levels of compliance. And I think that's a real significant achievement. But it's important to recognize that positive bag match is done at the point of origin, so that if there's a connecting flight, that's not really covered. I think there's a gap there, and we ought to seek ways to close it.

The concern really is not with the passenger that gets on the connecting flight, because he is on the flight with his baggage; the concern is with the passenger who gets off at the connecting airport and his bag stays on the plane. I know the airlines say they can't do positive bag match for connecting flights, that it's a logistical nightmare. But, you know, they said the same thing, and have been saying the same thing for years, about doing any positive bag match at the orginating point.

So we're suggesting that the department consider a pilot program at selected airports to see whether it's doable and what the limitations are. And as I understand from Deputy Secretary Jackson and

Undersecretary Magaw, they're considering whether some approach here would be feasible.

I also want to point out that there's a gap between the number of machines that were forecasted to be needed and the numbers that can be produced between now and December 31st. The TSA is preparing contracts—I don't think they've been announced yet, but they're about to be announced—for a couple of hundred of these machines. And I think that's an important step, because we're going to see whether these vendors can really produce as quickly as we and they think they can.

Another important question on these explosives detection machines is where to put them. We have been putting them in airport lobbies, but with the number of machines that you're going to need to do nearly one billion bags a year, you won't be able to put all these machines in the lobbies. And it's unlikely during the remainder of this year that you can do all the construction that's necessary at all the airports across the country to get these machines permanently integrated in the baggage systems. So there are probably going to be some interim solutions that the Transportation Security Administration will employ in order to meet the December 31 deadline.

I think it's obvious that, with the 400-odd airports we're speaking of, what has to be done will vary by airport. That's why it's important to include the airports in this process. TSA knows this, and I think that it might be a good idea over the next 90 days to get a plan on what we're going to do at these 400-odd airports so that TSA is able to report back to you—in the accordance with the statutory reporting date of mid-May—on what's going to be done to deploy the EDS technology.

One final note on these machines. It's important that they be used to the maximum extent possible. We've found very mixed results around the country. At one airport we find they're being used extensively. We go to another airport, and we find they're not being used extensively. I hope, in the middle of this month, when TSA takes over the contracts, that that'll change, and change quickly.

On the work force, I know there were some early estimates that 30,000 people would be needed, but I think you're looking at at least 40,000 people. And the key driver is going to be, how many screeners you need to run the explosive detection machines, and that's a wild card that I don't think has been settled yet.

Another driver is how many people in the existing work force will be able to go over to the new work force. And that will be determined in the months ahead. As you know, at Dulles International Airport, nearly 80 percent of the screeners weren't U.S. citizens. So at Dulles, it may be that you are going to have to work a bit harder to get a qualified work force.

And, finally, I'd like to close on financing. It's going to cost substantially more than we thought it would, and the fee that was provided for in the legislation will not be enough, nor will the amount the airlines are planning to contribute. So we're going to be looking at direct appropriations, and I think the Committee ought to be prepared for a supplemental request to cover items that are for 2002 even.

And, finally, the vendors are lining up, Mr. Chairman. They all have the answer to your security needs. And I think that, at a time like this, it's going to be very important for the Transportation Security Administration to have good controls in place so we don't see fraud, waste, and abuse.

Thank you.

[The prepared statement of Mr. Mead follows:]

PREPARED STATEMENT OF HON. KENNETH M. MEAD, INSPECTOR GENERAL, DEPARTMENT OF TRANSPORTATION

Chairman Hollings, Ranking Member McCain, and Members of the Committee:

I appreciate the opportunity to speak today on key issues concerning the implementation of the Aviation and Transportation Security Act (Act). The focus of our testimony today will be on aviation security. However, it is important to note that the Transportation Security Administration (TSA) is responsible for all aspects of transportation security, not just aviation security. Currently, all modes of transportation (transit, rail, motor carriers, coast guard, etc.) are performing risk assessments. In the months ahead, TSA will have to focus resources on addressing security across all modes of transportation.

The mission of creating a new Federal agency charged with ensuring security across all modes of the U.S. transportation system is a tremendously formidable task. Since passage of the Act, there has been a sea change set in motion—all with very short timeframes. As we reported to the House 2 weeks ago and reiterate today, thus far we have been impressed with the diligence and aggressiveness with which the Department and the new TSA have moved forward to meet the early deadlines established by the Act. Foremost accomplishments include:

- issuing screener qualifications and developing a training plan for aviation security screeners;
- issuing proposed procedures for airport and parking lot operators, and direct vendors to seek part of the $1.5 billion authorized to cover security costs;
- identifying and reporting to Congress on airspace security measures to improve general aviation security;
- issuing guidance for training programs to prepare crew members for potential threat conditions on passenger aircraft;
- issuing the final rule beginning the collection of the security fee effective February 1st; and
- requiring air carriers to screen 100 percent of checked baggage using explosives detection equipment or alternative means, including positive passenger bag match.

Before the Act was passed, the Federal Aviation Administration (FAA) was working with the industry to reinforce all cockpit doors and to strengthen the Federal Air Marshal program. Since November we have been conducting "undercover audits" of security performance at airports nationwide, as requested by the President. We are briefing DOT, TSA and FAA officials on our results as we perform our work at airports across the country. We have seen that security has progressively improved and is clearly tighter today than before September 11th. There are still alarming lapses of security, and the process of ensuring that these lapses do not recur is just one challenge that lies ahead.

Mr. Chairman, the next major milestone for TSA is less than 2 weeks away, when the agency will assume control of all screener contracts. However, the two most critical deadlines still lie ahead. The first is November 19th, when TSA must ensure that there are enough Federal screeners, Federal law enforcement officers, and Federal security managers in place to conduct the screening of passengers and property at all commercial airports. The second is December 31st, when TSA must have a sufficient number of explosives detection systems in place to screen all checked bags.

Today, I would like to discuss three areas concerning aviation security: screening checked baggage, hiring and training the TSA workforce, and financing requirements of the Act.[1]

Screening Checked Baggage. Air carriers are now required to screen 100 percent of checked baggage using either an FAA-certified explosives detection system (EDS) or an alternative method. Because there are limited EDS units currently available, carriers are relying primarily on positive passenger bag match. Based on our obser-

[1] Though not the subject of our testimony today, we recently completed a cargo security audit and shared our results with the Department. We can share our results with members of Congress in an open or closed session, as appropriate.

vations on January 18th and 21st at airports nationwide, we found high levels of compliance and minimal disruption of air carrier operations. Positive passenger bag match at the point of origin represents a significant achievement, especially in light of the concerns air carriers have expressed over the years that it would be either difficult to do or impractical.

However, positive passenger bag match has limitations, and the gap in the process for passengers with connecting flights needs to be closed. Positive passenger bag match currently applies only at the point of origin. It does not apply to passengers' connecting flights. The concern is not with the passengers who get on the connecting flight, but rather the much smaller percentage of connecting passengers who do not get on their connecting flight but their checked baggage does. We understand the Department is considering ways to address this gap in positive passenger bag match procedures.

The airlines have expressed concerns that positive bag matching on connecting flights would create a logistical nightmare and could cause serious disruption at their hub airports. We have not seen evidence to support their concern that positive passenger bag match cannot be done, albeit there may be some circumstances where it is not practical to do. In our opinion, it could be advantageous to TSA, the industry, and the traveling public to initiate a pilot program of limited scope, perhaps 2 to 4 weeks at selected locations, to identify logistical issues and determine whether positive bag match on connecting flights is operationally feasible and under what circumstances.

Regardless, it is important to remember that positive passenger bag match will not prevent a suicidal terrorist from blowing up an aircraft by putting a bomb in his or her baggage, and it is not a permanent substitution for 100 percent EDS screening. This is why Congress has required, and the Department is aggressively moving out to ensure, that all checked baggage is screened through an explosives detection system by December 31, 2002.

TSA faces significant challenges in meeting this requirement. Currently, there is a gap between the number of certified EDS needed and what manufacturers can produce. Since October 1st, FAA has ordered 22 EDS machines, and so far 10 of those have been delivered, leaving a balance of 12 outstanding. These machines were ordered under existing contracts. Under a new solicitation in fiscal year (FY) 2002 that has not yet been awarded, TSA is preparing letter contracts for a total of 200 additional EDS machines. This is an important step. It will provide an opportunity for the manufacturers to ramp-up production and demonstrate their capability to meet the production requirements.

An equally important question is whether the number of EDS machines required to screen 100 percent of checked baggage can be installed in airport lobbies, and at the same time keep the aviation system running with a reasonable degree of efficiency. Given the rate that checked bags pass through an EDS machine, the number of alarms experienced by current technology, and the amount of bags checked during peak times at our large airports, all EDS machines cannot be installed in airport lobbies. Rather, TSA will almost certainly need to employ a variety of deployment strategies. Among the strategies being considered to meet the December 31st deadline are the integration of EDS machines into the baggage system, and, as an interim solution, use of a combination of explosives trace detection and EDS machines installed in the lobby.

The task of installing EDS machines will vary by each airport's physical plant and operations. This is why it is imperative that airport operators be key players in this process. TSA is aware of this and on February 1, 2002, TSA announced it will study security procedures and processes at 15 selected U.S. airports over the next 6 weeks. This step is of enormous importance because it begins the process of understanding how to reconfigure the lobbies and baggage systems at more than 400 U.S. airports so that 100 percent of the checked baggage will be screened effectively and efficiently by the end of the year.

Clearly, there are significant challenges associated with meeting the December 31st deadline. With all that needs to be done, we recommend TSA consider developing a plan in the next 60 days for at least the top 81 airports (Category X and I), detailing what equipment they will need, where the equipment will be installed, a timeline for accomplishing the installation, how passengers will be processed through the system, and potential effects on air carrier operation. In our opinion, this would be a logical step that builds on TSA's February 1st announcement and will help TSA in meeting the May 18th deadline for a report to Congress on a plan for deploying EDS at all airports.

As TSA installs EDS machines, it must ensure that the machines are continuously used to the maximum extent possible. Although we have seen a steady increase in utilization since November, the definition of "continuous use" is ambiguous

and has led to wide-ranging interpretations resulting in many currently installed machines still being underutilized. These machines are capable of screening at least a 125 bags per hour in an operational environment. In that FAA estimates that 1 billion bags are checked each year, TSA must ensure maximize use of these valuable and expensive assets. Fully utilizing the installed machines will also assist TSA in determining how many machines are needed to screen 100 percent of checked baggage.

Hiring and Training the Workforce. Another major challenge facing TSA is the hiring and training of a qualified workforce. Recent estimates indicate that TSA will need to hire at least 40,000 employees, including over 30,000 screeners, an executive team, law enforcement officers, Federal air marshals, and support personnel. TSA and FAA have expanded the Federal Air Marshal program for both domestic and international flights. Law enforcement personnel from several Federal agencies, including the OIG, have been selected and trained to augment the Federal Air Marshal program until TSA can recruit and train the necessary personnel. TSA has also hired an executive recruiting firm to assist it in hiring the initial 81 Federal Security Directors. These individuals will play a key role in hiring and training the screeners and law enforcement officers for their particular airports.

It is important to recognize that screeners do more than just screen passengers and their carry-on bags at screening checkpoints and boarding gates—they also screen checked bags. More screeners are needed to operate EDS machines in airport lobbies than to operate EDS machines integrated into the baggage system. Use of a combination of EDS and trace explosives detection devices to screen checked baggage will also require more screeners. Therefore, key to the number of screeners required is how many and what kinds of equipment are to be deployed at each airport.

Since airport screeners must now be U.S citizens, and able to speak and write English, a significant number of the current screening workforce may not qualify for screening positions with TSA. For example, at Dulles International Airport, it is estimated that up to 80 percent of the current screeners will not qualify for employment with TSA. There are no exact data on how many screeners in the current workforce will qualify for positions with TSA. However, this will have a significant impact on how quickly TSA can hire and train the needed screeners, and how quickly the agency can assume screening at airports.

Financing Requirements of the Act. There are also tremendous budgetary challenges facing TSA for this year and next, and it is increasingly clear that the cost of good security will be substantially greater than most had anticipated. The cost implications are both in terms of capital costs for equipment and operating costs for personnel. Key drivers are the sheer number of Federal screeners, Federal law enforcement officers, Federal security managers, and Federal air marshals that will be needed, as well as the pace and type of EDS installation.

Total capital costs for the EDS equipment could range between $1.9 billion and $2.5 billion. This does not include the cost to integrate EDS equipment at airports, which could exceed $2.3 billion. In addition we have seen estimates for FY 2002 operating costs ranging from $1.6 billion to $1.8 billion based on hiring, training, and deploying a Federal workforce of over 40,000 employees by the November 19th deadline. In contrast, TSA has a projected revenue for FY 2002 of between $2.0 billion and $2.4 billion. Clearly, a supplemental appropriation will be needed.

For FY 2003, operating costs for TSA's workforce could range between $2.7 billion and $3.3 billion, as the agency experiences its first full year of salary costs. However, revenue from the security fee and air carrier contribution will not be sufficient for FY 2003. The security fee is estimated to generate only about $1.7 billion in FY 2003 and the Department estimates that assessments from the carriers will only bring in around $700 million.

Given the pace of events since September 11th, it is understandable why there would be such substantial fluidity in the budget numbers. Now, an immediate task for TSA is to move out with dispatch in order to bring as much clarity as possible to its budgetary requirements for this year and next.

Credible budgetary requirements will help Congress and the Administration resolve the questions of who will pay for what and in what amount. Much confusion exists in these areas because there are many funding sources—some of which are appropriated and some of which are not. These include revenue from fees, direct appropriations, and airline contributions, as well as changes to how airports can use grant money and passenger facility charges.

Given the large budgetary requirements, it is important that TSA have good cost controls. Vendors are very aware of the immense amount of equipment that will need to be purchased. As TSA begins reviewing its capital needs, vendors are lining up with a vast amount and array of equipment, and TSA must sort through the claims and counter claims of vendors who believe their technology is the best for

meeting the established deadlines. Given the large budgetary implications, it is imperative that TSA ensure that its acquisition process is free from fraud, waste, and abuse.

I. SCREENING CHECKED BAGGAGE

Effective January 18, 2002, air carriers with scheduled and public charter service are required to screen all checked baggage at airports throughout the United States. An FAA-certified explosives detection system is the preferred method of screening, but between now and December 31st, air carriers have several options for screening checked baggage as an alternative to EDS machines. The options for non-selectees include:

- using non-certified advanced-technology equipment purchased by the FAA (there are currently 21 such machines in use at 9 airports by 8 air carriers);
- using explosives trace detection equipment assessed to be effective by FAA;
- physically searching bags;
- searching checked baggage using FAA-certified canine teams; or
- using a positive passenger bag match program, with a verifiable tracking system, that demonstrates that a passenger's checked baggage is not transported without the passenger.

Positive Passenger Bag Match Increases Security, and Air Carriers' Implementation Is a Significant Achievement, But Gaps in Bag Matching at Connecting Airports Need to Be Closed

Recent OIG observations found positive passenger bag matching is the primary method air carriers are using to screen checked baggage until sufficient explosives detection equipment is available. Currently, there are only 166 operational EDS machines at 52 U.S. airports. In order to gauge how air carriers are meeting the new requirement, we observed 147 flights at 14 airports involving 22 different air carriers on January 18th and 21st. During our observations, we determined if all passengers were on the aircraft with their checked baggage, or waited at a baggage carousel to determine if any checked baggage arrived at the airport without a passenger.

We found high levels of compliance with minimal disruption of air carrier operations during our observations. The air carriers we observed predominantly used positive passenger bag match as the option to screen their passengers' checked baggage, with some checked bags also being screened using one of the other options (i.e., EDS, physical search, canine, etc.). While we found some exceptions on January 18th, we think the air carriers did a good job given this was the first day the requirement was in effect. We only recorded five noticeable delays on January 18th, meaning on the first day, 94 percent of the flights we observed were not delayed. We did not observe any noticeable delays on the January 21st.

It is important to note that the air carriers' positive passenger bag match programs do not "screen" checked baggage. Instead, positive passenger bag match ensures that the passenger who checked a bag or bags actually is on the flight with the baggage when the aircraft departs. If the passenger fails to board the aircraft, the air carrier must not load that passenger's checked baggage, or if already loaded, the baggage must be located and removed from the aircraft.

There are limitations to the effectiveness of the positive passenger bag match program, and one gap in the program needs to be closed. Positive passenger bag match currently applies *only at the point of origin*. It does not apply to passengers' connecting flights. In other words, if a traveler from Washington to Los Angeles has to transfer at Chicago, the bag match is only applied to the passenger for the Washington-Chicago segment. It is not applied to the passenger for the Chicago-Los Angeles segment. This gap needs to be closed, because by definition if the passenger is not on the same aircraft as his or her checked baggage then it is not a positive passenger bag match. We understand the Department is considering ways to address this gap.

The Bureau of Transportation Statistics (BTS) estimates that approximately 27 percent of all passengers are connecting passengers, based on a Passenger Origination-Destination Survey in 2000. The issue is with the small minority of passengers at connecting airports that never get on the connecting flight, but their baggage does. We do not know exactly how many passengers do not make their connections while their baggage remains on the flight. However, we do know that for some hub airports the majority of passengers on a flight are connecting passengers. For example, SalomonSmithBarney estimates, based on data for the year ended second quarter 2000, that nearly 68 percent of the passengers of a major air carrier at one hub were connecting passengers. These connecting passengers would not have their checked baggage subject to positive passenger bag match when departing the hub

airport. This creates a higher risk for flights departing hub airports, which are the largest airports in the country.

We all agree that positive passenger bag match will not stop the terrorist willing to commit suicide, but it does represent a clear and significant improvement in checked baggage security over what was conducted before September 11th. However, it could be advantageous to both TSA, the industry, and the traveling public to initiate a pilot program of limited scope, perhaps 2 to 4 weeks at selected locations, to identify logistical issues and determine whether positive bag match on all connecting flights is operationally feasible.

Regardless of this outcome, it is also important to remember that positive passenger bag match will not prevent a suicidal terrorist from blowing up an aircraft by putting a bomb in his or her baggage, and that it is not a permanent substitution for 100 percent EDS screening. This is why Congress has required, and the Department is aggressively moving out to ensure, that all checked baggage is screened through an explosives detection system by December 31, 2002.

EDS Screening of All Checked Bags by December 31st Will Be Challenging

TSA faces significant challenges in meeting the requirement to screen 100 percent of checked baggage using explosives detection systems by the end of 2002. Production capability estimates have increased since December from 587 EDS machines to 2,260 EDS machines, but this still leaves a gap of about 700 machines. Both manufacturers need time to ramp-up their production, and delays in ordering could increase the gap between production capacity and the number of machines needed. Under a new solicitation in FY 2002 that has not yet been awarded, TSA is preparing letter contracts for a total of 200 additional EDS machines. This is an important step because this commitment by the Department will provide an opportunity for the manufacturers to ramp-up production and demonstrate their capability to meet the production requirements.

TSA must also get air carriers and airport operators involved in determining the installation plan for their airports—what type of equipment is needed, when it is needed, and where it will be installed. There is a fundamental concern with whether it is feasible to put the majority of EDS machines in airport lobbies. TSA is aware of this and recently initiated a study of security procedures and processes.

Producing the Equipment. Currently, there is a gap between the number of certified EDS machines needed and what manufacturers can produce. However, the size of the gap changes based on various scenarios.

FAA estimates that airline passengers check between 900 million and 1 billion bags each year. As of January 29th, only 182 FAA-certified explosives detection systems were installed at 54 airports. Of these systems, 166 were operational at 52 airports. Deployment of these systems began in 1997, and DOT has spent more than $300 million on this effort, including the costs of installing systems. To meet the 100 percent screening requirement, FAA[2] estimates over 2,000 additional EDS machines will need to be installed in over 400 airports nationwide over the next year.

Currently there are only two vendors that make FAA-certified explosives detection systems, L–3 Communications and InVision Technologies. (A third vendor, PerkinElmer, has a machine that is pending FAA certification.) We have seen substantial swings in the estimated production capabilities of these two manufacturers. During our visits in December, they showed production plans for a combined capacity of only 587 machines by December 2002, leaving a gap of 1,400 machines. The Department hired a consulting firm to review how TSA could meet the 100 percent baggage screening requirement by December 2002. The consultant recently estimated that manufacturers could produce as many as 2,260 CTX 5500 or equivalent EDS units by year end, but estimated that 2,990 machines were required to meet the 100 percent screening, leaving a shortage of about 700 EDS machines.

The consultant recommends using a combination of EDS and explosives trace detection units to screen checked baggage to meet the December deadline. Using this method, the consultant determined that approximately 1,800 EDS would be required. Under this scenario, the consultant concluded that manufacturers could produce sufficient numbers of EDS and trace explosives detection units, with no shortage. The consultant looked at multiple implementation schemes, including integrating the equipment into the check-in process, integrating equipment into the baggage system, and screening bags in remote locations such as parking lots.

At the Department's request, both InVision and L–3 Communications are working now to determine their ability to support even higher production rates. Their calendar year 2002 production rates are, however, dependent upon receiving orders.

[2] FAA continues to work with TSA in meeting the requirements of the Act, until February 17th, when TSA takes over responsibility for all aviation security functions.

But both vendors need time to ramp-up their production. Since October 1st, FAA has ordered 22 EDS machines, and so far 10 of those have been delivered, leaving a balance of 12 yet to be delivered. These machines were ordered under existing contracts. Under a new solicitation in FY 2002 that has not yet been awarded, TSA is preparing letter contracts for a total of 200 additional EDS machines, but these 200 machines do not represent the maximum number to be procured under this solicitation. This is an important step because this commitment by the Department will provide an opportunity for the manufacturers to ramp-up production and demonstrate their capability to meet the production requirements.

The Department and TSA are continuing to work to identify ways to fill the gap between EDS units required and production capabilities. The EDS equipment we have today is certified because it has gone through a rigorous testing process to ensure its ability to detect explosives. Manufacturers of non-certified bulk explosives detection equipment might be able to fill the gap, but it should be recognized that this equipment is not certified for a reason: in some cases it cannot detect all of the threat explosives types. If non-certified equipment is used to fill the gap, it will eventually have to be replaced, probably at considerable additional costs and sooner rather than later, by more capable, certified equipment.

Installing the Equipment. Purchasing the equipment, especially EDS, is only half the battle. The equipment must also be installed, and this can take months to accomplish. Installing EDS machines in airport lobbies usually takes less time than integrating them into the baggage system, but requires more machines and more screeners.

EDS machines are big and heavy, requiring moderate to extensive reengineering, including floor strengthening. At many of our busiest airports, i.e. San Francisco and Dulles, check-in areas are long and narrow with very little room between the lobby entrances and the ticket counters. As TSA begins using these machines continuously or using trace units to screen checked baggage, additional lines will form in the airport terminal.

Currently, numbers as to how much equipment will be needed, where it will be installed, and how long it will take to put them in place, are all estimates. We have the largest aviation system in the world, and screening 100 percent of the checked baggage (approximately 1 billion bags a year) will be a real challenge. The question that must be answered is can this equipment be installed in airport lobbies, as opposed to integrating the EDS into the baggage system, and at the same time keep the aviation system running with a reasonable degree of efficiency.

Several airports around the world have explosives detection systems integrated into the baggage system, so that all baggage is screened. However, no country is screening 100 percent of checked baggage, at an airport the size of our large hub airports, with explosives detection systems in the terminal lobby. At Dulles, preliminary designs show that if you place all the EDS required to screen the checked baggage in the main terminal area, there is very little room left for passenger queing. In addition, since it has never been done, no one knows for sure if TSA and air carriers could move passengers through the check-in and screening process without significant adverse effects on air carrier operations.

Given the rate that checked bags pass through an EDS machine, the number of alarms experienced by current technology, and the amount of bags checked during peak times at our large airports, TSA will almost certainly need to employ a variety of deployment strategies. It takes significantly more time to reconfigure an airport baggage system to accommodate one or more in-line EDS machines than to place an EDS in the airport lobby. However, all EDS machines cannot be installed in airport lobbies. Among the strategies being considered to meet the December 31st deadline are the integration of EDS machines into the baggage system, and, as an interim solution, use of a combination of explosives trace detection and EDS machines installed in the lobby.

The task of installing EDS machines will vary by each airport's physical plant and operations. This is why it is imperative that airport operators be key players in this process. On February 1, 2002, TSA announced it will study security procedures and processes at 15 selected U.S. airports, over the next 6 weeks. The results of the study will be used to achieve security improvements at all airports with commercial service. This step is of enormous importance because it begins the process of understanding how to reconfigure the lobbies and baggage systems at more than 400 U.S. airports so that 100 percent of the checked baggage will be screened effectively and efficiently by the end of the year.

Clearly, there are significant challenges associated with meeting the December 31st deadline. With all that needs to be done, we recommend TSA consider developing a plan in the next 60 days for at least the top 81 airports (Category X and I), detailing what equipment they will need, where the equipment will be installed,

a timeline for accomplishing the installation, how passengers will be processed through the system, and potential effects on air carrier operation. This would be a logical step that builds on TSA's February 1st announcement and will help TSA in meeting the May 18th deadline for a report to Congress on a plan for deploying EDS at all airports.

EDS Equipment Must Be Fully Utilized

TSA must ensure that the equipment that is deployed is used to the maximum extent possible. We have repeatedly testified since 1998 about the underutilization of deployed EDS equipment. FAA has calculated that significantly less than 10 percent of bags checked during 2000 were screened by an EDS machine. Although the machines are far from being used continuously, we have seen a steady increase in utilization since our testimony in November, when we reported that only 27 percent of the machines we observed were in continuous use. As part of the Secretary's zero tolerance initiative, we have been observing the use of certified EDS machines nationwide. Since November 13th, we have made 212 observations at 22 airports nationwide and found that now 57 percent of the machines we observed were in continuous use as required. However, some machines are still underutilized. For example, on January 18th during a 1-hour observation, 110 bags were checked by passengers, but only 15 of these bags were screened through the available EDS machine.

We also found that the definition of "continuous use" is ambiguous and has led to wide-ranging interpretations. For example, at one airport we visited, air carrier personnel told us that continuous use is achieved when a bag runner is continuously searching for random bags and bringing them to a lobby-installed EDS. While this might result in the continuous use of the runner, the EDS and its operators may be standing idle for several minutes waiting for the runner to bring the bag(s). Therefore, some EDS are still not being used to the maximum extent possible.

To get a better indication of utilization, we were able to analyze the utilization data for 5 lobby-installed CTX 5500 machines at San Francisco from mid-December to late-January, and found the machines were screening on average between 503 and 1,038 bags per day. We also reviewed utilization data for 9 L–3 examiners operating at 4 airports and found the machines were screening on average between 251 and 1,010 bags per day. These machines are capable of screening at least 125 bags an hour in an operational environment. In that FAA estimates that 1 billion bags are checked each year, TSA must make maximum use of these valuable and expensive assets, and ensure that there is a continuous stream of bags going through the equipment.

At each screening location, TSA officials will need to work with air carriers to ensure that a continuous stream of checked baggage is sent to the machines for screening. Until TSA screeners are in place, TSA will also need to monitor screening contractors to ensure they have sufficient trained staff available to properly operate the equipment. On more than one occasion, we observed understaffed equipment with only one employee responsible for operating the EDS machine as well as resolving any alarms. This resulted in the machine sitting idle while the operator manually searched or used trace units to resolve an alarm.

II. HIRING AND TRAINING THE WORKFORCE

A major challenge facing TSA is the hiring and training of a qualified workforce. Recent estimates indicate that TSA will need to hire and train over 40,000 employees, including over 30,000 screeners, an executive team, law enforcement officers, Federal air marshals, and support personnel.

TSA and FAA have expanded the Federal Air Marshal program for both domestic and international flights. Law enforcement personnel from several Federal agencies, including the OIG, have been selected and trained to augment the Federal Air Marshal program until such time as TSA can recruit and train the necessary personnel. TSA has also hired an executive recruiting firm to assist it in hiring the initial 81 Federal Security Directors. These individuals will play a key role in hiring and training the screeners and law enforcement officers for their particular airports. TSA has issued new airport screener qualifications, which require employees to be U.S. citizens and to speak and write English. They also require screeners to have a high school diploma, a general equivalency diploma, or one year of any type of work experience that demonstrates the applicant's ability to perform the work of the position.

It is important to recognize that screeners do more than just screen passengers and their carry-on bags at screening checkpoints and boarding gates—they also screen checked bags. More screeners are needed to operate EDS machines in airport lobbies than to operate EDS machines integrated into the baggage system. Use of

a combination of EDS and trace explosives detection devices to screen checked baggage will also require more screeners. Therefore, key to the number of screeners required is how many and what kinds of equipment are to be deployed at each airport.

TSA does not expect to begin taking screener applications until March or April, with the heavy emphasis for hiring starting in May and working through the summer. Assuming TSA does not begin hiring and training until May, it would need to hire and train approximately 5,000 screeners per month from May through October in order to have 30,000 screeners hired, trained and on the job by the November 19th deadline.

Before TSA establishes a workforce, it must assume the current screening company contracts from the air carriers by February 17th. TSA will then have to oversee these contractors until TSA screeners are hired and trained. Since airport screeners must now be U.S citizens, and able to speak and write English, a significant number of the current screening workforce will not qualify for screening positions with TSA. During the transition, it will be a challenge for TSA to motivate the contractors and screeners who will not be picked up by TSA. For example, it is estimated that at Dulles International Airport up to 80 percent of the current screeners will not qualify for employment with TSA. It is clear that TSA is trying to address this by setting employment requirements that will allow it to hire as many current screeners as possible. However, it is unknown how many current screeners will qualify for the new positions. In addition, as the Secretary's zero tolerance initiative has shown, dangerous items continue to get through screening checkpoints and onto aircraft, so even current screeners that remain will need additional training to bring their performance up to an acceptable level.

TSA used private industry and academia as well as individuals from other Federal agencies to develop its Training Plan for Airport Security Screeners, issued January 18th. This training plan envisions airport screeners receiving 40 hours of classroom training, followed by 60 hours of on-the-job training. TSA intends to measure screener performance throughout the training process with examinations to track performance. Once a screener has worked in the airport environment for at least 6 months and demonstrated his or her skills through achievement examinations and/or skills tests, TSA plans to issue the screener a TSA certification.

Once a screener is certified, TSA plans to provide recurrent training and testing to ensure screener performance remains at an acceptable level. TSA will use a learning management system to track the progress and performance of all airport screeners. TSA can employ, appoint, discipline, terminate and fix the compensation, terms and conditions of Federal service for individuals carrying out the screening functions. In addition, the Act does not require TSA to give airport screeners normal job protections afforded to regular Federal employees, and screeners could be fired for not doing their job. We do not know at this time how TSA intends to implement or use this authority, as it has not established the performance standards that screeners must meet as a condition of employment.

IV. FINANCING REQUIREMENT OF THE ACT

There are tremendous budgetary challenges facing TSA for this year and next, and it is increasingly clear that the cost of good security will be substantially greater than most had anticipated. The cost implications are both in terms of capital costs for equipment and operating costs for personnel, which will be driven by the sheer number of Federal screeners, Federal law enforcement officers, and Federal security managers that will be needed.

In terms of capital costs, the requirement that all checked bags undergo EDS screening by December 31, 2002, carries a large price tag. However, the estimates vary widely depending on the mix of equipment and personnel used. FAA estimated that approximately 2,000 certified EDS machines at a cost of around $2.5 billion would be needed in order to screen 100 percent of checked bags with certified EDS equipment. This estimate does not include the additional costs to integrate the equipment at the airports, which could exceed $2.3 billion depending on the nature and type of structural changes required to install EDS.

Other options are being considered, however. For example, TSA is looking into using a higher percentage of trace units in airport lobbies in lieu of using all 2,000 EDS machines. This option would have lower estimated equipment costs ($1.9 billion) but would require a much higher number of screeners to operate.

Regardless of the mix TSA uses, it is clear that the agency will need additional funding to purchase the necessary security equipment—so far only $293 million has been appropriated in FY 2002 for EDS equipment. However, the ultimate funding needs of TSA will be most affected by who assumes the costs of integrating the equipment—airports or TSA—and how it will be paid for. This is especially relevant

for determining who will pay the costs of integrating certified EDS equipment into airport baggage systems.

In terms of operating costs, the costs of salaries, benefits, training, and overhead of an organization that will exceed 40,000 employees are significant. However, determining the cost is dependent, in part, on the mix of equipment that TSA ultimately will use to meet the December deadline. We have seen estimates that TSA's operating costs in FY 2002 could range from $1.6 billion to $1.8 billion based on hiring, training, and deploying a Federal workforce of over 40,000 employees by the November 19th deadline.

However, those operating cost estimates are only for part of the year, assuming that hiring of screeners would begin in May. Costs will be substantially higher when TSA must pay salaries for a full year. For FY 2003, operating costs for TSA's workforce could range between $2.7 billion and $3.3 billion.

Given the wide range in possible costs, TSA needs to bring clarity to its financial needs for FY 2002 and 2003. The Aviation and Transportation Security Act set out a variety of sources for funding security needs. These include revenue from fees, appropriations, and airline contributions, as well as changes to how airports can use grant money and passenger facility charges. However, it is unclear who will pay for what and in what amount.

Congress created a new passenger security fee of $2.50 per flight segment with a maximum of $5.00 per one-way trip or $10.00 per round trip. Based on the latest projected enplanements for FY 2002, this fee could generate about $1.0 billion this year and as much as $1.7 billion in 2003.

Congress also provided the Under Secretary of Transportation Security with the authority to impose a fee on air carriers in case revenues from the new security fee are insufficient to meet the needs mandated by the Act. However, Congress capped that fee at the total amount spent by air carriers for screening passengers and property in calendar year 2000.

As shown on the chart below, we estimate that TSA currently has funding of about $2.0 billion to $2.3 billion for operating and capital costs in FY 2002. That funding consists of revenue generated by the new security fee and FY 2002 initial and supplemental appropriations. The differences in the revenue estimates are based on whether a fee is imposed on air carriers and, if so, how much. The Department has estimated that the airlines spent upwards of $700 million for screening in calendar year 2000. Our estimates assume no contribution from the airlines to as much as $300 million, assuming that collections begin in May and are apportioned as required by the Act ($700 million x 5½). TSA is in the process of preparing a rule to obtain actual 2000 costs from the air carriers.

TSA Funding Sources for FY 2002[3]

[$ in millions]

FY 2002	Low	High
Security Fee	$1,038	$1,038
Airline Contribution	0	300
FY 2002 Appropriations for Civil Aviation Security	150	150
FY 2002 First Supplemental	452	452
FY 2002 Second Supplemental	100	100
Subtotal: Operations Funding	$1,740	$2,040
FY 2002 Appropriations for EDS	97	97
FY 2002 Supplemental EDS	196	196
Subtotal: EDS Funding	$293	$293
Total Funding	$2,033	$2,333

[3] In the FY 2002 Appropriations for the Department of Transportation, Congress provided $1.25 billion from the General Fund for the TSA. However, Congress stipulated that the amount is to be offset by any collections from the new security fee and, as a result, cannot result in any actual expenditures from the General Fund.

Mr. Chairman, clearly TSA's costs substantially exceed revenues, and Congress should expect a request for a supplemental appropriation. For TSA's part, the agency needs to develop its plan for meeting the December deadline and deliver credible cost estimates, so that Congress and the Administration can determine how these additional costs can be funded. The means for bridging this gap need to be clarified—whether it is accomplished through airline contributions, additional fees, grants-in-aid to airports, passenger facility charges, and/or appropriations. There is

significant confusion over who will pay for what, in what amount, and from what funding source.

As TSA reviews and purchases new aviation security technology, it must avoid the potential pitfalls of purchasing a significant amount of equipment that will not fit into the ultimate security structure. When purchasing and deploying equipment, TSA needs to evaluate the cost, effectiveness, maturity, and efficiency of each type of equipment to ensure it gets the highest pay-off in improved security for the funds spent.

Given the large budgetary requirements, it is important that TSA have good cost controls. Vendors are very aware of the immense amount of equipment that will need to be purchased. As TSA begins reviewing its capital needs, vendors are lining up with a vast amount and array of equipment. Given the extremely tight timeframes and the large budgetary implications, it is imperative that TSA ensure its acquisition process is free from fraud, waste, and abuse.

This concludes my statement. I would be pleased to answer any questions.

The CHAIRMAN. You said TSA, when they take over, then they'll start using the machines. We've been through this. We've heard you before on this score, that you've got the machines. I think that some 52 airports have 165 of those scanning machines, EDS machines.

Well, Mr. Magaw, why haven't you been using them? You see, my frustration is you all act like nothing's happened for months, and today we're going to start with security. Not so at all. We, at the Committee and at the Congressional level, have been frustrated with the lag, and the time it's taken. In fact, we confirmed Mr. Magaw without debate. We said, "We just can't wait on it, and let's get going."

So why—when you use the expression, "When TSA takes over, they're going to finally start using the machines," that's the kind of testimony that frustrates me, Mr. Mead. What do you mean by that?

Mr. MEAD. I mean that before—you've heard this testimony before——

The CHAIRMAN. Right, and why haven't we gotten it done?

Mr. MEAD. Because before September 11th, the rules in place about how often the machines had to be used resulted in a very, very small percentage of bags being screened. After September 11th, they established a rule that the machines had to be continuously used. You would think, for most people, that "continuously used" would have a commonly acceptable definition.

The CHAIRMAN. Right.

Mr. MEAD. It does not.

The CHAIRMAN. Why not?

Mr. MEAD. Because some people—some screening stations—have interpreted it to mean that you will always have a bag going through the machine. Another screening operation will say, "Well, that means that you have to have the machine operating, but not necessarily a bag going through it". And it's just a very ambiguous term. It is true that, especially since November, when you passed this law, we've seen a steadily increasing usage, but it still is very uneven.

The CHAIRMAN. Well, get rid of the Philadelphia lawyers that want to get picky about what's "continuous." Come on.

Mr. MEAD. Yeah, I——

The CHAIRMAN. Let's get it done. That's why we got you folks in charge. That's easily solved.

Otherwise, the pay is easily solved. All the testimony indicated that the American public was willing to add $20 onto a ticket—or up to $30 or whatever else—in order to get security. And when you're paying $900 for a round-trip coach ticket from, let's say, Washington to Charleston and back, well, what's $5 more? In other words, the $2.50 not to exceed $10 for any complete trip. Let us know how much money you need and we can get it passed. We'll put it in there. Don't start coming back up here later and saying, "We didn't have the money." Uh-uh. That's no excuse. Is that understood, Secretary Jackson?

Mr. JACKSON. Yes, sir. We——

The CHAIRMAN. Did you understand that, Mr. Magaw?

Mr. MAGAW. We're going to get the job done.

The CHAIRMAN. Now, another thing, with respect to the cockpit, I can see Senator Burns and myself sitting there with the chief pilot of El Al just where you folks are seated at that table. And he said, "Senator, we secure that cockpit, and once it's secured, we never open it in flight. My wife can be assaulted in the cabin. I don't open the door in flight. I go immediately down and land the plane. And whoever's causing the difficulty, killing or whatever else, is immediately taken to jail." And they haven't had a hijacking in 30 years.

Now, we've got the cockpits secured. Where's the rule that it shall not be opened in flight? Secretary Jackson, what's the matter with that?

Mr. JACKSON. Well, the configuration that El Al is using allows for a pilot to come out and to use the restroom facilities during flight given the design of that door. Our national airlines do not have that capacity, have not had a structural change to accommodate that. So——

The CHAIRMAN. Yeah, but we don't have to wait for a construction change. Put a little potty in there or whatever else.

[Laughter.]

The CHAIRMAN. I can tell you now, I've flown recently, from Honolulu to Sidney, Australia—11 hours, it was, and nobody came out of the cockpit. So let's get it done, and then you don't have all this palaver about nuclear power plants. From then on you will not have a commercial airline used as a bomb, a missile. You don't have to worry about the high buildings.

Now, yes, general aviation is a concern, and there's some question about a little private plane was used down there, I think, in Tampa, Florida. It didn't do too much damage to the building, and I go along with that rule about Reagan with that on general aviation, but once you get the cockpits secured, you can just fill up Reagan National. We're not running this thing right. We're not on the ball. I find a lot of study and no action. I mean, we didn't assign it to you folks to study it.

Mr. JACKSON. Mr. Chairman, this——

The CHAIRMAN. Get it done.

Mr. JACKSON [continuing]. Could be one where we haven't communicated effectively to you. Immediately after September 11th we sat down with the airlines, we studied it for a couple of days, and we gave them the instructions to get to work. They did so enthusiastically. And virtually every commercial airliner from—certainly

from all the major airlines—have reinforced cockpit doors today which bar and lock the door in a fashion that is a significant enhancement to what we've got.

The CHAIRMAN. And not to be opened in flight? You've hit the ball, but you haven't followed through.

Mr. JACKSON. Well, that opening the door remains that other biological problem that I mentioned earlier.

The CHAIRMAN. Well, everybody knows what the biological problems are, but we are worried about commercial airlines being used as a missile——

Mr. JACKSON. Yes, sir——

The CHAIRMAN [continuing]. A weapon of mass destruction. So when that problem is solved, the Reagan National problem is solved, the nuclear power plant thing is solved, just through getting that order by. It's done with El Al. Why can't we do it with our airlines?

Mr. JACKSON. It's a significant reconstruction of the cockpit to take the approach that El Al has done, and that is something that we are looking at in a rulemaking that would allow for structural changes to aircraft to accomplish that more comprehensive change.

The CHAIRMAN. While you folks are studying it, I think we'll just have to put in a rider and order it ourselves or something to get it done, because I know it's inconvenient in a way. But with the choice between being killed and inconvenienced, let's not get killed. I mean that's the whole idea of security.

Otherwise, with respect to these machines, you can keep studying them, but you haven't ordered any, and here it is February. We started this in September. We passed the legislation. It was held up over there on the House side, but we finally got it done, and you all haven't ordered the machines. Senator Boxer says they make them out there in California, and they're willing to gear up. I think if they went around in three shifts, they could double the existing plant production and get the machines going, but they haven't got an order yet and this is February. What's the matter?

Mr. JACKSON. We spoke to the three manufacturers last week and told them that we're prepared to give them a letter agreement to start a very significantly enhanced production capacity for the two certified firms. That's 100 machines immediately to order. They are meeting with us this week on the delivery schedules and their performance for this.

Both of those two certified manufactures have some problem that they had to solve prior to us ordering additional equipment from them—deficiencies in the certification performances that they had to meet.

There's a third manufacturer which we believe has a very, very strong chance of completing certification, and we've told them last week that we are prepared to initiate an immediate order for them as soon as their certification is complete. So we have made a very significant step forward here.

In addition, we have outlined the approach in which we are going to create a mechanism to acquire all the remaining number of machines that we need through the end of the year. If you took all three of those manufacturers, they could not, among themselves, produce the number of machines we need. So we did a study about

how to deploy them, the mixture of technologies that we need to make the EDS equation work, and a process that we're going to put in place that's going to allow us to use the intellectual property of these manufacturers to produce enough machines by the end of the year.

We'll hit the end of the year target. We're well under way, and we've got a lot ahead of us to do, but we've, I think, got a good plan for us to move forward.

The CHAIRMAN. Well, then it was finally here in February. But in any event, my listing here: Senator Wyden, Hutchison, Burns, Rockefeller, Smith, Cleland, and Snowe.

Senator Wyden.

Senator WYDEN. Thank you, Mr. Chairman. Mr. Magaw, can you rule out at this point that the agency is going to use airlines to supervise airport security checkpoints? I have read most recently in this morning's *Wall Street Journal*—that the agency is considering doing that. And I would be very concerned if that was the case, and I wanted to see if you'd just rule it out this morning.

Mr. MAGAW. I didn't quite understand your question, sir.

Senator WYDEN. Let me read it to you. "A spokesman for the Transportation Security Administration, James P. Mitchell, declined to comment on whether the agency plans to use airlines to supervise airport security checkpoints."

That was in this morning's *Wall Street Journal*, and it relates to a report that's been discussed that the agency is concerned about what it would do in the short term. I'd be troubled if that was the case, and I would like to give you the chance to rule it out, that you're not going to use the airlines.

Mr. MAGAW. Well, when we take the contracts over on the 17th of this month, you have to start out using the basis of what you have there. What we're going to do is put a Federal officer in there on those—right at the time it starts and a few days before—to oversee it. But in terms of—and to evaluate it to make sure that if there are—if there needs to be more training, if some of the employees need to be relieved, if, in fact, the whole unit needs to be relieved, we will do that.

Some of the ground security coordinators and other titles that the airports and airlines use—some of those people will be used to help supervise that until we can hire a work force and train that work force.

Senator WYDEN. I want to make sure I understand it. You're saying then that in this transition period, you all would pay the airlines to oversee the security checkpoints because you think that would be necessary in the transition.

Mr. MAGAW. It'll be different in some of the airports, but it—if that is the best supervision that we can get as we're hiring and bringing people onboard, that's what we will do. Some of those airline supervisors are very, very good in terms of backing up those security checkpoints. You'll also have—continue to have your law-enforcement unit there, and you'll continue to have the National Guard. So what combination of that can serve that airport the best as we hire and train the Federal work force.

Senator WYDEN. I don't think that was envisaged. And if you could give us a report, I would like to see specifically how that's

going to take place, because this law is now in a very key period with respect to implementation, and if we're paying the airlines, even for a short period of time, to oversee these security checkpoints, I can tell you a lot of my constituents are going to be concerned about how that is being done. And would you just give us, in writing, how you envisage that taking place?

Mr. MAGAW. Yes, sir.

Senator WYDEN. Alright. The second one I want to ask you, again going at this continued report, deals with how you're going to finance these contracts with the private companies. There's been a report that this could eat up your entire budget, that these private contracts look like they're coming in with very large financial cost, much higher than was originally envisaged. Could you tell us what you are budgeting? I know your budget for this year is $1.25 billion for the whole operation. And the reports are that just these private contracts could eat up a big chunk of that.

Mr. MAGAW. And they will eat a big chunk of that up. The way it's being set up, though, is that it's still trying to be as competitive as we can, competitive bidding, and those contracts are all being looked at now by our legal team being prepared to take those over on the 17th. And some of them will be higher than others, but we're going to do the best job we can of making the competition as good as we can and as strong as we can so that we will have a competitive bid.

Senator WYDEN. Do you anticipate, as a result of the costs of just this part of the law, that you're going to fall far short in the first year of having enough money to implement this law?

Mr. MAGAW. This would be a part of causing us to fall short. Yes, sir.

Senator WYDEN. And you anticipate falling short, then.

Mr. MAGAW. I anticipate that we will fall short.

Senator WYDEN. How much short are we going to be?

Mr. MAGAW. We hope in another 60 or 90 days we'll have that. The reason that we don't have it now is we've got to see how the bids on the machines go, and then you've got to see what construction has to be done at each airport in order to accept those machines, whether it's supporting the floor or tearing walls down in order to get them in, what is the installation going to cost us? In each area of the country, it will be somewhat different.

And since 9/11, the security companies and the airlines have, in some cases, tripled their security force—in most cases, doubled it—so that we just don't have a handle on the total cost yet.

Senator WYDEN. I want to ask one other question, Mr. Chairman, and I very much support what you and Chairman Rockefeller have done in this area. This is pretty troubling stuff, because the screening companies certainly are going to, in the early stages, play a key role. It looks like now that just those contracts are going to chew up a big chunk of the overall budget. On top of that, we were told that apparently the airlines are going to get to supervise, to some extent, the airport security checkpoints, and I'd just like to follow this up with you, Mr. Chairman and Chairman Rockefeller, so we can get more details, and I wanted to ask just one other question if I might.

Mr. Magaw, in December, I asked you about the act's requirements to establish procedures for the security screening of people who provide the ground service. We're talking about catering, the supplies that are put onboard. You said that some steps had already been taken, but that you were going to follow that up. What else can you tell us about establishing security screening for ground services and how long it's going to take to establish these procedures?

Mr. MAGAW. We have established some fairly competent procedures right now, but for me to discuss those in an open forum would just alleviate what we've already done. And I can tell you this, that from the time that—whether it's a truck or whether it's a person or whether it's a food product or whatever it is, enters that compound it's checked two or three times before it gets on the plane. And while I'm not satisfied that it's done as well in some airports as others, as soon as we get that Federal supervisor in these airports, then we will start taking—examining these completely and making sure that they're the same.

Senator WYDEN. All I was interested in knowing, because, of course, confidentiality is key, is when you would expect to have those rules in place—that's what we talked about in December.

Mr. MAGAW. The working part of it is already in place. We're reviewing the rules now to make sure that it covers all the area. But we—every airport in the country is protecting those items now.

Senator WYDEN. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Hutchison.

Senator HUTCHISON. I'm going to allow Senator Burns, because he has to leave, and then I'd like to come after—in the next round.

The CHAIRMAN. Alright.

Senator Burns.

Senator BURNS. Thank you very much. I—my question—and I—is more or less of a comment. In Montana—I want to give you an instance that John Seymour, the airport director at Missoula Airport at Missoula, Montana, built a blast wall to FAA specifications—to parked cars, you know, on the parking lot, that's just right across the street from the terminal. They built it to their spec, and then the FAA went out there and said, "It's good for little cars, but you can't park pickups and SUVs there." And that wasn't even in the specs. How do we deal with those kind of situations, Mr. Jackson?

Mr. JACKSON. Send them straight to me or to John Magaw, and we'll look at them and make sure that common sense prevails.

Senator BURNS. Well, I mean, before they built them, though, I mean——

Mr. JACKSON. That sounds like a mess-up to me, Senator. I'm not going to make any excuse for it. If we gave a specification for what was going to be necessary to meet that blast protection, it should have included SUVs and larger vehicles to begin with.

Senator BURNS. And then we have a situation in Billings where you—we have to have security people to look at the cars and then you can park within that 300-foot range. Is that rule still in place?

Mr. JACKSON. The 300-foot blast rule is in place, but we have given exceptions in something like 170 airports, and we exempted

all the smallest airports to begin with from the rule altogether. So we really are prepared to look on a case-by-case basis to meet this test of trying to find some common sense protection, but reasonably not make sure you park in a cow pasture two blocks away to do the job.

We'll work with people. We are very eager to do this. The Secretary has written to every airport director covered by our mandate and said, "If you have a problem, let us know. We want to work this issue with you. We need to make this balance work, but we want to work with you."

Senator BURNS. OK. And in the EDS system, we've already heard pretty much from that, because there are some areas in some airports that will never have an EDS facility. So I'm just saying right now that I think we've got to be a little bit—we've created this monster, and we've got to make it work someway or other, but I think we'd better be prepared on a case-by-case basis, because airports are kind of like people—there ain't two alike.

Mr. JACKSON. That's exactly right.

Senator BURNS. And so we have to just do some—work along that line, and I appreciate that situation where we can make some case-by-case movement on that.

Mr. MAGAW. Once we get that Federal security——

Senator BURNS. And I think my—yes?

Mr. MAGAW [continuing]. Director into each one of these airports, which the hiring process is taking place now, a lot of——

Senator BURNS. How many people do you figure you're going to have to have?

Mr. MAGAW [continuing]. These things will go away. Pardon me?

Senator BURNS. How many people do you figure you're going to have to have what with the screeners and security and everything else?

Mr. MAGAW. Well, the—I'm just talking about the Federal——

Senator BURNS. Oh.

Mr. MAGAW [continuing]. Security director that is going to be at every airport. In terms of the examiner—or the screeners, that's going to vary, depending on the size of the airport.

Senator BURNS. OK.

Mr. MAGAW. But as soon as we get that director——

Senator BURNS. Thank you. And I want to thank you, friend from Texas, for yielding. I just wanted to bring up those two cases that are very concerning to us.

The CHAIRMAN. Senator Hutchison? You all just swapped places. You were next.

Senator HUTCHISON. Is that correct?

The CHAIRMAN. Yeah, Senator Burns——

Senator HUTCHISON. I'm not displacing——

The CHAIRMAN [continuing]. Just followed you.

Senator HUTCHISON. OK.

The CHAIRMAN. So just swap places.

Senator HUTCHISON. Alright, thank you, Mr. Chairman.

The CHAIRMAN. Yeah.

Senator HUTCHISON. Let's go back to the issue of connecting flights on the checking of screened bags. We all know that probably the least favorable option is the passenger match for meeting the

requirement. What we all want is the right technology and have all of those installed, and that will then displace all of these other issues.

However, until we get to that point, why can't you check the manifest on a connecting flight and have some capability to take a bag off if a passenger doesn't show up? Why is this? Are you not able to do it or are the airlines not able to do it, or willing to do it?

Mr. MAGAW. We're having a meeting this afternoon, Senator and I believe that the airline committee, which is the heads or the number-two persons in their airlines or—and also the airlines—some of the airline committees—are coming in to see us at 5:30 today. One of the items, the first one on discussion, is we must do a pilot, we must see how we can do this, and give us your best ideas and thoughts because we're going to do it.

Now, the problem—one of the—the huge problem is, coming off of an aircraft, it may be going to 40 different flights, and going to 40 different flights in seven or 8 minutes. And if they don't have the technical ability, the hand computers and that to scan that bag and scan it into their system, there's just no way they can do it.

There—but I—well, we're going to do a pilot. We're going to do a pilot that will give us a total picture of what we can do and what we can't do. And we'll be prepared to report that back to you as soon as it's finished.

Senator HUTCHISON. OK.

Mr. MEAD. You know, I think there's an interesting dimension of this. You'll recall last year when we were having a customer-service debate, back when we were having delays and excess cancellations and so forth—remember one of the airlines commitments——

Senator HUTCHISON. That seems like a long time ago——

Mr. MEAD. It does.

Senator HUTCHISON [continuing]. Doesn't it?

Mr. MEAD. But remember, one of the airlines' commitments was to deliver baggage that was lost to you within 24 hours. Remember that? You'll recall, I think, that particular commitment.

Well, in the process of gearing up to meet that commitment, many of the airlines had to establish systems to track the bags so they could get it to you within 24 hours. And I don't think the issue is so much whether they can match the missing passenger with the bag as it is getting the bag——

Senator HUTCHISON. Getting the bag off——

Mr. MEAD [continuing]. Off the plane.

Senator HUTCHISON. Uh-huh.

Mr. MEAD. And I would hope that they would pursue a pilot program, and they could establish what these logistical problems really are.

Mr. MAGAW. And their systems don't talk to each other, so if you're going from one airline company to another on a transfer, their systems don't match. So we're going to really look at all of this to see how we can make it work better.

Senator HUTCHISON. Well, I'm very glad you're pursuing it, because I think it is a glaring hole in the system.

I would also ask you to consider some form of baggage check at the gate for people who would be leaving one airline and going to

another. When I have traveled in Europe, they will scan a bag right at the gate. Now, that's a carry-on bag, but it can also be a checked bag. I don't know if that's feasible, but I would just like to ask us to look for every opportunity to have that connecting-flight loophole closed. And I'm glad you are forcing a pilot, and hopefully you'll learn enough that perhaps it can be more widespread in use.

I'd like to ask you what the status is of what has now been called, I guess, the "trusted traveler security card," where a person could volunteer certain information, have a card that would be tamper-proof with either a retina or some other form of identification that would allow a person to have an expedited clearance and hopefully shorten the line for everyone. Where are you on that, and is it part of your plan?

Mr. MAGAW. What you have just described is very feasible, that the—as long as there is the bio-check with the fingerprint or the iris. But my problem right now is what does that gain for us? Are we going to keep them from having their bags screened? Are we going to let them go through the carry-on without having their bags screened? Are we going to isolate them in a line where there are going to be the "haves" and the "have-nots"?

And if you come up with a system like that, which is—it's not hard to do—the technology is there, and the equipment is there—and certainly—I know this Committee, if we could show a way to do it, that you would fund it—but my whole problem is, this may be, you know, not as good as it looks to be. It may be a convenience, but, in terms of security, I don't see it really helping us, because I would not be willing to—unless I was ordered to do so—would not be willing to allow the baggage to go unchecked or have your hand-carried unchecked.

So I don't really see the benefit of it, in terms of security. But as we go forward, we'll continue to look at it to see if there is a benefit to it.

Senator HUTCHISON. What about allowing non-passengers to have this kind of identification, so people with children or elderly parents or people who want to be able to go in to be helpful with a passenger. What about this as an expedited interim measure to help the airports get back to a more normal situation?

Mr. MAGAW. Yeah, on the surface, that sounds very practical and very considerate of families, and I don't have an objection to those people going on and meeting their families.

I do have a problem with this card, though, because what will happen is that the—there is no hurry for the terrorists. The soup of revenge is best enjoyed cold. They will come into this country. They will live here seven or 8 years. Some of them will end up with these cards. And then we have a problem that is worse than we have now.

So what I'm—what I want to do is not create something now that will give us problems eight or 10 years down the road. I want to try to be careful of that.

In terms of families, certainly families should be able to go and greet. I think we ought to keep it to a reasonable number. I mean, I—sometimes they show up with 30 and 40 people when families come. But we certainly can work some things out there.

Mr. JACKSON. I think once we have our Federal work force on the ground, we are going to look at those procedures to make sure that the existing processes which does allow the accompanied child, et cetera, to come onboard, work more efficiently. So we know that's an issue to look at. You've raised that with us, and we certainly are eager to look into that with our own staff.

Senator HUTCHISON. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Rockefeller.

Senator ROCKEFELLER. Thank you, Mr. Chairman. I associate myself with the remarks of Senator Hutchison on the connecting-baggage question, so I won't go on on that.

When you were just discussing those smart cards, Mr. Magaw, you were not, however, discussing, I hope, that ability to check through thumb-print, iris, retina, facial scan, whatever, even inside a palm—palm prints. The ability of a screener, should that screener find something to his or her displeasure, to be able to immediately—and I'm talking in the next several years—to be able to check with national intelligence agencies—FBI, foreign intelligence agencies—whether the name that that person has given you, should you ask for it—or should there be no such transaction, information about that person to find out if that person in fact, has a history, is dangerous, or is wanted for some wrong act in some other country, much less our own. And we call that biometrics.

Now, biometrics can or cannot include something called a "smart card," but the whole question of identification, it has always struck me—and, in fact, it's in the bill that there's a 20-airport program to test new types of technologies from biometrics to smart cards.

So I don't think we can dismiss that out of hand. I've always believed that if you want realtime identification of a dangerous person coming through a screener, and the screener has a question or sees something, and you've got this identification, which is absolutely foolproof—there have been no retinas or irises or palm prints or fingerprints that are the same in the world—that the identification is absolutely crucial to be able to check, when we get to that point, with the security folks on a national and international basis. I mean, would you not agree with that?

I think you're trying it in Baltimore. You're trying it at a number of other places. I'd like to hear your answer, and then, Mr. Mead, I'd like to hear your answer to this.

Mr. MAGAW. You know, Mr. Chairman, your observations there are absolutely correct. The way I interpreted the question to be asked, though, was, "Couldn't we have a card like that that would cause people to be able to go through and"——

Senator ROCKEFELLER. And I understood that, but I want to clarify this——

Mr. MAGAW. Alright.

Senator ROCKEFELLER [continuing]. Other point, because your answer could have been read differently.

Mr. MAGAW. That's right. You're correct, sir.

Senator ROCKEFELLER. Yeah.

Mr. Mead.

Mr. MEAD. I think it's important to pursue, whether it's retina, biometric, or a palm print or thumb print or index print. I think that's important to pursue. I think it is a secondary issue—the

smart-card angle on that seems to me to be a secondary issue, because some judgment is going to have to be made about what type of background check would be involved in giving somebody a smart card that would allow them some clearance in security. But I agree fully——

Senator ROCKEFELLER. I'm not questioning smart cards at this time.

Mr. MEAD. I agree fully—that's a technology that ought to be pursued.

Senator ROCKEFELLER. OK. The second question is just off in another direction. I travel—I don't have the luxury of traveling on regional jets. I think that Chairman Hollings and I share that joy, and we untwist our spines, et cetera, as we get out of our prop aircraft.

Now, what's interesting to me—two things—I mean, obviously, what I'm doing is getting at when are you—are we going to get at the food chain which is called either Charleston, West Virginia, or Charleston, South Carolina?

And the second is larger than the first, I'll grant you. When I make those flights, there's two things I always notice. One is that the comments that Senator Hollings was making about tight doors is—they've not reached these airplanes yet. You can see through the top. You can see through the bottom. You can see through the sides. The doors are frequently opened and shut.

And so it's like all of a sudden my constituents don't—they're not the same as constituents from O'Hare or, forgive me, Atlanta or Seattle or Los Angeles. Now, I'm sorry, that's the only conclusion I can draw.

I assume, you know, that, under God, all people are created equal, and I understand that all services don't reach all people in equal time, and I accept that and don't expect you to fight me on that, because I will agree with that. But it causes me concern, No. 1.

And second, I notice that the stewardess, if we have one, which is every other flight, will always go to the back of the airplane and sit down. Now, sometimes that's a weight matter, if there's only three of us in an airplane, but that was the week after September 11th. Now the airplanes are pretty much full, and so they go to the back of the airplane.

And I'm just thinking of the Saudi Arabian airlines that I took recently where they had people—as you took off, they had two people facing down—it was a larger aircraft, a jet—each aisle, looking straight down. They did not have very nice looks on their faces. But that made a point. And then all the rest of the flight, they sat turned around and they sat facing the door of the cabin, and I don't know the condition of that door because I didn't try to enter into it.

But that strikes me as something that ought to be—that could be, for a relatively small amount of money, changed—that that attendant ought to be—in fact, have her back to the door—cockpit door and be looking back at the passengers, because there is no guarantee that somebody flying out of Pikeville, Kentucky, or Charleston, West Virginia, or Huntington or Morgantown, you know, or some other place will not have a malicious intent.

I don't know what physically is required. I don't know what the cost would be. But I do know that having the attendant all the way at the back of the airline, the last person to be able to get anywhere if there's any kind of trouble, with the door, which is sort of the semi-see-through door, totally unattended is something I don't like.

And so either it's an end-of-the-food-chain problem—we'll get to that when we get to that—or it's something that we could do something about, and I'm interested.

Mr. MAGAW. It's clearly something that we can do something about. I had the opportunity to have the same experience you did a week or so ago, and I will address that.

Senator ROCKEFELLER. Thank you, Mr. Chairman.

The CHAIRMAN. Very good.

Senator Cleland.

Senator CLELAND. Thank you very much, Mr. Chairman. Mr. Secretary Jackson, let me just pursue this question of qualifications of those chosen to be screeners at our—at over 700 checkpoints. The law says that they shall have a high school diploma or a GED. However, I wrote Secretary Mineta January 25th expressing my concern that the department seemed to be lowering that standard and has substituted—instead of "a high school diploma or GED," substituted, quote, "one year of any type of work experience that demonstrates the applicant's ability to perform the work or the position."

Are we dumbing down the system? We don't need to dumb it down. We need to smarten it up. What other qualifications for these some 28,000 screeners at some 700 checkpoints around America and over 420 airports? Are you compromising the law, or are you dumbing it down, or are you trying to just deal with reality that you don't think you have enough applicants?

Mr. JACKSON. We are absolutely not dumbing it down. We are looking for the very best work force that we have the chance to grab for these crucial jobs. The statute said we should hire people with high school diplomas, GEDs, or other such real-world experience as the undersecretary determined to be appropriate for these jobs. I do not expect that there will be large numbers of folks who don't meet that high school diploma requirement. We are simply trying not to close a door so that if there is some stellar person who has significant experience in Hartsfield airport, for example, as a supervisor—and I've met some of these type of people—that we could entertain their application for this work force, make sure that they are tested rigorously, trained, and capable of doing a first-class job.

So we're not trying to go off in the direction of dumbing down by any means. We are trying to put very high standards—we're going to pay them well. We deserve to get terrific people here. We're just going to be open to the idea that a high school diploma is not the only way to tell if we get world-class folks.

Senator CLELAND. Thank you. And, of course, the thrust of the whole was to upgrade the system——

Mr. JACKSON. And we absolutely intend to do that.

Senator CLELAND [continuing]. Professionalism, performance, and every other way, which brings me—Mr. Magaw, to the ques-

tion of training. You're familiar with the Federal Law Enforcement Training Center in Brunswick, Georgia, FLETC, a centralized Federalized law enforcement training center. Do you anticipate using FLETC in some way, either to train the trainers or train a certain cadre or—do you anticipate using FLETC in any way in your training of some 28,000 new people you're going to hire?

Mr. MAGAW. We're using personnel from FLETC to help us plan this using their guidance as we move forward. Their facilities are really jammed now in Georgia. We are using one of their facilities in New Mexico to help train our Federal air marshals. And it's still being discussed, but what looks like is going to happen is that we're going to use, not only community colleges, but assisting already existing facilities around the country, have a cadre which will be trained and—as instructors to conduct the instruction there. It'll be 40 hours of instruction and then 60 hours of practical application.

There are two or three methods of testing. They will have to test to see that they can practically do the kind of things that you need to do, from lifting bags to moving equipment to being able to read the equipment to have the right color perception.

And then once they're on, it's a continuous training. We're going to see that training never ends and your customer courtesy never ends. You can be very consistent, you can be very strong on your security. At each installation, each airport, we're planning to have a training facility, however small or large it might be. When these people—because it is a—it tends to be a boring exercise, and we want to make sure that during the time that there's a bank of aircraft leaving or if it's just one aircraft, if they're screening bags for a couple of hours, we want to make sure that they move from one station to another every little bit. During their downtime, the period between banks, whether it's large or small, we do some kind of training virtually every day.

And we challenge them, and we will get a good work force, because the pay scale is going to attract good people, give them the opportunity to go into the Federal air marshal program, give them the opportunity to become investigative personnel, give them an opportunity to become supervisors. And those who don't measure up, you've given me the authority to release right away, and we will do that.

Senator CLELAND. Thank you. Good for you. The whole sense of the law, as I understood it, was the professionalism of the force and—in terms of professional—you've been a professional law enforcement person yourself—over a long period of time, you can be professional and yet you can be courteous——

Mr. MAGAW. That's right.

Senator CLELAND [continuing]. And that's what we're looking for.

Mr. JACKSON. Senator Cleland.

Senator CLELAND. Yes, sir?

Mr. JACKSON. Could I ask your forbearance just to say that——

Senator CLELAND. Sure.

Mr. JACKSON [continuing]. To your core question about FLETC, I'll give you an indication of how much John values FLETC's contribution. He went out and recruited their director to come work for him, and I'm pleased to tell you that Ralph Basham is on the

job here, so the FLETC assets are well represented in our organization.

Senator CLELAND. And he's a good man, and we're glad the country has his services still.

Mr. JACKSON. Yes, sir.

Senator CLELAND. Mr. Magaw, you'll have a Federal security director at every commercial airport in the country. I'm just curious, will these Federal security directors have a special training, in terms of leadership, and maybe the ability to tie into this intelligence network so that we can anticipate problems before they arise, or we'll see them coming through better intelligence than we've had before?

Mr. MAGAW. Yes, sir. When we're bringing the first few onboard—well, first of all, when we wrote the job description—and when you start any agency, sometimes you're an agency of one or two people to start with—and so myself and two others actually wrote the job description that Korn-Ferry is using. And we have said that we would prefer that they have some kind of law-enforcement experience so that they can, not only interface with the local enforcement, but also know how to carry out the law.

The second part of that job description talks in terms of their ability to manage people, their ability to manage budgets, their ability to be creative, their ability to look down the road, their ability of common sense. The third part of that is people skills, and if—and we're getting some very, very good applicants—I mean, some that I wouldn't even have dreamed of, and I don't want to mention them yet, because we haven't offered them jobs and I want to make sure that they come out in the top three of the coming toward—so that we abide by the personnel rules.

But at any rate, once they're, you know, selected, we're going to bring them into D.C. for, we think, about a 2-week training period. They—we're going to work with them to develop the structure for each of the medium, small, and tiny airports, go over all kinds of ethics and rules and guidelines and regulations, and then we'll send them out to their installation with the first instruction, you know, go to the airport manager, go the law enforcement head there, go to the airline heads there, sit down, and go over the kinds of things that they're going to be doing there. So a lot of the things we're talking about here will go away when that person comes onboard.

And so I don't mislead anyone, there probably are a couple of airports in the country that are close enough together you'd have such a small—one or two or three flights a day—that I don't intend to put a highly paid director into—I will use one for both of those airports if—we're going to try that.

Senator CLELAND. My time is up. One quick question. Will the screeners at the 700 checkpoints be uniformed, and will those uniforms be standard nationwide?

Mr. MAGAW. They will be standard nationwide. They will be uniformed. It will be a uniform that they will be proud to wear. And we're going to build an esprit de corps that will make you very proud of this organization.

Senator CLELAND. Well done. Thank you very much, Mr. Chairman.

Mr. CHAIRMAN. Thank you.
Senator Snowe.

STATEMENT OF HON. OLYMPIA J. SNOWE, U.S. SENATOR FROM MAINE

Senator SNOWE. Thank you, Mr. Chairman. Welcome to everybody. Obviously, it's of interest to all of us in following up on the mandates of the legislation that we passed.

Mr. Magaw, can you tell the Committee how and when this transition will occur with respect to the Federalization of the screeners at the airports? I had some roundtables with local officials in January across the State and met with airport officials, and some of them have yet to be contacted in terms of how and when this is all going to occur. I think it would be important, frankly to call these airport officials to let them know what they can expect, when to expect it, and what should they do to begin to prepare for it.

Mr. MAGAW. Now that we do have a skeleton plan put together, we did start last week to do conference calls with—I think we did about 20 or 21 airport managers, and we're going to move that through. And it is important that we confer with them from the very beginning, and we intend to do that.

Senator SNOWE. I know you have a lot on your plate, and I know they expect to hear from you, but I think the interest is in how you expect to meet the deadlines for the Federalization of the screeners. Do you think there will be any problems—or do you anticipate any problems with making sure that you can put the Federal screeners in place by the deadline?

Mr. MAGAW. By the end of the deadline?

Senator SNOWE. Yes.

Mr. MAGAW. I don't. I anticipate there will be a few recruitment problems and training glitches here and there, but we're going to meet that—we're going to meet that deadline. And, of course, the Federalization really starts to take place the 5th to 17th of this month, and we'll move forward with the training and get the personnel onboard in a timely fashion.

Senator SNOWE. Have you developed a plan for the training manual for the screeners?

Mr. MAGAW. It—the basic guidelines have been written and approved. The actual teaching manuals, student manuals, and that—are actually being written by a cadre of personnel that we have recruited both from the private sector and also from the Federal Law Enforcement Training Center and a couple of other training—high-ranking training personnel from the Federal Government.

Senator SNOWE. And what about for the crews of passenger carriers? I know there was a mandate in the legislation to develop a manual for procedures and guidance in how to handle potential threats in the air.

Mr. MAGAW. That guidance was written and was completed a few weeks ago, you know, on the timeframe, it's gone to all the airlines. The airlines now are using that to develop their training, and it's moving forward within the airline industry now.

Senator SNOWE. On the explosive-detection systems that have been discussed—and I know they have been mentioned in your report, Mr. Mead—it's been a consistent problem that those that

have been deployed in airports have been underutilized. How do we expect to turn that around, No. 1? Second, do we expect that the manufacturer is going to be in a position to manufacture the numbers that are going to be required to be put in place in all of the airports across this country? And, third, I know there's a plan, mandated by the legislation, being prepared for Congress for May to apprize us of the progress that is being made. Do you think that will be sufficient time to correct any problems or anything that we might need to do on that issue?

Mr. JACKSON. We are going to meet the May deadline, and we'll have a plan in place before May, and we've already launched procurements to begin to get us the first tranche of a considerable number of pieces of equipment.

We're looking at how to manage different types of equipment and different manufacturer's equipment in a connected process to get this job done, so I think that we will be able to move that along effectively. We are looking for an integrator contract to help us manage some of the—to deploy, build, train, maintain components of this, as well.

And, finally, on the utilization of these equipments, I share the Chairman's frustration and the frustration of Ken Mead about the use of this. After 9/11, we put in a mandate for the airlines to require them to have continuous-use. It didn't get done as well as it should have gotten done. So we have put in place, after passage of the act, a new, much more rigorous and tough and precise standard so that no lawyers, smart as they may be, can second-guess what the objective is here. They have to put a report out to us for every piece of equipment on the use of that equipment hour by hour, day by day. And we've put requirements in place so that if it's staged next to one airline that has a period of down time, literally runners from another airline bring bags over to feed the machines so that we can try to get the maximum number of bags through that piece of equipment during the course of a day.

When our screeners and our people are onboard, we will be doing those jobs, and we will make certain that we are utilizing this machine, because otherwise it's going to cost us a lot more money.

Senator SNOWE. How many machines would be at a major airport such as O'Hare?

Mr. MAGAW. Probably 80 or 85.

Senator SNOWE. 80 or 85?

Mr. MAGAW. That's being worked out right now. That'll be somewhere—I mean, I could be eight or ten off either way there, but that's going to be fairly close in that there—you know, the other—you know, we want to make sure we get the best price, too, because they can sell for up to a million dollars.

Senator SNOWE. What about cargo and freight and mail that's carried on planes? I know we were less than clear in the legislation that was passed, but obviously that also represents a serious threat. Is there anything that we're doing in that regard?

Mr. MAGAW. Well, we are—we're working with the airlines. And one of the things that's already a public notice that I would talk about is that they are only accepting cargo from people that they have done business with long before and that they have a knowledge about.

We still have concern that—who's watching that before it comes? And once it gets there in the warehouse, how is it moved from there to the aircraft, and what kind of security is on the warehouse? If there are not doors that close or gates that close and alarms that go off—we're looking at all of those kinds of things.

In terms of the examination of that kind of cargo or to try to examine it all is not out of the question in the future because there's back-scatter technology that—we pull the truck up or a container up and it actually shows everything in there. You can place a .45 caliber automatic in there and it will outline it for you.

So the technology is there, but it's very, very expensive, and so we're trying to do these other things in the meantime. But cargo is clearly something that we have to pay attention to, because almost on every passenger jet is cargo. And then, of course, there's also the cargo planes that fly nothing but cargo, and so those are important to us, also.

Mr. MEAD. We have a report pending on the cargo issue.

Senator SNOWE. Oh, great.

Mr. MEAD. It's footnoted in our testimony. We're not going to publicly issue it, but we'd be glad to brief the Committee or staff in closed session.

I should say that when we briefed the Department on the preliminary results of that, they moved out promptly to close one gap, which was the unknown shipper coming in. At present, air carriers cannot transport cargo from unknown shippers. And they also tightened up the definition of "known shippers," so that you had to be a known shipper for a sustained period of time.

There are still some other issues, but those are two big ones that they moved out promptly to correct.

Senator SNOWE. What about perimeter security at some of these general aviation airports?

Mr. MAGAW. The perimeter security of almost every airport is a concern. It's a concern to the airport enforcement. It's a concern to the airport manager. And they are addressing those.

I was at the Miami Airport last week and spent three or 4 hours there talking about their perimeter security, talking about their screening techniques. And they really have it outlined as to what they need to do and what they're doing, you know, in terms of closing the gap. So I was pleased with what I found there.

Senator SNOWE. Well, I think it's going to be critical that we make sure that access to these airports are to known individuals.

Mr. MAGAW. Sure.

Senator SNOWE. I think it's going to be critical, I think, to overall security in the future.

Mr. MAGAW. That's right.

Senator SNOWE. Thank you all very much. Thank you, Mr. Chairman.

The CHAIRMAN. We passed this Aviation Security Act unanimously—all Republicans, all the Democrats. Are there any changes that any of you three could think of or recommend or you think should be done?

Mr. MAGAW. We're looking at that, Senator, now. One of the concerns that I have is that, as a law enforcement officer, we're looking to see what authority we have to assist the local police. In some

cases, we're finding that there's been a disturbance on the aircraft. When that aircraft arrives at the airport, the local law enforcement takes the person off. And a lot of times, there is no prosecution. I want that to stop.

We do have very specific things that we have authority for. I'm a little concerned that we might need a tightening up there—not to get into the FBI's work of terrorism. Our Federal agents who will be on the scene there with the local—if it's a terrorism kind of a thing, we will hold—maintain the scene for the FBI. What I'm talking about is somebody slapping an attendant or pushing an attendant or kicking an attendant or relieving themselves in the aisles. These things happen, and they happen a lot. And these professional crews with these airlines are tired of it. They don't feel support. So they're—with all these security things happening, that adds to their nervousness. We're not going to allow that to continue.

The CHAIRMAN. Well, any other change? We're here to help, and that's the purpose of the hearing, and we'll get the staff to work with you, Secretary Magaw, immediately. And we could put out a bill and have no trouble at all in passing those kind of things. Everybody in the country is concerned about security. Any other change that you can——

Mr. MAGAW. Well, that when you bypass the security point, as Senator Cleland was saying, in most cases that's not a Federal offense, and so we want to address that issue, too.

The CHAIRMAN. Alright, sir. We'll do that.

Senator Hutchison.

Senator HUTCHISON. Mr. Chairman, just to follow up on——

The CHAIRMAN. Yes.

Senator HUTCHISON [continuing]. Your line of questioning, you're saying that we should make it a Federal offense to assault a flight attendant or to go through the security without clearing a checkpoint. You're saying we should have some criminal sanctions so that you have an enforcement capability?

Mr. MAGAW. Yes. Now, you do have—there is a kind of a catchall that takes any kind of a disturbance on the aircraft, but I want to see what the case law on that is, because if the case law is fairly wide open, I would like to come back and ask you to tighten it up for us.

We just have to start protecting these crews. They have to know that they've got support. When he can put that—when he or she can put that aircraft down on the ground very quickly, when that door pops open, they want to see law enforcement, and they want to see law enforcement that is going to take action. And we're going to take in all the constitutional rights, but we are going to take action.

Senator HUTCHISON. Thank you. I just had one other line of questioning, and that is on port security. What steps are you taking to secure our ports?

As I'm sure you know, Houston has the second-largest chemical complex in the world, and there are many other container issues, as Mr. Mead mentioned. What are you doing to take those steps to secure our ports as we are now doing with our airports?

Mr. MAGAW. We have $93 million in order to address that project. We are in the process now of getting ready to write the rules for the grants, issue the grants to the ports. There is a Coast Guard captain of every port. The Coast Guard, obviously, is part of Transportation, working very closely with us. In fact, we want a Coast Guard person in charge of our maritime part of my organization. But at any rate, we will go into those ports and those—the grants will be to determine what the weaknesses are. And there should be some money there to start correcting some of those weaknesses—probably not all of them.

Florida—we visited with them the other day. They came to see us. They have done all of their deep-water ports. They decided to do it with State funds. They've done all their deep-water ports—survey them and look at them and determine the risks. And so it's a case of us continuing to work with them. And, of course, now they're concerned about taking a few more steps and can we—as part of that $93,000 [sic] going to go to Florida or, because they're ahead of the game a little bit, are they going to get left out? The answer is no, they're out there, they've done part of the work. We're going to help them, but not more than we are the other states. So those—you have many ports that we're concerned with.

Senator HUTCHISON. I know that you know the Senate passed a bill unanimously, led by Chairman Hollings, that would require every port to put a plan in place for security and then have it approved. Obviously it hasn't passed the House at this time, but I'm asking—are you going to take steps without the law, which you don't need to have, to ask these ports to voluntarily start their planning processes to submit to you?

Mr. MAGAW. They're chomping at the bit to do it. They understand—these are outstanding citizens in charge of those ports and working there, and they recognize the risk, and they want to get the funds so that they can start to do this. So we want to get it out there as quick as we can.

Senator HUTCHISON. Is it fair to say that some of them are already—you mentioned Florida—taking steps to secure their ports, even before they submit plans? Are there others?

Mr. MAGAW. Yes, there are. I don't know that I could call them off very accurately for you, but they—there are.

Senator HUTCHISON. Well, I know Houston has certainly taken several steps because of their very special situation. But I think every one of these ports needs to be encouraged to take these steps as the bill works its way through. I don't think it's rocket science to know that this is a very big vulnerability.

Mr. MAGAW. We've identified 341. And that's what we're—that's the number we're working with right now. I'm sorry——

Mr. JACKSON. No, that's alright. We very much appreciate, Senator, your leadership on this issue and the support that your Committee has given to this, and the administration has stood behind the legislation that you have offered.

And, as John said, we're working with them already using this $93 million to help jumpstart this, and I would say that this is also an example of the type of approach we're trying to take with other modes of transportation, as well.

In the transit arena, for example, we have been sending evaluation teams out to some of the large metropolitan transit agencies to help them identify security vulnerabilities and to map out a process for improving them. We're doing work with haulers of hazardous material by truck and—in the same sort of mode, going out, using our inspectors to work with them, trucking firm by trucking firm, to find vulnerabilities, to understand the problems, and to work through those.

So we are grateful for the port security legislation, and we'll work with it, but we were—we're also moving out with the tools that we have at our disposal right now.

Senator HUTCHISON. Are you including private ports in your concept of asking for plans to be submitted? Are they eligible for the $93 million funding?

Mr. JACKSON. We haven't yet published the requirements for eligibility. I think it is important to triage the vulnerability here and all security conversations. It's regrettable, but a fact of life, that you have to triage where the highest points of vulnerability are. We are certainly looking at the large ports to make certain that we have covered those. And we know that there is other work that needs to be done at smaller ports, even private ports, and we want to try to find the appropriate solution for each level.

Senator HUTCHISON. Let me just say that, as the Chairman asked do we need anything in aviation security, I hope that you will come back to us in writing and let us fine-tune the bill. We always knew that fine-tuning might be necessary once we got into this enormous effort. I would also ask you to do the same thing with ports, with rail, highway—if you see holes that you can't fill administratively, please come to us and let us come back with added components that would be helpful. I think all of us want to work together, and we do appreciate your jumping in quickly.

I appreciate the Chairman approving the interim confirmation of Mr. Magaw just to get 2 weeks extra to start working on this very important project that will affect every American that travels on the highways and rails or on our waterways or in the air. We thank you for the effort you're putting in, and we want to be helpful. Thank you.

The CHAIRMAN. Yeah, the delay on port security, Senator Hutchison, is ours in the Congress, particularly on the House side. In other words, these ports are chomping at the bit, as Secretary Magaw says, but then they don't want to do something futile and find that the regulations from Washington are going to come out differently than what they plan. And they're asking that we please hurry up and get that bill through the House, reconcile it, and get it to the President so then the Department's got the policy and their plans will conform with that particular policy.

And I've called Chairman Young yesterday, and I'll keep calling. We're trying to facilitate it and move it along.

Senator Rockefeller.

Senator ROCKEFELLER. Thank you, Mr. Chairman. I want all three of you to know, I started out looking for oceans in West Virginia and was unable to locate any. When I started looking for ports, it became an even more futile task. Having said that, how-

ever, I fully associate myself with what my two colleagues passionately stated, as I do believe it.

Presumably mine will be the last question. It may not be. And this is an oversight hearing. Sometimes at the end of oversight hearings members make the mistake of mellowing, giving you the wrong impression, or perhaps giving the public the wrong impression. But what I want to say—I expect my Chairman is little bit nervous right now—is that I think one of the reasons that perhaps we've mellowed just a bit in saying how can we help you, including a couple of things I wanted to say, is that I think you've acquitted yourself very well—and I've never said that at an oversight hearing before, and I hope not to say it again soon, but I think you have.

And let me make a couple of points. No. 1, you know, there was this terrible ruckus when we passed this bill about Federalization and all the rest of it and, you know, it was—were the Democrats trying to get unions and all of this kind of stuff. And it was always irrelevant. And, as I listened to you talk, Mr. Magaw, and all of you—Secretary, I should say—all we really want are the best people that you can get. And when you say that, you know, you're going to take over December 17th, you're going to take over a private force—well, of course you're going to take over a private force. And of course you're going to have to spend the time to pick out the best people. And, as it just so happens, there are some very good people.

And just to be perfectly honest about it, I've been traveling a great deal in my State and others and looking at our screeners, and I'm not sure if I—rightly or wrongly, but I choose to say that I detect a slight improvement or it might be quite an improvement, or it may be I'm picking out individuals who seem to be really very good, not just because they keep making me take my shoes off every time I go through, which I fully appreciate. I haven't had a hip replacement yet, but when I do, I'll be prepared to handle that, too.

In other words, it seems to me they've kind of toughened up. Now, that may be because they're trying to get you to employ them, but I don't care what the reason is. If they're doing a good job, and if they pass the criteria which you set for hiring them, then checking out their backgrounds and then training them and retraining and constantly training them and giving them a goal of being able to go for the sky marshals program having higher pay, having benefits, all the rest of it, which is the whole point of Federalization, you know, it doesn't really make a whole lot of sense for me to spend all of my time quibbling about that little comma which said, you know, after the 1-year—after the GED or high school education—unless or if. See, I can do that, or I can say, look, I want you to hire the very best people you possibly can.

And, to be quite honest, if you miss your deadline by a week or so, I'm not going to go into orbit. I don't believe we put any criminal statutes in that, and I think if we put a criminal statute in that which said that you had to have it done by that time regardless of the consequences, it would have been terrible on our part. What you want are the best 50,000 people or so, which is the largest Federal agency created since the end of the second world war, to be the best possible ones you can get.

So that's my sense of this meeting—and Mr. Mead, I just want to assume for the moment that you're going to agree with me; you may not—that you're trying to do this in the right way. And that's good, I think, and I want to say that, because it was too much contentiousness over the fact that if you didn't bang them over the head, they wouldn't do anything.

Now, maybe the reason was they—because they got you, Secretary Magaw. You know, I voted for you before you even sat down, because of your credentials. But everything you've said today has struck me as being on-target. Now, there may have been one or two things—and I can't remember them at the moment—that weren't, but they struck me as having been reasonable, law-enforcement oriented, patient, wanting to do the job in the right way, knowing that you can't have 88 things on your plate and do them all perfectly and that you'll have to come back. But on the other hand, you want to do them all perfectly, and I think that's kind of come through.

So I want to say that, that you need to get the best possible people. I don't worry about them being able to handle biometrics or interface with intelligence agencies, because you're going to train them how to do that and you're not going to hire people that you can't train how to do that. And I just pray that you have enough people, and I think you will, who apply, because the pay is good, the benefits are good, and FEHBP has never been criticized by very many people that I know of. So I think you're probably going to get a very good work force. And I want to say that at this oversight hearing.

Let me conclude with two small points—one of them not so small. We gave you, in the bill, $50 million a year for 5 years to do technology research. And in addition, you get $20 million a year from DARPA. There are all kinds of ways that that can be spent. I would be interested, if you can tell me—this may come under your confidentiality rules—some of the ways in which you're thinking about technology at this point, because, to me, technology is a very large part of airline security.

Mr. JACKSON. Senator, I'll give you a couple of examples of how we're going to spend some of that money. And then we'll have, in just a short while, a more detailed outline of how we're going to use the whole amount. But, for example, one thing that we're working on that we consider very promising is a second-generation computer-assistance passenger-profiling system. It is a more rigorous, a more sophisticated, state-of-the-art set of tools that will allow us to make sure that when we select passengers for additional screening, that we are using a very, very robust set of tools to do so—that my mother, traveling to the airport, is not going to be selected repeatedly for that additional screening, but rather people that have a higher probability of being one of the bad guys. So that's one area.

In DARPA, we have—at the request of the secretary of Defense, DARPA did a study of airport technologies that could be used over, frankly, a little bit longer period of time than this first year, but we are in receipt of their report. We're going to work with DARPA on some of the recommendations that they're making in this area.

We have a series of teams out at 15 large airports—small airports, medium-size airports, 15 total—looking at the process of moving people and the technology tools that can be mapped against that. It's a—we competed this with some smart folks from the outside and some good folks from around the government to help on these teams that are going around. So we're mapping out allocations of that R&D money. We're looking at biometric devices to seal off access to the tarmac. These are all things that we're moving.

And, finally, to sort of queue up some really strong technology ideas to look at, we put out a general request through our RSPA agency at DOT and received 600 extremely good ideas that we have vetted with peer teams, divided them into classes of technology opportunities and done drill-downs into those. There's some very, very large corporations and some ma-and-pop folks working out of a garage. We're trying to make sure that we don't let any good ideas slip by.

So that's how we're—that's some of the ways that we're using that technology money right now.

Mr. MAGAW. And in our structure, Mr. Chairman, we've worked very closely in the structure—at the very top part of that structure is a very high-ranking technology-engineer-type individual that will be constantly looking way down the road.

Mr. JACKSON. And we have recently hired a new CIO from the Department with tremendous skills in this arena to help do some of the technology architecture work for John's new agency.

Senator ROCKEFELLER. Let me just close with this quick comment. I'm very happy to serve on the Intelligence Committee. And actually some of our very best hearings come when a group of about eight computer software executives, technologists, extremely brilliant people, who do this and have absolutely have no connection with intelligence agencies at all, but do it because they love it and because they're patriotic. They've been doing it for years. They're exactly the same people. They come in, and they will tell us more things in a one- or 2-hour session than really anybody else who testifies before us. And it's because they are brilliant, because they have the freedom to say exactly what they think, and nobody can—not that anyone will know what they've said or can do anything about it even if they did. And I really like that approach.

Secretary Jackson, you've just spoken of that approach, the people that you have in. But I'm just saying that that—even beyond your employees, people from the outside, I mean, they can have extraordinary thoughts about what can be done. And, you know, how you get a hold of them, I have no idea. If you even need to, I don't know. All I know is it really works on that very critical Committee.

Mr. JACKSON. Mr. Chairman, we couldn't agree more, and we have created a special advisor program to be able to bring these type of people into the department and work for a 4- to 6-month period. We've gotten tremendous—we have a handful now, about 8 or 10—that's about all we want right now—but we're doing some of this with outside firms. We're bringing some in to live side by side with John's folks. They are from Intel, Selectron, Disney, FedEx—people who have expertise in an area where we need help and when we welcome the help.

So we have vetted this all through our legal counsel and our ethics people. We designed the program in a way that's very transparent. We put them at focused tasks. We're finding this extremely helpful.

Senator ROCKEFELLER. Good. Thank you all very much. Thank you, Mr. Chairman.

The CHAIRMAN. Now, with respect to the privately-operated seaports, as we all know, I think Seattle is private-public combined. They're building a private port on the Savannah River. They're going through with that. Up there in New York, it's Maersk, I think it is, the Danish outfit operates New York's ports. And the People's Republic of China is Long Beach—Chinese—down home, they'd say the Communist Chinese—and, yeah, we're going to control that, too. So this seaport will apply to all of it.

With respect to the machines and technology that you were talking about, I'm getting the John Dingell treatment. I have to take off my shoes—of course, my wife makes sure I don't have any holes in my socks anymore, but can't you—that Sematech, can't you get a little miniature EDS device that'll—without taking off the shoes to find out whether you've got explosive in the soles there?

Mr. MAGAW. There's a——

The CHAIRMAN. Secretary Magaw.

Mr. MAGAW. There's a couple of technologies——

The CHAIRMAN. Yeah.

Mr. MAGAW [continuing]. That does—that is capable of doing that. We're having trouble getting it done at the ground level, and I don't know whether we have to just set it a different way, but it—there are technologies to do that, and we're looking hard at that.

In the meantime, you know, when you have a person my age take their shoes off, we've got to provide chairs and shoehorns for them. I can't——

The CHAIRMAN. That's right.

Mr. MAGAW. We've got to make a secure area for their search so it's not open on all three sides.

The CHAIRMAN. Yeah. Well, help me on that one thing. Unless I'm totally wrong, on how you can veritably stop hijacking. All you need to do is have that secured door not opened in flight.

And, Secretary Jackson, you're talking about the double doors. Now, not all the El Al planes—but in the meantime, if someone gets ill—you all make me sound crude to get to the point, but I mean you've got a burp bag, or specifically you go to the doctor and, whether your wife or yourself gets a urinalysis, they give you a little container—give you a bowl jar. Come one.

We're trying our dead level best to put a sign that you can go to jail, but you cannot hijack any of these flights. You can put that in every major airport in America by just taking care of the situation, like they have in Israel where they haven't had a hijacking in 30 years. And we can't wait on double doors or the war will be over. There's no reason not to do that.

I know in a little private plane, they've got a facility—a little tube—to go. So let's don't play around with something and wait on double doors and the convenience of the pilot and everything else.

It's the convenience and safety and security of that pilot and the traveling public.

And I'd like to see a sign, not only in English, but in Arabic, "You can go to jail, but you cannot hijack," in every airport. And that means they're coming right down to the ground, Secretary Magaw, and they're going right to jail. And that's the rule, so they all understand that. That ends the hijacking. That ends the threat to power plants—nuclear power plants.

If—now, a little private plane—you know, you can't control all of those, so if the nuclear power plant can't withstand a little private flight running into it, then they ought to close it down this afternoon.

It stops all of this saying, "Nobody get out of their seat in the next 30 minutes because we're about to land." You all go around your elbow to cause more problems, when it's easily solved. No more hijacking. You can go to jail. That door doesn't open in flight. Please help us on that.

Is there anything further? Thank you all very, very much for your appearance here today. The Committee will be in recess, subject to the call of the chair.

[Whereupon, the Committee adjourned.]

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