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OVERSIGHT OF TRANSPORTATION SECURITY ADMINISTRATION (TSA) FISCAL YEAR 2009 BUDGET

HEARING

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

SECOND SESSION

MAY 13, 2008

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ONE HUNDRED TENTH CONGRESS

SECOND SESSION

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OVERSIGHT OF TRANSPORTATION SECURITY ADMINISTRATION (TSA) FISCAL YEAR 2009 BUDGET

TUESDAY, MAY 13, 2008

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

The Committee met, pursuant to notice, at 10 a.m. in room SR–253, Russell Senate Office Building, Hon. Daniel K. Inouye, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. DANIEL K. INOUYE, U.S. SENATOR FROM HAWAII

The CHAIRMAN. I apologize for being late.

The public's confidence in the safety and security of our transportation systems is vital to our social and economic well-being. Since the tragic events of September 11th, there is no doubt that we have made significant progress in strengthening the security of our transportation network.

Following the attacks, Congress moved to quickly create the Transportation Security Administration to better secure aviation, port, and surface transportation infrastructure. And as you are aware, we have continued to refine our efforts through subsequent legislation since the initial creation of the TSA.

Just this past year, the Commerce Committee was instrumental in the passage of the Implementing Recommendations of the 9/11 Commission Act of 2007. This legislation closes potential loopholes in our Nation's aviation security regime by making significant improvements in air and maritime cargo security, airline passenger explosives screening, and the oversight of foreign repair stations.

Additionally, the 9/11 Act dramatically expands and improves Federal security efforts for the Nation's major surface transportation modes by authorizing new security assessments, grant programs, security measures for passenger and freight railroads, trucks, intercity buses, and pipelines.

While I am confident that the goals of the 9/11 Act will be accomplished, the TSA's Fiscal Year 2009 budget proposal raises a number of concerns in this regard. The Administration's complete overhaul of the TSA budget structure makes it unclear whether the mandates in the 9/11 Act are receiving proper resources for implementation, particularly with regard to improvements in surface transportation security.

It is also unclear why the Administration is asking to increase funding for baggage screening when they have been slow to embrace the provisions in the 9/11 Act for this activity and, in fact, have not fully utilized the resources already provided.

We must ensure our Nation remains vigilant in pursuing the security of our transportation systems and continues to adapt to evolving threats. It is critical that the Administration work collaboratively with this Committee and other stakeholders to avoid the management problems of the past, ensure the agency has sufficient resources, and move forward with implementing the provisions of the 9/11 Act in a quick and effective manner. And I look forward to hearing how we can best accomplish these tasks.

It is my privilege to call upon the Vice Chairman of the Committee.

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

Senator STEVENS. Mr. Chairman, I am sorry to be slightly late. I do thank you for holding the hearing and welcome the panel. I look forward to hearing from them again.

We know the challenges of securing the vast transportation system, and it will continue to grow, I think. Those challenges will continue to grow. The role of TSA is often thankless and obstacle ridden. I do commend you at the TSA for what has been done. I think there has to be a great deal more done, as the Chairman has said.

We set forth an ambitious and demanding aviation and surface mode security schedule for TSA in last year's 9/11 Act. The proper implementation of those goals will take efficient use of an always strained and stretched budget, and we don't expect it to expand too much this year.

We do thank you again, Mr. Chairman. Look forward to this hearing and the questions I have available to ask them today.

Thank you.

[The prepared statement of Senator Stevens follows:]

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

Thank you, Chairman Inouye, for holding today's hearing. I welcome our distinguished panel and thank you for your testimony. The Committee intimately knows the challenges of securing our vast transportation system while also maintaining the flow of commerce. The role of TSA is often thankless and obstacle-ridden, and the Committee commends you on your progress; however, there is much that still needs to be done.

Congress set forth an ambitious and demanding aviation and surface mode security schedule for TSA in last year's 9/11 Act. Proper implementation of those goals will take efficient use of an always strained and stretched budget.

In the 9/11 bill, the Chairman and I authored a provision to dramatically improve the deployment and installation of in-line baggage systems at our Nation's airports by utilizing multi-year letters of intent that would allow airports to leverage government contributions in the bond market. That provision also utilized existing funds and did not require additional cost on the air carriers and their customers.

However, instead of embracing and effectively utilizing our provision, the TSA has included a proposal for a temporary increase in the existing passenger security fee to purchase and install explosive detection machines and in-line checked baggage systems.

While the Committee appreciates the idea of expediting deployment of the in-line baggage systems, the Committee cannot support an increase in the passenger secu-

rity fee. During these times of economic instability we cannot afford to put an additional burden on our air carriers and passengers.

We are approaching a serious period of transition and it is imperative that TSA set the foundation for continuity in security, regardless of the outcome of the next Presidential election. Security should not be subject to political differences or appointment; it needs to be stable in both the short and long-terms.

To assist the transition, the Agency needs to get Secure Flight, the national passenger pre-screening program, operational. The Agency needs to effectively deploy new technology at our checkpoints to improve explosive detection. The reported lack of screener proficiency is not acceptable. We cannot operate under a false sense of security; we need screener accuracy and real security.

Finally, I want Mr. Hawley to know how important it is to our economy that the air cargo screening benchmarks be met. I encourage TSA to work diligently and quickly to attain 100 percent screening of air cargo, within the bicameral agreed-upon benchmarks that were set within the 9/11 bill. It is essential that TSA maximize the screening of cargo on commercial aircraft without causing negative repercussions on the flow of commerce.

In Alaska, Anchorage International Airport continues to be the *number one* cargo airport in the U.S., and the *third largest* worldwide based on cargo weight landed. In addition to our all-cargo operations, the airport is also a major transfer point for passenger air cargo, or what we like to call "combi's". The improved screening of passenger air cargo will provide a higher level of safety and security to my constituents. It is important to our economy that you meet those benchmarks.

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

The CHAIRMAN. Thank you very much.

Before I proceed, I would like to advise the witnesses and the Committee that at approximately 11 a.m. this morning, we will be having a series of roll call votes.

With that, we are pleased to have witnesses of very distinguished citizens. First, the Honorable Edmund "Kip" Hawley, Assistant Secretary for Homeland Security, Transportation Security Administration, and the Honorable Cathleen Berrick, Director, Homeland Security and Justice Issues, Government Accountability Office.

May I call upon Secretary Hawley?

STATEMENT OF HON. EDMUND S. "KIP" HAWLEY, ASSISTANT SECRETARY AND ADMINISTRATOR, TSA, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. HAWLEY. Thank you, Mr. Chairman, Vice Chairman Stevens.

It is a pleasure to be on the panel again with Cathy Berrick from GAO, and I am also pleased to appear to discuss the President's Fiscal Year 2009 budget proposal and TSA's program activities.

TSA's focus in the year ahead continues to be improving the ability of our Transportation Security Officers to detect improvised explosive devices and other threats to aviation security beyond prohibited items.

Today, our threat environment remains high, and TSA's challenge is to defeat known terrorist threats, as well as those the terrorists invent specifically to get around our technology and procedures. This requires us to use technology, our people, and our process in ways that are effective, yet flexible enough so that vulnerabilities cannot be exploited and predicted.

On the technology front, millimeter wave whole body imaging technology is now deployed at JFK, Los Angeles, Phoenix, and Thurgood Marshall Baltimore/Washington International Airport. We will deploy at least 30 more of those machines by year end. Also by year end, we will deploy 600 Advance Technology (AT) X-

ray machines to improve detection of IEDs by giving our officers a much clearer picture of what is in a carry-on bag.

To get the most out of this technology investment, every TSO working at a checkpoint will undergo this year an extensive twelve hour training, bringing together the latest thinking from intelligence, explosives detection, and human factors that can affect security. This will give us the tools to go on offense, to make security smarter and harder to beat.

Underway now is the most significant checkpoint redesign in 30 years. We call it Checkpoint Evolution, an integrated security checkpoint bringing together the three elements of people, including passengers; technology; and better process. The prototype is now operational at BWI. The checkpoint configuration and technology supports a team approach that is calmer and more conducive to smart security.

Smart security involves layers. Risk-based, layered security continues as a major priority for the year ahead and is reflected in the President's Fiscal Year 2009 budget request. We have added new layers of security in front of the checkpoint and to other areas of the airport, including the Travel Document Checkers; Behavior Detection Officers who can identify someone who may be a threat before they get to the checkpoint, let alone the aircraft; Bomb Appraisal Officers to help with IED training and detection; and our VIPR teams that intensify the visible presence of security in both aviation and surface modes.

And I would like to point out on the issue of the surface modes, we have done almost 1,000 of these VIPR teams. Over half of them have been in the surface mode. In fact, there was one yesterday in Atlanta that I was a part of. So the VIPR teams apply both on the aviation side and on surface transportation.

We have also added employee screening to protect the back side of airports, where we are running a 90-day test of employee screening in seven airports, including Boston, Denver, and Jacksonville, Florida.

To put this in perspective, by the end of 2008, the vast majority of passengers will be covered by Behavior Detection Officers; 100 percent of passengers will be covered by Travel Document Checkers; and over half the flying public by AT X-ray. Every airport now has random screening every day of its employees. All of these programs work together as connected pieces in a multi-layered, multimodal, total security system to put us one step ahead of evolving threats.

In prior hearings, we have discussed TWIC, the Transportation Worker Identification Credential, and Secure Flight, and a quick update is in order on both of those.

TWIC is on track. The compliance date is now set at April 15, 2009, which does allow 18 months for the enrollment period. We have already got over 250,000 people enrolled and are in place to begin enforcement this October.

On Secure Flight, the budget request includes an increase of $32 million to accelerate the implementation. And with this Committee's ongoing support, we anticipate beginning the Secure Flight program at the end of 2008 and full program implementation in the coming year.

I would like to once again thank the Committee for its support of TSA and its mission. I look forward to discussing all these issues.

Thank you.

[The prepared statement of Mr. Hawley follows:]

PREPARED STATEMENT OF HON. EDMUND S. "KIP" HAWLEY, ASSISTANT SECRETARY AND ADMINISTRATOR, TSA, U.S. DEPARTMENT OF HOMELAND SECURITY

Good morning Chairman Inouye, Vice Chairman Stevens, and distinguished members of the Committee. Thank you for the opportunity to appear today to provide an update on the Transportation Security Administration's (TSA) efforts to improve aviation and surface transportation security and to present the President's budget request for TSA for Fiscal Year (FY) 2009 (Request).

I would like to begin by thanking the members of the Committee for your support of TSA's initiatives to improve existing security measures and to implement additional layers of security. I especially want to thank the Members of this Committee for your support of the supplemental funding provided in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, P.L. 110–28, (FY07 Supplemental Act), and the level of funding in the Consolidated Appropriations Act, 2008, P.L. 110–161 (FY08 Consolidated Act), which funded critical needs that the Administration identified in its Budget Amendment. These two Acts enhanced TSA's ability to implement vital security measures to face ongoing and emerging threats.

Ongoing Threat

The effort to protect the security of transportation systems remains as important now as it ever has been in the past six and a half years. Since August 10, 2006, the Nation's threat level for all commercial aviation operating in or destined for the United States has been High, or Orange. The Annual Threat Assessment of the Director of National Intelligence released on February 5, 2008, confirmed that terrorists continue to pose significant threats to the United States. Terrorists are likely to continue to focus on prominent infrastructure targets with the goal of producing mass casualties and significant economic aftershocks. Our enemies are adaptive and innovative in overcoming security obstacles. This threat is real, persistent, and evolving. We know they are working to defeat us, and we must remain vigilant.

FY09 Budget Overview

The President's overall Request of $7.1 billion for TSA reflects a total increase of $286 million over the FY 2008 enacted level. Of the total request, a significant amount supports annualization of initiatives expanded in FY 2008 as well as a program increase of $32M for Secure Flight and $30M for Other Vetting activities. The Request is comprised of $5.3 billion for Aviation Security, which now includes the Federal Air Marshal Service (FAMS); $37 million for Surface Transportation Security; $170 million in funding for Transportation Threat Assessment and Credentialing; and $926 million for Transportation Security Support.

Improving Efficiency in Transportation Security

Although we face a seemingly unlimited number of possible scenarios to attack our transportation systems, we must execute our risk-based approach to security as efficient stewards of taxpayer dollars. We also know that prudent financial and program management improve security by increasing the effectiveness of existing security measures and allow us to expand the layers of security while improving TSA's interaction with the traveling public.

TSA has aggressively pursued a number of initiatives to improve our overall efficiency. First, by investing in our most important asset, our workforce, we can deploy higher performing Transportation Security Officers (TSO). The Career Progression Program has been in effect for a full year in FY 2007. This program provides widespread career growth and professional development opportunities for high-performing TSOs. We continued workplace safety initiatives by requiring local safety teams at field operation locations and expanded the Nurse Case Management Program to help our injured employees receive proper and timely medical care and rehabilitation. As a result, we reduced the Lost Time Case Rate from 4,367 injuries or illnesses in FY 2006 to 3,228 in FY 2007—a 26.1 percent reduction to 7.19 injuries per 200,000 work hours. We provide part-time employees with full-time health benefits. And, we require our field operations to maintain a robust Model Workplace Program to facilitate creative ways to improve our employees' work environment.

These efforts contributed to reducing our TSO attrition rate: full-time attrition decreased from 13.6 percent in 2004 to 11.6 percent in 2007, and part-time attrition dropped from 57.8 percent in 2004 to 37.2 in 2007. Our attrition rates include those employees who have chosen to continue their Federal service at other DHS and non-DHS agencies. The reduction in attrition saves TSA many incremental costs, such as hiring and training expenses, and increases security by resulting in a more experienced and efficient TSO workforce. Our change from a centralized hiring process to one coordinated at the local airport level has reduced our hiring cost per TSO by over 36 percent from FY 2004 to FY 2007.

TSA continues to seek efficiencies in our field operations. Through the use of the Staffing Allocation Model (SAM), we are able to identify operational and efficiency gains by better utilization of our TSOs. We improved our TSO scheduling to more accurately follow passenger loads and air carrier schedules. We increased the use of part-time employees and expanded the use of "split-shift" employees to increase staffing during high volume periods, which lowered our overtime pay significantly. We continue to install computers at or near screening checkpoints to allow a more efficient use of TSO time for training and reduce their time away from checkpoints.

The deployment of new technology in FY 2007 increased threat detection and improved efficiencies in checkpoint throughput, and will continue to increase as the deployment of these technologies expand in FY 2008. We added 23 in-line Explosives Detection Systems (EDS) for checked baggage screening at airports. We plan to deploy over 600 Advance Technology (AT) X-ray machines by the end of 2008 to improve detection of improvised explosive devices and increase passenger throughput by providing enhanced, multiview visual detection capabilities for TSOs. Bottled Liquid Scanners enhance our ability to discriminate between explosive or flammable liquids and benign liquids. TSA introduced millimeter wave in Phoenix, and rolled out this technology at LAX, JFK, and BWI this spring. This technology can detect items concealed on the body, including plastics, through a robotic image that will be viewed from a remote location. TSA will be working to socialize this technology with the American public. It is already in use in international transportation venues, and will improve security while maintaining passenger privacy by ensuring that images will not be saved or stored. We anticipate deploying 30 millimeter wave machines by the end of 2008.

We improved our financial management in many areas, to include increased collection of late payment interest penalties, enhanced internal controls over financial reporting, reduced funding carryover, and payroll estimates adjusted for vacancy rates.

Improving Workforce, Effectiveness

TSA's risk-based approach to security uses unpredictable, flexible, and layered security measures. Our investments in people, processes, and technology have allowed us to continue a proactive philosophy of deploying flexible security procedures.

In FY 2007, we significantly improved security at airports by deploying our workforce in new locations and for new functions. We expanded the Travel Document Checker (TDC) program to over 340 federalized airports. The TDC program enhances security by disrupting and detecting individuals who attempt to board an aircraft with fraudulent documents.

We deployed hundreds of Behavior Detection Officers (BDO) at the 40 busiest airports as part of the Screening Passengers by Observation Technique (SPOT) program. BDOs are trained to identify potentially high-risk individuals who exhibit behaviors that indicate hostile intent. An incident last month in Orlando, Florida, displayed the effectiveness and importance of this program. On April 1, 2008, a Jamaica-bound passenger, Kevin Brown, aroused suspicion of BDOs, who, working in conjunction with the Orlando Police Department, the Orange County Bomb Squad, and the Federal Bureau of Investigation, uncovered everything needed to make a bomb in the passenger's checked bag. Their swift action demonstrated that BDOs, trained to detect deceptive and suspicious behavior, are contributing to airline security by detecting and discovering dangerous people and dangerous items.

We launched nationwide deployment of Visible Intermodal Prevention and Response (VIPR) teams in aviation and surface transportation sectors, comprised of TSOs, BDOs, Transportation Security Inspectors (TSI), and FAMs, in cooperation with Federal, state and local law enforcement as well as various transportation entities. VIPR teams enhance the security of persons and critical infrastructure; and prevent, prepare for, protect against, and respond to acts of terrorism in all modes of transportation at any location. We very much appreciate the strong support the Congress gave to the VIPR program in the FY 2008 appropriation and the Implementing Recommendations of the 9/11 Commission Act of 2007, P.L. 110–53 (9/11 Act), which allowed us to expand the program to over 900 VIPR operations to date.

We allocated approximately 700 FTE for the Aviation Direct Access Screening Program (ADASP), which conducts random and unpredictable screening of individuals employed at airports and their accessible property that are entering secured areas of airports. TSA implemented all these actions through innovative uses of our resources.

FY 2009 Budget Request

The Request is presented in a structure that proposes realignment and consolidation of certain Program, Project or Activity (PPA) elements. The proposed changes will enhance the transparency of program accountability and simplify financial management by aligning operational program and personnel funding under the same PPA. Many full-time equivalents (FTE) associated with certain operational programs are currently shown in the Headquarters Administration PPA. For example, FTE associated with the training of TSOs will be realigned to the Screener Training and Other PPA. Additionally, National Explosives Detection Canine Team (K–9) funding from several current PPAs would be consolidated under a single National Explosives Detection Canine Team Program. The proposed PPA changes will more closely mirror TSA's organizational structure and increase the accountability of senior leadership for their respective programs.

The Request proposes the realignment of FAMS funding by eliminating the separate appropriation and incorporating it as a single PPA within the Aviation Security account. The proposed realignment will complete the integration of the FAMS back into TSA and enhance our ability to respond more rapidly to emerging threats to transportation.

Aviation Security

The Request builds upon the success of many of our current programs while enhancing our ability to deploy a surge of resources and flexible security measures to meet the challenge of an evolving terrorist threat. The Request includes full year funding for the behavior detection program ($43 million/660 FTE) and the airport employee screening program ($36 million/750 FTE), both of which were initially funded in the FY 2008 Budget Amendment. The Aviation Security appropriation also reflects full year funding for 10 multi-modal VIPR teams ($30 million/225 FTE). SPOT and VIPR are two of TSA's efforts to enhance security by putting in place initiatives in advance of the checkpoint to detect, disrupt and deter terrorist activities.

Technology. The Request reflects TSA's plan to strategically deploy technology to improve security for passengers, generate additional staffing efficiencies, and improve the passenger's travel experience. The Request includes $91.7 million to procure and deploy AT X-ray machines at checkpoints in the busiest airports. TSA will devote $1.2 billion to recapitalize checked baggage screening devices and accelerate deployment of inline EDS systems to increase baggage throughput up to 300 percent. The Request anticipates an additional $426 million annually in mandatory funds generated by a four-year $0.50 surcharge on the passenger security fee (Surcharge) with a maximum increase of $1.00 per one-way trip. This proposal does not lower TSA's appropriation through offsetting collections, but rather total funding for these systems would increase to $1.2 billion. The increase in spending would be entirely offset by fees. The temporary Surcharge would be deposited into the Aviation Security Capital Fund (ASCF) for the specific purpose of purchasing, installing and recapitalizing inline EDS. The Surcharge authority is being requested together with a proposal to allow for the use of other transaction agreements for the funding of inline EDS, the discretionary use of letters of intent, and innovative use of cost-sharing with our airport partners. We look forward to your support and quick enactment of this important initiative that will accelerate the funding to support deployment of optimal checked baggage screening solutions by 2012.

Air Cargo. TSA is requesting $104.1 million for the Air Cargo program in FY 2009, which will be the first full year the workforce will be operating at the expanded staffing level of 460 inspectors and 170 deployed explosives detection canine teams to screen air cargo at high volume airports. TSA anticipates deployment of the Certified Cargo Screening Program (CCSP) in FY 2009, which will establish full supply chain security of air cargo and continue the progress toward meeting the deadline of screening 100 percent of air cargo by August 2010, as required by the 9/11 Act. We are beginning pilot projects in San Francisco, Chicago, and Philadelphia to test the phased rollout of the certified cargo shipper program. Our first class of TSA canine teams dedicated to air cargo has "graduated" and the teams will begin operations this month. TSA will continue our incremental progress of increasing the percentage of screened cargo per fiscal quarter during FY 2008.

Law Enforcement/FAMS. The PPA realignment proposes a new PPA for Law Enforcement and a new PPA for the FAMS in the Aviation Security appropriation. The FAMS PPA includes a request of $786 million for FY 2009, an increase of $16.5 million over the FY 2008 FAMS appropriation. TSA is requesting $242.2 million for Law Enforcement, which includes $79.1M for Airport Law Enforcement & Assessments and the funding for approximately 343 airports through Cooperative Agreements to provide local law enforcement support for TSA activities. This program was significantly expanded from 271 participating airports in FY 2007 to 343 airports in FY 2008. TSA has instituted more effective program management and oversight as a more efficient means of distributing the funds for appropriate law enforcement activities. The Request includes $54.5 million for the National Explosives Detection Canine Team Program, which reflects the expansion of the total TSA K–9 program to over 750 teams as a result of the FY07 Supplemental Act and the FY08 Consolidated Act. The Law Enforcement PPA incorporates other appropriate functions such as the Federal Flight Deck Officer Program, TSA's Freedom Center (the Transportation Security Operations Center), Physical and Personnel Security, and the Joint Coordination Center.

The Checkpoint Is Evolving

An effective security system must constantly be evolving. TSA is in the process of evaluating a fundamental shift in strategy for the security checkpoint which encompasses people, process, and technology. This is the most significant change occurring in passenger screening since 9/11 and even since the checkpoint was first established in the 1970s. Through an initial pilot program, TSA is taking a fresh look at our checkpoint operations to see how we can improve security. We took what we know from the intelligence and security communities, we listened to our employees, we learned from passengers, we evaluated readily deployable technology, and have come up with changes that we are piloting.

People. People are our most important asset and the human element is critical to achieving a high standard of security. TSA is relying more on personal interaction to detect irregular behavior. TSA's introduction of behavior detection and assuming the position of travel document checker have proven to be valuable methods of identifying people who are exhibiting unusual signs of stress, fear, and/or deception at the checkpoint. Behavior detection draws a contrast between average levels of travel stress and those intending to do harm. Training all security officers to increase passenger interaction on a one-on-one basis will achieve a calmer, quieter environment that will result in heightened security.

Process. The current checkpoint during a peak travel period is often noisy and congested. A chaotic, noisy congested checkpoint is a security nightmare because it has the potential to conceal someone with hostile intent. The Checkpoint Evolution prototype at Thurgood Marshall Baltimore-Washington International Airport (BWI) gives security officers wireless whisper radio headsets which will enable them to perform their duties in a low-key demeanor and communicate more effectively with others on their team. Further, the prototype strives to provide a more convenient layout for passengers with more information explaining the screening process together with light and sound elements designed to have a calming effect.

Another simple yet effective program that improves the checkpoint process is the Diamond Self-Select program currently running in Salt Lake City, Orlando, Denver, Spokane, Boston, Cincinnati, Raleigh-Durham, Milwaukee, Pittsburgh, and Dallas Love Field with more planned in the near future. Self-Select lanes are comprised of a series of lanes designated by signage that directs passengers based on their travel needs and knowledge—Expert, for the business traveler who travels often and is familiar with the rules and is prepared when they reach the checkpoint; Casual, for passengers that travel less frequently, but are familiar with the security process; and Family/Special Assistance, for passengers traveling with small children or strollers, elderly passengers, and passengers who may need special assistance. These lanes give passengers some control over the checkpoint process and have reduced the number of alarms and prohibited items and increased through-put times at the Expert lane.

Technology. New technology does not currently exist to adequately address the threat alone so TSA, working closely with the Science and Technology Directorate, is investing in the development and deployment of proven technology, including multi-view X-ray and whole body imaging. These are the first significant additions to checkpoint technology since walk through metal detectors and standard X-ray machines were introduced in the 1970s.

Surface Transportation Security

TSA continues to make progress in addressing major system-wide security risks in surface transportation. We continue to work closely with the Department of Transportation, its various modal administrations, and the many surface transportation stakeholders to enhance security through partnerships, proposed regulations, and the Federal Emergency Management Agency with grant planning, evaluation and awards.

The surface transportation systems present much different security challenges than commercial aviation due to the inherent openness and mobility of each system network. Our personnel are engaged in a proactive manner with the stakeholders in the Pipeline, Maritime, Mass Transit, Rail, Highway and Motor Carrier modes of transportation. Our Surface TSIs assess security vulnerabilities, assist with the development of security plans, and help establish best practices and national standards. The proposed PPA realignment shifts certain funding and FTE to other PPAs in other appropriations; thus, the net result of the request for $37 million for Surface Transportation Security is an overall enhancement of surface transportation security initiatives. Our efforts in this area are complemented by funds in Aviation Security, such as 75 FTE to support VIPR team operations and the deployment of over 92 explosives detection canine teams to the largest Mass Transit systems. These programs work in tandem with existing surface transportation security initiatives enacted in the FY 2008 budget.

Transportation Threat Assessment and Credentialing

TSA's Office of Transportation Threat Assessment and Credentialing (TTAC) consolidates the management of all vetting and credentialing programs. The mission for these programs is to identify known or suspected terrorist threats working or seeking access to transportation systems through terrorist-related threat assessment procedures.

Secure Flight. The Request includes a program increase of $32 million to accelerate the implementation of the Secure Flight program, an automated prescreening process to compare specific passenger reservation information against records contained in the Terrorist Screening Center Database. The Request provides for a total funding amount of $82 million. With this Committee's strong past and continued support, TSA anticipates the beginning of the transition of passenger vetting to Secure Flight in early 2009 and full assumption of the function by late 2009 or early 2010.

Other Vetting. The second program increase in the Request is for $30 million to stabilize and enhance the infrastructure of TSA's existing vetting systems, for a total amount of $50.8 million for FY 2009. The increase will enhance TSA's efforts to consolidate the various systems and to provide a more reliable platform for the increasing populations being vetted through the multiple programs required under the 9/11 Act, including frontline employees in mass transit, passenger rail and freight rail systems.

Transportation Worker Identification Credential (TWIC). The TWIC program provides a tamper-resistant biometric credential to maritime workers requiring unescorted access to secure areas of port facilities and vessels regulated under the Maritime Transportation Security Act of 2002, (P.L. 107–295). In October 2007, TSA began the enrollment process for TWIC cards in Wilmington, Delaware and has enrolled more than 250,000 port workers to date at more than 100 fixed enrollment centers. TSA expects to complete roll-out of 147 fixed enrollment centers and enroll nearly one million workers in FY 2008. TSA is expecting to spend approximately $9 million for the fee-based program in FY 2009.

In cooperation with the United States Coast Guard (USCG) we have initiated pilot programs with six partners across the country to test card readers. The pilots will test access control technologies in real world marine environments. Our current list of participants includes the Port Authorities of Los Angeles, Long Beach, Brownsville, and New York/New Jersey, in addition to Watermark Cruises in Annapolis, Maryland and Magnolia Marine in Vicksburg, Mississippi. We are in the process of finalizing the test approach for the pilots. We are working with DHS's Science and Technology Directorate and the National Institute of Standards and Technology (NIST) to establish a test plan that will evaluate the card-reader interface under a variety of conditions and assess its impact on operations. As the program proceeds, the pilots will inform the USCG's TWIC reader rulemaking process and ultimately result in final regulations that require the deployment of transportation security card readers consistent with the findings of the pilot program.

Earlier this month, DHS announced that the final compliance date for the TWIC program will be April 15, 2009, which reflects a realignment of the Sept. 25, 2008 compliance date set in the final rule. The 7-month extension is a direct result of

collaboration with port officials and industry, and realigns the enrollment period with the original intent of the TWIC final rule. The program is on track to complete enrollment for a substantial number of jurisdictions by the end of 2008, and several ports will be required to comply with TWIC regulations this year.

Alien Flight Student Program. When the function of screening alien flight students who are applying for flight training was transferred from the Attorney General to the Secretary of the Department of Homeland Security, and subsequently delegated to TSA, the authority to require fees to offset such costs excluded recurrent training. Through the implementation of this program, TSA has determined that over 52 percent of all applicants are for recurrent training. TSA has been absorbing approximately $1.5 million to perform background checks on recurrent training applicants without the ability to charge a fee to the applicant. TSA is requesting a revision to amend section 44939 of title 49, United States Code, to provide authority to assess a fee to cover the costs associated with foreign students seeking recurrent flight training. The Request anticipates that TSA will be provided the authority to impose fees for recurrent training applications. We look forward to your support for this modest but important proposal to allow this program to continue operating as a fee-based program.

Transportation Security Support

TSA is an organization with over 50,000 personnel and hundreds of field operations locations across the Nation and around the world. Our primary activities in the Transportation Security Support category involve Intelligence, Human Capital Services, Headquarters Administration, and Information Technology. The proposed PPA realignment transferred many functions from the Headquarters Administration PPA to the appropriate program they support to provide greater clarity to the resources dedicated to each program and increase accountability of TSA's senior leadership. We created a new PPA, Human Capital Services, which combines funding that previously supported Human Resources (HR) Services from the Aviation Security appropriation and HR activities and FTE from within the Headquarters Administration PPA. Similarly, Information Technology (IT) activities previously funded under separate PPAs involving Airport Management, IT, and Support are now combined in this appropriation. TSA is requesting $926 million in FY 2009.

Implementation of the 9/11 Act

On August 3, 2007, the President signed into law the 9/11 Act, which implemented important recommendations from the 9/11 Commission and provided TSA much needed tools to improve transportation security. In particular, we are pleased to now have the authority to establish an administrative process for civil enforcement of surface transportation regulations and orders and the flexibility to develop a robust air cargo screening program that maintains the flow of commerce. Among the many key provisions of the Act, TSA was given clear authority for VIPR teams to operate in all modes of transportation. Overall, the Act authorized 33 programs and 20 rulemaking actions for TSA, many of which were already initiated by TSA. FY 2009 will be the first full year of TSA's expanded inspector workforce and K–9 team deployment, both strongly supported in the 9/11 Act.

I want to thank the Members of this Committee for your support in providing $30 million to TSA in FY 2008 to implement new regulations and activities authorized by the 9/11 Act. TSA has developed and provided to the Appropriations Committees a spend plan required by the FY08 Consolidated Act that effectively uses these funds to advance implementation of many key provisions in the 9/11 Act. TSA is now proceeding with implementing the plan, which focuses on: developing regulations to enhance surface transportation security; expand the infrastructure to support background checks; support a national exercise program for surface transportation security; support security audits of foreign repair stations; and inspection of critical pipeline facilities. We will fund the 9/11 Act initiatives across TSA's separate appropriations and through the applicable PPAs, such as combining the air cargo program into the Aviation Regulation PPA, a separate PPA for VIPR, and consolidation of K–9 funding into the National Explosives Detection Canine Team Program PPA component. Through our ongoing efforts, including efficient use of our resources within our base funding, and your support, we are confident we will continue to enhance security across all modes of transportation.

Conclusion

Mr. Chairman, thank you again for this opportunity to discuss the President's Request for TSA. I look forward to our continued work together and would be pleased to respond to your questions.

The CHAIRMAN. I thank you very much, Mr. Hawley.

May I recognize Director Berrick?

STATEMENT OF CATHLEEN A. BERRICK, DIRECTOR, HOMELAND SECURITY AND JUSTICE ISSUES, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Ms. BERRICK. Thank you, Chairman Inouye and Vice Chairman Stevens, for inviting me here to discuss GAO's work reviewing TSA's efforts in guiding key investments in transportation security.

My testimony focuses on TSA's efforts in the following four areas, which represents about $4.5 billion of the President's budget request for TSA—screening operations, including TSO allocations and checkpoint technologies; air cargo; passenger watch list matching; and surface transportation security.

Overall, we found that TSA has more systematically planned for and guided investments in these areas and has taken or plans to take action to address many of the issues we previously reported. However, we found that TSA can further strengthen its efforts to help ensure that these programs achieve their desired outcomes and that resources are appropriately targeted.

With respect to progress, we found that TSA has made significant achievements in the following three key areas, among others—deploying, training, and measuring the performance of its aviation security workforce; refining and testing procedures for screening passengers and their baggage; and conducting risk assessments, partnering with stakeholders and administering grant programs for surface transportation systems.

For example, we reported that TSA has developed robust training programs for TSOs, including enhanced explosives detection training. TSA has also issued strategies for securing surface transportation modes and is pursuing a rulemaking to guide its efforts to secure passengers and freight rail.

We also reported that TSA generally used sound methods to determine TSO allocations among airports through their staffing allocation model and implemented or expanded several workforce initiatives involving TSOs to further strengthen security, including the Travel Document Checker, Behavior Detection Officer, and Bomb Appraisal Officer initiatives, among others.

However, we found that other key areas need continued attention, both in the short and long term. First, it is important that TSA move forward on initiatives to secure airport perimeters and access to restricted airport areas. Although TSA has completed technology pilots and issued guidelines for biometric identification systems, it has not yet determined how or when it will require the implementation of these systems nationwide.

In addition, TSA is making progress in determining how to mitigate the risk posed by airport workers through an ongoing pilot, among other efforts. However, the agency has not yet made final decisions regarding how it will fully address this area of security.

Second, with respect to checkpoint technologies, DHS and TSA have researched, developed, tested, and initiated procurements of various technologies to detect explosives and plan to deploy new enhanced technologies this year. However, to date, TSA has made

limited progress in fielding emerging technologies due to performance, maintenance, and planning issues.

Third, although TSA has made significant progress in strengthening the development of Secure Flight, a government-run program to match passenger information against the terrorist watch list, some challenges remain, including the need for more sound program cost and schedule estimates, better management of program risks, and test plans that reflect comprehensive systems testing. TSA agreed with our recommendations in this area and has reported taking corrective action.

Fourth, TSA has made progress on a number of fronts in securing air cargo and is pursuing a plan to meet the Congressional mandate to screen 100 percent of cargo on passenger aircraft. However, TSA has placed less attention on cargo transported into the United States from foreign locations, and DHS and TSA have made limited progress in deploying technologies to screen cargo.

Finally, TSA will need to continue to define its regulatory or other role with respect to all surface transportation modes, more clearly define the mission and capabilities of its inspection workforce. For example, it is unclear whether TSA surface inspectors will be able to support the increased workload expected in implementing requirements of the 9/11 Act and new security regulations.

In conducting our work, we found that a variety of cross-cutting issues have hindered both DHS and TSA's progress. These include developing results-oriented goals and measures to assess performance, integrating a risk-based approach to guide investments, and establishing effective frameworks for coordinating with stakeholders. TSA has placed attention on and continues to make progress in all of these issues.

We are currently reviewing TSA's efforts in many of these key areas for your and other committees and will continue to report to the Congress and public on the results of our work.

This concludes my opening statement. I look forward to your questions.

[The prepared statement of Ms. Berrick follows:]

PREPARED STATEMENT OF CATHLEEN A. BERRICK, DIRECTOR, HOMELAND SECURITY AND JUSTICE ISSUES, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to participate in today's hearing to discuss the security of our Nation's transportation system. The Transportation Security Administration (TSA) was established in 2001 with the mission to protect the transportation network while also ensuring the free movement of people and commerce. Since its inception, TSA has focused much of its efforts on aviation security, and has developed and implemented a variety of programs and procedures to secure commercial aviation. To implement these efforts, TSA funding for aviation security has totaled about $26 billion since Fiscal Year 2004. Other parties also play a role in securing commercial aviation, including air carriers that are responsible for screening air cargo, among other things, and the Department of Homeland Security's (DHS) Science and Technology Directorate (S&T), which is responsible for the research and development of aviation security technologies. TSA is also responsible for securing surface modes of transportation, including passenger and freight rail, mass transit, highways, commercial vehicles, and pipelines, in partnership with other Federal entities, state and local governments, and the private sector. In carrying out its broader homeland security responsibilities, DHS faces the daunting challenge of determining how to allocate its finite resources within the transportation system and across all sectors to address threats and strengthen security.

My testimony today focuses on TSA's efforts to ensure the security of the following key areas of commercial aviation, which represents about $4.5 billion of the President's budget request for TSA for Fiscal Year 2009: (1) screening operations, including transportation security officer (TSO) and private screener allocations, and checkpoint screening technologies; (2) air cargo; and (3) passenger watch-list matching. My testimony also addresses TSA's efforts to ensure the security of the Nation's surface transportation systems. In particular, I will address the numerous efforts TSA has taken or plans to take to strengthen security in these areas and the challenges that remain.

My comments are based on GAO reports and testimonies issued from February 2004 through April 2008 addressing the security of the Nation's commercial aviation and surface transportation systems, including the status of TSA's development of the Secure Flight program[1] conducted in response to the Implementing Recommendations of the 9/11 Commission Act of 2007.[2] Selected updates to this work were conducted in February through April 2008. We conducted these performance audits in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Summary

DHS and TSA have undertaken numerous initiatives to strengthen the security of the Nation's commercial aviation system and surface transportation modes as well as to more effectively guide program investments, including taking steps to address many of our prior recommendations. Specifically, DHS and TSA have, among other things, developed and implemented a Staffing Allocation Model to determine TSO staffing levels at airports that reflect current operating conditions, and provided TSOs (formerly known as screeners) with additional training intended to enhance the detection of threat objects, particularly improvised explosive devices. TSA also proposed and implemented modifications to passenger checkpoint screening procedures based on risk (threat and vulnerability) information, while considering efficiency and customer service needs. TSA also explored new passenger checkpoint screening technologies to enhance the detection of explosives and other threats. Further, TSA took steps to strengthen air cargo security, such as conducting vulnerability assessments at several domestic airports, revising screening exemptions for domestic air cargo, and conducting inspections of air carriers to ensure that they are complying with existing security requirements. Finally, TSA has instilled more discipline and rigor into Secure Flight's development and implementation, including preparing key systems development documentation and strengthening privacy protections. With regard to surface transportation security, TSA has taken steps to develop a strategic approach for securing mass transit, passenger and freight rail, commercial vehicles, and highways; establish security standards for certain transportation modes; and conduct threat, criticality, and vulnerability assessments of surface transportation assets, particularly passenger and freight rail. TSA also hired and deployed compliance inspectors and conducted inspections of passenger and freight rail systems, and DHS developed and administered grant programs for various surface transportation modes.

While these efforts should be commended, we have reported on several areas in which TSA could do more to strengthen transportation security. For example, in our previous work, we reported that some assumptions used in TSA's Staffing Allocation Model did not accurately reflect airport operating conditions. We recommended that TSA establish a formal, documented plan for reviewing all of the model assumptions on a periodic basis. TSA agreed with our recommendation and, in December 2007, developed a Staffing Allocation Model Rates and Assumption Validation Plan that the agency will use to review and validate model assumptions. In addition, we reported that TSA could improve its process for evaluating the effectiveness of proposed changes to passenger screening procedures before implementing them nationwide. DHS generally agreed with our findings and recommendations, and TSA has taken some steps to implement them. We also testified that limited progress has been made in developing and deploying checkpoint technologies due to planning and management challenges. With respect to air cargo, we reported that TSA has not yet developed an inspection plan that includes performance goals and measures to

[1] GAO, *Aviation Security: Transportation Security Administration Has Strengthened Planning to Guide Investments in Key Aviation Security Programs, but More Work Remains,* GAO–08–456T (Washington, D.C.: February 28, 2008).

[2] Pub. L. No. 110–53, § 1605(b), 121 Stat. 266, 481–82 (2007).

determine the extent to which air carriers transporting cargo into the United States are complying with security requirements. Moreover, while TSA has made considerable progress in the development and implementation of Secure Flight, it has not fully addressed program management issues related to developing cost and schedule estimates consistent with best practices, fully implementing its risk management plan, developing a comprehensive testing strategy, and ensuring that information security requirements are fully implemented. With regard to surface transportation security, TSA has initiated efforts to develop security standards for passenger and freight rail, but has not yet determined its regulatory role with respect to other surface modes of transportation. Moreover, although TSA has made progress in conducting compliance inspections of some surface transportation systems, inspectors' roles and missions have not been fully defined.

In addition to the recommendations discussed above, we have made other recommendations to strengthen passenger screening operations, air cargo security, and the implementation of the Secure Flight program. DHS and TSA generally agreed with our recommendations and have taken action to implement a number of them.

Background

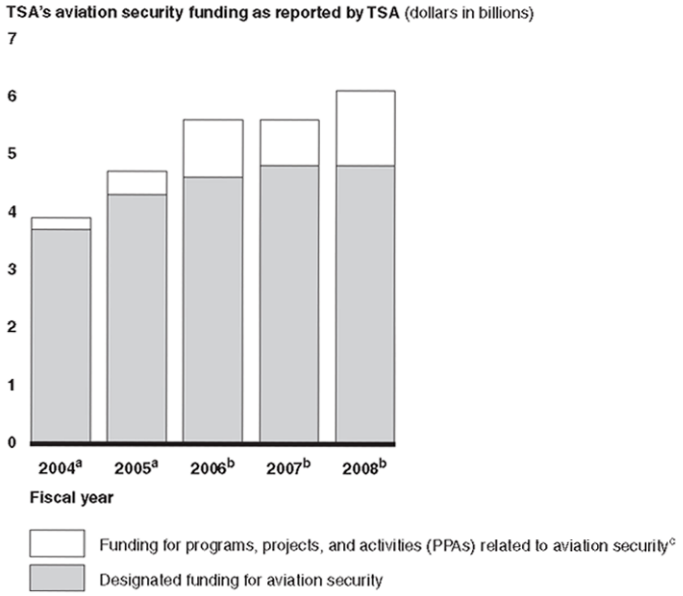
The Aviation and Transportation Security Act (ATSA), enacted in November 2001, created TSA and gave it responsibility for securing all modes of transportation.[3] As part of this responsibility, TSA oversees security operations at the Nation's more than 400 commercial airports, including establishing requirements for passenger and checked baggage screening and ensuring the security of air cargo transported to, from, and within the United States. TSA has operational responsibility for conducting passenger and checked baggage screening at most airports, and has regulatory, or oversight, responsibility, for air carriers who conduct air cargo screening. While TSA took over responsibility for passenger checkpoint and baggage screening, air carriers have continued to conduct passenger watch-list matching in accordance with TSA requirements, which includes the process of matching passenger information against Federal watch-list data before flights depart. TSA is currently developing a program to take over this responsibility from air carriers for passengers on domestic flights, and plans to assume from the U.S. Customs and Border Protection (CBP) the pre-departure name-matching function for passengers on international flights traveling to or from the United States.

According to DHS's budget execution reports and TSA's Congressional budget justifications, TSA received appropriations for aviation security that total about $26 billion since Fiscal Year 2004.[4] During Fiscal Year 2004—the first year for which data were available—TSA received about $3.9 billion for aviation security programs, and during Fiscal Year 2008, received about $6.1 billion. The President's budget request for Fiscal Year 2009 includes about $6.0 billion to continue TSA's aviation security activities. This total includes about $5.3 billion specifically designated for aviation security and about $0.76 billion for aviation-security related programs, such as Secure Flight, and mandatory fee accounts, such as the Aviation Security Capital Fund. Figure 1 identifies reported aviation security funding for Fiscal Years 2004 through 2008.

[3] See Pub. L. No. 107–71, 115 Stat. 597 (2001).

[4] DHS's budget execution reports are monthly statements that reflect the department's financial activity. In our analysis of DHS's budget execution reports and TSA Congressional Budget Justification, we included funding that we determined to be specifically designated for aviation security and funding for all programs, projects, and activities related to aviation security, to the extent they were identifiable, in order to present consistent total funding amounts across fiscal years. In addition, these aviation security totals do not reflect funding for activities that may support TSA's aviation security programs and projects, such as intelligence and administration, because DHS's documentation does not identify the proportion of funding dedicated to support aviation security. During this time period, a number of aviation security related activities were transferred in or out of TSA's jurisdiction, which affects TSA funding levels for the affected fiscal years.

Figure 1: TSA's Reported Aviation Security Funding for Fiscal Years 2004 through 2008



Source: GAO analysis of TSA budget execution reports for Fiscal Years 2004 to 2007 and TSA's Congressional Budget Justification for Fiscal Year 2009.

Note: We used the September 30th budget execution reports for our analysis of TSA funding for Fiscal Years 2004 through 2006. For Fiscal Years 2007 and 2008, we used TSA's Fiscal Year 2009 congressional budget justification. According to the budget execution reports and congressional budget justification, figures presented include all rescissions and supplemental funding for the fiscal years.

[a] Fiscal years 2004 and 2005 include approximately $330 million in research and development funding for aviation security. Beginning in Fiscal Year 2006, research and development funding was consolidated within DHS S&T. Therefore, this funding, as reflected in TSA's budget documentation, is not included as part of TSA's appropriation from Fiscal Year 2006 forward.

[b] Fiscal years 2006, 2007, and 2008 include approximately $680 million, $720 million, and $770 million respectively, in funding for the Federal Air Marshals Service, which was transferred back to TSA from U.S. Immigration and Customs Enforcement in October 2005. Federal Air Marshal Service funding is included within totals for related aviation security programs, projects, and activities for Fiscal Years 2006, 2007, and 2008.

[c] Funding for aviation security-related programs, projects, and activities is reported separately. However, TSA designated funds from other programs, projects, and activities to aviation security as well, which represents the unshaded areas.

TSA is also responsible for securing surface modes of transportation, including passenger and freight rail, mass transit, highways, commercial vehicles, and pipelines, in partnership with other Federal entities, state and local governments, and the private sector. According to TSA congressional budget justifications, TSA received appropriations for surface transportation security that totaled about $175 million since Fiscal Year 2005. During Fiscal Year 2005—the first year for which data were available—TSA received about $36 million for surface transportation security programs. TSA further received $52 million during Fiscal Year 2006, $41 million during Fiscal Year 2007, and $47 million during Fiscal Year 2008 for securing surface modes of transportation. The President's budget request for Fiscal Year 2009 includes about $37 million, about $10 million less than last year's appropriation, to continue TSA's surface transportation security activities, including conducting compliance inspections, developing best practices and standards, assessing security vulnerabilities, establishing baseline data against which to evaluate minimum-security standards, and providing domain awareness training.

Airline Passenger and Checked Baggage Screening

One of the most significant changes mandated by ATSA was the shift from the use of private-sector screeners to perform airport screening operations to the use of Federal screeners (now referred to as TSOs). Prior to ATSA, passenger and checked baggage screening had been performed by private screening companies under contract to airlines. ATSA established TSA and required it to create a Federal workforce to assume the job of conducting passenger and checked baggage screening at commercial airports. The Federal screener workforce was put into place, as required, by November 2002.[5]

Passenger screening is a process by which personnel authorized by TSA inspect individuals and property to deter and prevent the carriage of any unauthorized explosive, incendiary, weapon, or other dangerous item into a sterile area or onboard an aircraft.[6] Passenger screening personnel must inspect individuals for prohibited items at designated screening locations. The four passenger screening functions are X-ray screening of property, walk-through metal detector screening of individuals, hand-wand or pat-down screening of individuals, and physical search of property and trace detection for explosives. Typically, passengers are only subjected to X-ray screening of their carry-on items and screening by the walk-through metal detector. Passengers whose carry-on baggage alarms the X-ray machine, who alarm the walk-through metal detector, or who are designated as selectees—that is, passengers selected by the Computer Assisted Passenger Pre-Screening System (CAPPS) or other TSA-approved processes to designate passengers for additional screening—are screened by hand-wand or pat-down and have their carry-on items either screened for explosives traces or physically searched.[7]

Checked baggage screening is a process by which authorized security screening personnel inspect checked baggage to deter, detect, and prevent the carriage of any unauthorized explosive, incendiary, or weapon onboard an aircraft. Checked baggage screening is accomplished through the use of explosive detection systems[8] or explosive trace detection systems,[9] and through the use of approved alternative means, such as manual searches and canine teams when the explosive detection or explosive trace detection systems are unavailable.

The passenger and checked baggage screening systems are composed of three elements: the people (TSOs) responsible for conducting the screening of airline passengers and their carry-on items and checked baggage, the technology used during the screening process, and the procedures TSOs are to follow to conduct screening. Collectively, these elements help to determine the effectiveness and efficiency of passenger and checked baggage screening operations.

Air Cargo Security

Air cargo ranges in size from one pound to several tons, and in type from perishables to machinery, and can include items such as electronic equipment, automobile parts, clothing, medical supplies, other dry goods, fresh cut flowers, fresh seafood, fresh produce, tropical fish, and human remains. Cargo can be shipped in various forms, including large containers known as unit loading devices that allow many packages to be consolidated into one container that can be loaded onto an aircraft, wooden crates, assembled pallets, or individually wrapped/boxed pieces, known as break bulk cargo.

TSA's responsibilities for securing air cargo include, among other things, establishing security rules and regulations governing domestic and foreign passenger air carriers that transport cargo, domestic and foreign all-cargo carriers that transport

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[5] ATSA further required TSA to allow airports to apply to opt-out of Federal screening and to use private screeners under contract with TSA. See 49 U.S.C. § 44920. Ten airports and 1 heliport currently have screening operations conducted by private screening contractors under TSA's Screening Partnership Program.

[6] Sterile areas are located within the terminal where passengers are provided access to boarding aircraft. Access to these areas is controlled by TSOs (or by non-Federal screeners at airports participating in the Screener Partnership Program) at checkpoints where they conduct physical screening of individuals and their carry-on baggage for weapons and explosives.

[7] CAPPS identifies passengers for secondary screening based on certain travel behaviors reflected in their reservation information that are associated with threats to aviation security, as well as through a random selection of passengers. At some airports, some passengers may also be screened by walking through an explosives trace portal—a machine that detects trace amounts of explosives on persons.

[8] Explosive detection systems use computer-aided tomography X-rays to examine objects inside baggage and identify the characteristic signatures of threat explosives. This equipment operates in an automated mode.

[9] Explosive trace detection works by detecting vapors and residues of explosives. Human operators collect samples by rubbing bags with swabs, which are chemically analyzed to identify any traces of explosive materials.

cargo, and domestic indirect air carriers. TSA is also responsible for overseeing the implementation of air cargo security requirements by air carriers and indirect air carriers through compliance inspections, and, in coordination with DHS's S&T Director, for conducting research and development of air cargo security technologies. Air carriers (passenger and all-cargo) are responsible for implementing TSA security requirements, predominantly through a TSA-approved security program that describes the security policies, procedures, and systems the air carrier will implement and maintain in order to comply with TSA security requirements. Air carriers must also abide by security requirements issued by TSA through security directives or emergency amendments to air carrier security programs.

Air carriers use several methods and technologies to screen domestic and inbound air cargo.[10] These include manual physical searches and comparisons between airway bills and cargo contents to ensure that the contents of the cargo shipment matches the cargo identified in documents filed by the shipper, as well as using approved technology, such as X-ray systems, explosive trace detection systems, decompression chambers, explosive detection systems, and certified explosive detection canine teams.[11] Under TSA's security requirements for domestic and inbound air cargo, passenger air carriers are currently required to randomly screen a specific percentage of non exempt air cargo pieces listed on each airway bill. All-cargo carriers are required to screen 100 percent of air cargo that exceeds a specific weight threshold. As of October 2006, domestic indirect air carriers are also required, under certain conditions, to screen a certain percentage of air cargo prior to its consolidation. TSA, however, does not regulate foreign freight forwarders, or individuals or businesses that have their cargo shipped by air to the United States. Under the Implementing Recommendations of the 9/11 Commission Act of 2007, DHS is required to implement a system to screen 50 percent of air cargo transported on passenger aircraft by February 2009, and 100 percent of such cargo by August 2010.[12]

Airline Passenger Watch List Matching

The prescreening of airline passengers who may pose a security risk before they board an aircraft is one of many layers of security intended to strengthen commercial aviation. One component of prescreening is passenger watch-list matching—or the process of matching passenger information against the No-Fly and Selectee lists to identify passengers who should be denied boarding or who should undergo additional security scrutiny.[13]

Aircraft operators are currently responsible for checking passenger information against the No-Fly and Selectee lists to identify passengers who should be denied boarding or who should undergo additional security scrutiny. To further enhance commercial aviation security and in accordance with the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA), TSA is developing a program to assume from air carriers the function of matching passenger information against government-supplied terrorist watch-lists for domestic flights.[14] Secure Flight is the program through which TSA plans to meet this requirement. Following domestic implementation, TSA, through Secure Flight, plans to assume responsibility from CBP for watch-list matching of passengers on international flights bound to and from the United States. Secure Flight's mission is to enhance the security of commercial air travel by:

- eliminating inconsistencies in current air carrier watch-list matching procedures,

[10] The Implementing Recommendations of the 9/11 Commission Act of 2007 defines the term 'screening' for purposes of air cargo to mean a physical examination or non-intrusive methods of assessing whether cargo poses a threat to transportation security. See 49 U.S.C. § 44901(g)(5). Such methods of screening include X-ray systems, explosives detection systems, explosives trace detection, explosives detection canine teams certified by TSA, or a physical search together with manifest verification. While additional methods may be approved to ensure that cargo does not pose a threat to transportation security, these additional methods cannot include solely performing a review of information about the contents of cargo or verifying the identity of a shipper of the cargo if not performed in conjunction with other authorized security methods, including whether a shipper is registered in the known shipper database.

[11] Certified explosive detection canine teams have been evaluated by TSA and shown to effectively detect explosive devices. Decompression chambers simulate the pressures acting on aircraft by simulating flight conditions, which cause explosives that are attached to barometric fuses to detonate.

[12] See Pub. L. No. 110–53, § 1602(a), 121 Stat. 266, 477–480 (2007) (codified at 49 U.S.C. § 44901(g)).

[13] The No Fly and Selectee lists contain the names of individuals with known or suspected links to terrorism. These lists are subsets of the consolidated terrorist watch-list that is maintained by the Federal Bureau of Investigation's Terrorist Screening Center.

[14] See 49 U.S.C. § 44903(j)(2)(C).

- reducing the number of individuals who are misidentified as being on the No Fly or Selectee list,
- reducing the risk of unauthorized disclosure of sensitive watch-list information, and
- integrating the redress process so that individuals are less likely to be improperly or unfairly delayed or prohibited from boarding an aircraft.

TSA plans to implement Secure Flight in three releases. During Release One, completed in March 2008, TSA developed and tested the Secure Flight system. During Release Two, scheduled to be conducted from April 2008 through August 2008, TSA plans to begin parallel testing with air carriers during which both Secure Flight and air carriers will perform watch-list matching. Finally, during Release Three, TSA is to develop the capability for "airline cutovers" during which Secure Flight plans to begin conducting all watch-list matching for domestic air passengers. Release Three is scheduled to begin in September 2008. Domestic cutovers are expected to begin in January 2009 and be completed in July 2009. TSA plans to assume from CBP watch-list matching for flights departing from and to the United States some time after domestic cutovers are completed.

Over the last 5 years, we have reported that the Secure Flight program (and its predecessor CAPPS II) had not met key milestones or finalized its goals, objectives, and requirements, and faced significant development and implementation challenges.[15] Acknowledging the challenges it faced with the program, TSA suspended the development of Secure Flight and initiated a reassessment, or re-baselining, of the program in February 2006, which was completed in January 2007. We were mandated by the Implementing Recommendations of the 9/11 Commission Act of 2007 to assess various aspects of Secure Flight's development and implementation.[16] In accordance with the Act, we reviewed (1) TSA's efforts to develop reliable cost and schedule estimates for Secure Flight; (2) progress made by TSA in developing and implementing the Secure Flight system, including the implementation of security controls; (3) TSA's efforts to coordinate with CBP to integrate Secure Flight with CBP's watch-list matching function for international flights; (4) TSA's plans to protect private passenger information under Secure Flight; and (5) DHS's efforts to assess the effectiveness of the current redress process for passengers misidentified as being on or wrongly assigned to the No Fly or Selectee list.[17]

TSA's available funding for the Secure Flight program during Fiscal Year 2007 was $32.5 million.[18] In Fiscal Year 2008, TSA received $50 million and requested a transfer of an additional $24 million to the program under statutory authority, making as much as $74 million available for the program in Fiscal Year 2008.[19] For Fiscal Year 2009, TSA has requested $82 million in funding to allow the agency to continue development and implementation of the Secure Flight program and the full assumption of the watch-list matching function in Fiscal Year 2010.

Surface Transportation Security

TSA shares responsibility for securing surface transportation modes with Federal, state, and local governments and the private sector. TSA's security mission includes establishing security standards and conducting assessments and inspections of surface transportation modes, including passenger and freight rail; mass transit; highways and commercial vehicles; and pipelines. The Federal Emergency Management Agency's Grant Programs Directorate provides grant funding to surface transportation operators and state and local governments, and the National Protection and Programs Directorate, in conjunction with the grant allocation process, conducts risk assessments of surface transportation facilities. Within the Department of Transportation (DOT), the Federal Transit Administration (FTA) and Federal Railroad Administration (FRA) have responsibilities for establishing standards for passenger rail safety and security. In addition, public and private sector transportation operators are responsible for implementing security measures for their systems.

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[15] GAO, *Aviation Security: Progress Made in Systematic Planning to Guide Key Investment Decisions, but More Work Remains,* GAO–07–448T (Washington, D.C.: February 13, 2007).

[16] See Pub. L. No. 110–53, § 1605(b), 121 Stat. 266, at 481–82.

[17] GAO is also mandated to review DHS's certification of 10 conditions outlined in section 522(a) of the DHS Appropriations Act, 2005, related to the development and implementation of the Secure Flight program. See Pub. L. No. 110–161, § 513, 121 Stat. 1844 (2007).

[18] Fifteen million was appropriated during Fiscal Year 2007 and $17.5 million was carried over from the prior fiscal year, for a total of $32.5 million.

[19] As mandated by law, GAO is currently reviewing TSA's request for transfer of an additional $24 million to the Secure Flight program in Fiscal Year 2008. See Pub. L. No. 110–161, § 550, 121 Stat. 1844.

TSA Has Made Significant Enhancements to Its Passenger Screening Operations, but Can Further Strengthen Its Efforts

TSA has taken significant steps to strengthen the three key elements of the screening system—people (TSOs and private screeners), screening procedures, and technology—but has faced management, planning, and funding challenges. For example, TSA developed a Staffing Allocation Model to determine TSO staffing levels at airports that reflect current operating conditions, and implemented several initiatives intended to enhance the detection of threat objects, particularly improvised explosives. We reported that TSA also proposed modifications to passenger checkpoint screening procedures based on risk (threat and vulnerability information), among other factors, but could do more evaluation of proposed procedures before they are implemented to help ensure that they achieve their intended results. Finally, TSA is exploring new technologies to enhance the detection of explosives and other threats, but continues to face management and funding challenges in developing and fielding technologies at airport checkpoints.

Of the approximately $6.0 billion requested for aviation security in the President's Fiscal Year 2009 budget request, about $4.0 billion, or approximately 66 percent, is for passenger and checked baggage screening. This includes approximately $3.9 billion to support passenger and checked baggage screening operations, such as TSO salaries and training, and about $154 million for the procurement and installation of checked baggage explosive detection systems.[20]

TSA Has Efforts Under Way to Strengthen the Allocation of Its TSO Workforce

TSA has implemented several efforts intended to strengthen the allocation of its TSO workforce. We reported in February 2004 that staffing shortages and TSA's hiring process had hindered the ability of some Federal Security Directors (FSD)—the ranking TSA authorities responsible for leading and coordinating security activities at airports—to provide sufficient resources to staff screening checkpoints and oversee screening operations at their checkpoints without using additional measures such as overtime.[21] Since that time, TSA has developed a Staffing Allocation Model to determine TSO staffing levels at airports.[22] In August 2005, TSA determined that the Staffing Allocation Model contained complete and accurate information on each airport from which to estimate staffing needs, and the agency used the model to identify TSO allocations for each airport.

FSDs we interviewed during 2006 as part of our review of TSA's staffing model generally reported that the model is a more accurate predictor of staffing needs than TSA's prior staffing model. However, FSDs expressed the following concerns about assumptions used in the Fiscal Year 2006 model:

- the model assumed that airports could achieve a 20 percent part-time TSO level, even though it was difficult for airports to achieve this;
- the model did not specifically account for the recurrent training requirement for TSOs of 3 hours per week averaged over a fiscal year quarter; and
- the model did not account for TSO's time away from screening to perform operational support duties.

To help ensure that TSOs are effectively utilized, we recommended that TSA establish a policy for when TSOs can be used to provide operational support. Consistent with our recommendation, in March 2007, TSA issued a management directive that provides guidance on assigning TSOs, through detail or permanent promotion, to duties of another position for a specified period of time. Further, in response to FSDs' input and the various mechanisms TSA had implemented to monitor the sufficiency of the model's allocation outputs, TSA made changes to some assumptions in the Staffing Allocation Model for Fiscal Year 2007, including assumptions related to part-time TSOs, training, and operational support to address the issues identified above. In our February 2007 report, we recommended that TSA establish a formal, documented plan for reviewing all of the model assumptions on a

[20] According to TSA's Congressional Justification, the $154 million requested for procurement and installation of checked baggage explosive detection systems is in addition to the $676 in mandatory fees requested for the Aviation Security Capital Fund, which would provide $830 million in total funding for the procurement and installation of such systems.

[21] GAO, *Aviation Security: Challenges Exist in Stabilizing and Enhancing Passenger and Baggage Screening Operations,* GAO–04–440T (Washington, D.C.: Feb. 12, 2004).

[22] As part of TSA's Screening Partnership Program, 10 airports and 1 heliport use private contract screeners in lieu of Federal TSOs. Although these airports and heliport do not use Federal screeners, TSA uses the Staffing Allocation Model to determine the full-time equivalent screening staff at each of these airports. These staffing levels, as determined by the model, serve as a limit on the number of private screeners that the private screening contractors could employ.

periodic basis to ensure that the assumptions result in TSO staffing allocations that accurately reflect operating conditions that may change over time. TSA agreed with our recommendation and, in December 2007, developed a Staffing Allocation Model Rates and Assumptions Validation Plan. The plan identifies the process TSA will use to review and validate the model's assumptions on a periodic basis.

Although we did not independently review TSA's staffing allocation for Fiscal Year 2008, the TSA Fiscal Year 2009 budget justification identified that the agency has achieved operational and efficiency gains that enabled them to implement or expand several workforce initiatives involving TSOs, which are summarized in table 1. For example, TSA reported making several changes to the Fiscal Year 2008 Staffing Allocation Model, such as decreasing the allocation for time paid not worked (annual, sick, and military leave; compensatory time; and injury time off) based on past performance data. TSA also reported revising the exit lane staffing based on each checkpoint's unique operating hours rather than staffing all exit lanes based on the maximum open hours for any checkpoint at an airport.

Table 1.—TSA Workforce Initiatives Involving Transportation Security Officers (TSOs)

Workforce Initiative	Description of Initiative
Travel document checker	TSA implemented the travel document checker initiative at over 250 smaller airports during Fiscal Year 2007. According to the TSA Fiscal Year 2009 budget justification, through savings realized through adjustments in the Fiscal Year 2008 Staffing Allocation Model, TSA was able to fund 1,033 additional full-time-equivalent TSOs for the travel document checker initiative. This program is intended to ensure that only passengers with authentic travel documents access the sterile areas of airports and board aircraft. TSA's budget justification identifies that in Fiscal Year 2007 the agency implemented this program at over 340 of the 450 airports with Federal TSOs.
Behavior detection officers	TSA completed its planned deployment of the behavior detection officer program. These officers screen passengers by observation technique (also known as SPOT) to identify potentially high-risk passengers based on involuntary physical and physiological reactions. During Fiscal Year 2007, 643 behavior detection officers were deployed at 42 airports.
Bomb appraisal officers	TSA completed the planned deployment of the Bomb Appraisal Officer program. These officers, who have undergone training in the disposal of explosives, provide formal training to TSOs to increase their ability to recognize potential improvised explosive devices and components. The Bomb Appraisal Officer Program was formally implemented at 107 airports during Fiscal Year 2007.
Visible Intermodal Protection and Response Teams	According to TSA, the agency deployed Visible Intermodal Protection and Response Teams to airports around the country. These teams—comprised of TSOs, behavior detection officers and other aviation security employees—are responsible for screening passengers, looking for suspicious behavior, and acting as a visible deterrent in multiple transportation sectors, including buses, mass transit stations, and airports. TSA's budget justification identified that as of February 2008, TSA had deployed over 100 Visible Intermodal Protection and Response Teams to airports and mass transit systems around the country.
Aviation Direct Access Screening Program	The Aviation Direct Access Screening Program is intended to provide uniform procedures and standards for TSOs to screen individuals, their accessible property, and vehicles upon entering secure airport areas, and conduct visual inspections of aircraft. Under this program, TSOs are to screen aviation workers and inspect for the presence of explosives, incendiaries, weapons, and other prohibited items, improper airport identification media, and items identified through specific intelligence. In March 2007, TSA required Federal Security Directors to implement the Aviation Direct Screening Program at each of their assigned airports.

Source: TSA Fiscal Year 2009 budget justification.

TSA's Fiscal Year 2009 budget justification includes $2.7 billion for the Federal TSO workforce, and represents an increase of about $80 million over Fiscal Year

2008 funding. Of the $80 million increase, about $38 million is for cost of living adjustments, and about $42 million is for the annualization of the full-year cost of the Behavior Detection Officer and Aviation Direct Access Screening Program positions. According to DHS' budget justification, the $2.7 billion includes funding for compensation and benefits of 45,643 full-time equivalent personnel—approximately 46,909 TSOs and about 1,100 screening managers.[23] Table 2 identifies the total TSO and screening manager full-time equivalents and the funding levels for Fiscal Years 2005 through 2008, as reported by TSA.

Table 2.—Passenger and Checked Baggage TSO and Screening Manager Full-time Equivalents and Actual Spending for TSO Personnel, Compensation, and Benefits, by Fiscal Year

Fiscal Year	FY 2005	FY 2006	FY 2007	FY 2008[a]
Total TSOs and screening managers at airports nationwide	45,690	42,187	42,592	45,438
Actual spending (dollars in thousands)	$2,291,572	$2,251,503	$2,444,455	$2,636,104

Source: TSA.
[a] Fiscal year 2008 figures represent TSA's budget in accordance with funds appropriated through Division E of the Consolidated Appropriations Act, 2008.

TSA Has Taken Steps to Strengthen Passenger Screening Procedures, but Could Improve Its Evaluation and Documentation of Proposed Procedures

In addition to TSA's efforts to strengthen the allocation of its TSO workforce, TSA has taken steps to strengthen passenger checkpoint screening procedures to enhance the detection of prohibited items. However, we have identified areas where TSA could improve its evaluation and documentation of proposed procedures. In April 2007, we reported that TSA officials considered modifications to its standard operating procedures (SOP) based on risk information (threat and vulnerability information), daily experiences of staff working at airports, and complaints and concerns raised by the traveling public.[24]

We further reported that for more significant SOP modifications, TSA first tested the proposed modifications at selected airports to help determine whether the changes would achieve their intended purpose, as well as to assess its impact on screening operations. However, we reported that TSA's data collection and analyses could be improved to help TSA determine whether proposed procedures that are operationally tested would achieve their intended purpose. We also found that TSA's documentation on proposed modifications to screening procedures was not complete. We recommended that TSA develop sound evaluation methods, when possible, to assess whether proposed screening changes would achieve their intended purpose and generate and maintain documentation on proposed screening changes that are deemed significant. DHS generally agreed with our recommendations and TSA has taken steps to implement them. For example, for several proposed SOP changes considered during the fall of 2007, TSA provided documentation that identified the sources of the proposed changes and the reasons why the agency decided to accept or reject the proposed changes.

Once proposed SOP changes have been implemented, it is important that TSA have a mechanism in place to ensure that TSOs are complying with established procedures. In our April 2007 report, we identified that TSA monitors TSO compliance with passenger checkpoint screening SOPs through its performance accountability and standards system—which was implemented in response to a recommendation by us in 2003[25] and in response to airport staff concerns—and through local and national covert testing. We further reported that some TSA airport officials have experienced resource challenges in implementing these compliance monitoring efforts. TSA headquarters officials stated that they were taking steps, such as automating the performance accountability and standards system data entry functions, to address this challenge. Since then, TSA has also implemented a new local covert testing program nationwide, known as the Aviation Screening Assessment Program. This program is intended to measure TSO performance using realistic and standardized test scenarios to achieve a national TSO assessment measurement. TSA plans to use these test results to identify vulnerabilities across screening operations and

[23] The TSA Fiscal Year 2009 budget justification includes about $151 million for the Screening Partnership Program.

[24] GAO, *Aviation Security: Risk, Experience, and Customer Concerns Drive Changes to Airline Passenger Screening Procedures, but Evaluation and Documentation of Proposed Changes Could Be Improved,* GAO–07–634 (Washington, D.C.: April 16, 2007).

[25] GAO, *Transportation Security Administration: Actions and Plans to Build a Results Oriented Culture,* GAO–03–190 (Washington, D.C.: January 2003).

to provide recommendations for addressing the vulnerabilities to various stakeholders within TSA.

DHS and TSA Are Pursuing New Checkpoint Technologies to Enhance the Detection of Explosives and Other Threats, but Continue to Face Challenges

We reported in February 2007[26] that S&T and TSA[27] were exploring new passenger checkpoint screening technologies to enhance the detection of explosives and other threats. However, we found that limited progress had been made in fielding explosives detection technology at passenger screening checkpoints, in part due to challenges S&T and TSA faced in coordinating research and development efforts. TSA requested $103.2 million in its Fiscal Year 2009 budget request for checkpoint technology and checkpoint reconfiguration. Among other things, TSA plans to procure and deploy Advanced Technology Systems to further extend explosives and prohibited item detection coverage at category X and I checkpoints. The President's budget request also identifies that TSA may purchase Whole Body Imagers, Bottled Liquids Scanners, Cast and Prosthesis Imagers, shoe scanner systems, technology integration solutions, and additional units or upgrades to legacy equipment, among other technologies. TSA further requested $11.5 million to support the optimization and reconfiguration of additional checkpoint lanes to accommodate anticipated airport growth and maintain throughput at the busiest airport checkpoints.

Of the various emerging checkpoint screening projects funded by TSA and S&T, the explosive trace portal and the bottled liquids scanning device have been deployed to airport checkpoints, and a number of additional projects have initiated procurements or are being researched and developed.[28] Table 3 provides a description of passenger checkpoint screening technologies that have been deployed as well as technologies that have initiated procurements or are in research and development. This list of technologies is limited to those for which TSA could provide documentation. TSA is planning to develop and deploy additional technologies. We are continuing to assess TSA's deployment of new checkpoint screening technologies in our ongoing work and expect to report on the results of this work later this year.

Table 3.—Description of Passenger Checkpoint Screening Technologies Deployed, Procured, or in Research and Development as of January 2008

Technology	Description	Status
Explosives trace portals	Detects trace amounts of explosives on persons (will reduce the size of the current explosives trace portals at checkpoints).	TSA initiated deployment of 95 portals to airports. However, in June 2006, TSA halted the acquisition and deployment of the portals due to performance and maintenance issues. Currently, 114 portals are in storage, which were purchased at a total cost of over $20 million.
Bottled liquids scanners	Screens for liquid explosives.	During Fiscal Year 2007, TSA procured 200 units. One hundred and forty three units have been deployed to airports. For Fiscal Year 2008, TSA plans to procure 700 units.

[26] GAO, *Aviation Security: Progress Made in Systematic Planning to Guide Key Investment Decisions, but More Work Remains,* GAO–07–448T (Washington, D.C.: February 13, 2007).

[27] DHS S&T is responsible for research and development of checkpoint technologies related to aviation security, managing the activities conducted at the Transportation Security Laboratory, and coordinating these efforts with TSA. TSA's Passenger Screening Program is responsible for evaluating and deploying systems to detect explosives and weapons concealed on persons or in carry-on items, while strengthening access control, improving screener performance, and reducing staffing requirements.

[28] Research and development projects generally fall within the following phases: (1) basic research includes all scientific efforts and experimentation directed to increase knowledge and understanding in the fields of science related to long-term national needs; (2) applied research includes efforts directed toward solving specific problems with a focus on developing and evaluating the feasibility of proposed solutions; (3) advanced development includes efforts directed toward the development of hardware for field experiments; and (4) operational testing includes evaluation of technologies in a realistic operating environment to assess the performance or cost reduction potential of advanced technology.

Table 3.—Description of Passenger Checkpoint Screening Technologies Deployed, Procured, or in Research and Development as of January 2008—Continued

Technology	Description	Status
Cast and prosthesis scanners	Provides a 2-dimensional image of the area beneath a cast or inside a prosthetic device.	TSA procured 34 units during Fiscal Year 2007 and expects delivery of the first unit in February 2008. TSA plans to deploy this technology to airports during 2008.
Advanced Technology Systems	TSA plans to replace the Threat Image Projection Ready X-ray machines currently used at category X airports with Advanced Technology Systems that are intended to improve detection capability and performance.	During 2007, testing was conducted on this technology, including operational testing at four airports. TSA procured 250 units during Fiscal Year 2007, and plans to procure 677 units and deploy 429 units during Fiscal Year 2008.
Checkpoint explosives detection systems	Creates a three dimensional image of bags to detect explosives and other nonmetallic items.	This technology is currently undergoing various types of testing, including operational testing. During Fiscal Year 2007, TSA procured 20 units to be deployed starting in 2008.
Whole body imagers	Provides two-dimensional, full-body images of all items on a passenger's body, including plastic explosives and concealed metallic, non-metallic, and ceramic or plastic objects.	TSA is conducting operational pilot testing of the whole body imager at one airport. If the testing is successful, TSA plans to procure and deploy the first units to airports during 2008.

Source: TSA.

Despite TSA's efforts to develop passenger checkpoint screening technologies, we reported that limited progress has been made in fielding explosives detection technology at airport checkpoints. For example, we reported that TSA had anticipated that the explosives trace portals would be in operation throughout the country during Fiscal Year 2007. However, due to performance and maintenance issues, TSA halted the acquisition and deployment of the portals in June 2006. As a result, TSA has fielded less than 25 percent of the 434 portals it projected it would deploy by Fiscal Year 2007. TSA officials are considering what to do with the portals that were procured and are currently in storage. In addition to the portals, TSA has fallen behind in its projected acquisition of other emerging screening technologies. For example, we reported that the acquisition of 91 Whole Body Imagers was previously delayed in part because TSA needed to develop a means to protect the privacy of passengers screened by this technology.

While TSA and DHS have taken steps to coordinate the research, development, and deployment of checkpoint technologies, we reported in February 2007 that challenges remained. For example, TSA and S&T officials stated that they encountered difficulties in coordinating research and development efforts due to reorganizations within TSA and S&T. A senior TSA official further stated at the time that, while TSA and the DHS S&T have executed a Memorandum of Understanding to establish the services that the Transportation Security Laboratory is to provide to TSA, coordination with S&T remained a challenge because the organizations had not fully implemented the terms of the agreement. Since our February 2007 testimony, according to TSA and S&T, coordination between them has improved.

We also reported that TSA did not have a strategic plan to guide its efforts to acquire and deploy screening technologies, and that a lack of a strategic plan or approach could limit TSA's ability to deploy emerging technologies at those airport locations deemed at highest risk. The Consolidated Appropriations Act, 2008, provides that, of TSA's appropriated funds for Transportation Security Support, $10,000,000 may not be obligated until the Secretary of Homeland Security submits to the House and Senate Committees on Appropriations detailed expenditure plans for checkpoint support and explosive detection systems refurbishment, procurement, and installation on an airport-by-airport basis for Fiscal Year 2008, along with the strategic plan for checkpoint technologies previously requested by the committees no later than 60 days after the date of enactment of the Act (enacted December 26, 2007). According to TSA officials, they currently plan to submit the strategic plan to Congress by June 2008. We will continue to evaluate S&T's and TSA's efforts to research, develop and deploy checkpoint screening technologies as part of our ongoing review.

TSA Has Taken Action to Strengthen Air Cargo Security, but Additional Efforts Are Needed

TSA has taken steps to enhance domestic and inbound air cargo security, but more work remains to strengthen this area of aviation security. For example, TSA has issued an Air Cargo Strategic Plan that focused on securing the domestic air cargo supply chain. However, in April 2007, we reported that this plan did not include goals and objectives for addressing the security of inbound air cargo, or cargo transported into the United States from a foreign location, which presents different security challenges than cargo transported domestically.[29] We also reported that TSA had not conducted vulnerability assessments to identify the range of security weaknesses that could be exploited by terrorists related to air cargo operations. In addition, we also reported that TSA had established requirements for air carriers to randomly screen air cargo, but had exempted some domestic and inbound cargo from screening. With respect to inbound air cargo, we reported that TSA lacked an inspection plan with performance goals and measures for its inspection efforts, and recommended that TSA develop such a plan. Finally, TSA is taking steps to compile and analyze information on air cargo security practices used abroad to identify those that may strengthen DHS's overall air cargo security program, as we recommended. For Fiscal Year 2009, the President's budget includes a request of about $104 million for TSA's air cargo security program. Specifically; TSA is requesting $52 million for 460 air cargo inspectors, $33.5 million for 170 canine teams, and $2.8 million for the Certified Cargo Screening Program.[30] We issued two reports that examined TSA's efforts to secure domestic air cargo and inbound air cargo.[31] Table 4 summarizes our key findings, recommendations, and TSA's response.

Table 4.—Key GAO Recommendations Related to Air Cargo Security and TSA's Response[32]

Identified Issue	Recommendation	Status
Air Cargo Strategic Plan did not include goals and objectives for addressing the security of air cargo transported into the United States from another country.	DHS develop a risk-based strategy to address inbound air cargo security that should define TSA's and CBP's responsibilities for ensuring the security of inbound air cargo.	CBP issued its International Air Cargo Security Strategic Plan in June 2007. According to TSA officials, the agency plans to revise its Air Cargo Strategic Plan during the third quarter of Fiscal Year 2008, and will incorporate a strategy for addressing inbound air cargo security, including how the agency will partner with CBP. TSA reported that the updated strategic plan will also incorporate the requirement that TSA develop a system to screen 100 percent of air cargo prior to its transport on passenger aircraft as required by the Implementing Recommendations of the 9/11 Commission Act of 2007.
TSA had not conducted vulnerability assessments to identify the range of security weaknesses that could be exploited by terrorists related to air cargo operations.	TSA develop a methodology and schedule for completing these assessments.	TSA implemented an Air Cargo Vulnerability Assessment program in November 2006 and, as of April 2008, had completed vulnerability assessments at five domestic airports. TSA plans to complete assessments of all Category X airports by 2009. Officials stated that the results of these assessments will assist the agency with its efforts to collaborate with foreign governments to conduct joint assessments at foreign airports that will include a review of air cargo vulnerabilities.

[29] GAO, *Aviation Security: Federal Efforts to Secure U.S.-Bound Air Cargo Are in the Early Stages and Could Be Strengthened,* GAO–07–660 (Washington, D.C.: April 2007).

[30] According to TSA, the funding requested for the Certified Cargo Screening Program could change if the agency has any contract activity in Fiscal Year 2008 for this program.

[31] GAO, *Aviation Security: Federal Action Needed to Strengthen Domestic Air Cargo Security,* GAO–06–76 (Washington, D.C.: October 2005) and GAO–07–660; GAO, *Aviation Security: Federal Efforts to Secure U.S.-Bound Air Cargo Are in the Early Stages and Could Be Strengthened,* GAO–07–660 (Washington, D.C.: April 2007).

Table 4.—Key GAO Recommendations Related to Air Cargo Security and TSA's Response [32]—Continued

Identified Issue	Recommendation	Status
TSA established requirements for air carriers to randomly screen air cargo, but exempted some domestic and inbound cargo from screening.	TSA examine the rationale for existing domestic and inbound air cargo screening exemptions and determine whether such exemptions left the air cargo system unacceptably vulnerable.	TSA issued a security directive and emergency amendment in July 2007 to domestic and foreign air carriers operating within and from the United States that limited the screening exemptions; however, these did not apply to inbound air cargo. The Implementing Recommendations of the 9/11 Commission Act of 2007 requires DHS to conduct an assessment of screening exemptions granted under 49 U.S.C. § 44901(i)(1) for cargo transported on passenger aircraft and an analysis to assess the risk of maintaining such exemptions. TSA's assessment, issued in February 2008, includes the agency's plans to maintain, revise, or eliminate screening exemptions for particular cargo types transported on passenger aircraft departing from both domestic and foreign locations. GAO is required to review the methodology used in this assessment and report back to Congress by June 24, 2008, 120 after its issuance.
TSA had not developed measures to assess the adequacy of air carrier compliance with air cargo security requirements, or assessed the results of its domestic compliance inspections to target higher-risk air carriers or indirect air carriers for future reviews.	TSA systematically analyze compliance inspection results and use the results to target future inspections.	TSA has increased the number of inspectors dedicated to conducting domestic air cargo compliance inspections, and has begun analyzing the results of these inspections to prioritize their inspections on those entities that have the highest rates of noncompliance, as well as newly approved entities that have yet to be inspected.
TSA lacked an inbound air cargo compliance inspection plan with performance goals and measures for its inspection efforts.	TSA develop such a plan.	TSA officials stated that the agency formed an International Cargo Working Group to develop inspection prompts to guide inspectors in their examinations of foreign and U.S. air cargo operators departing from foreign locations to the United States.
GAO identified foreign security practices that are currently not used by TSA but that potentially could help strengthen the security of inbound and domestic air cargo supply chains. TSA did not systematically collect information on such practices.	TSA compile and analyze information on air cargo security practices used abroad to identify those that may strengthen DHS's overall air cargo security program.	TSA is taking steps to compile and analyze this information. According to TSA officials, the agency reviewed foreign countries' models for screening air cargo, which is performed early in the supply chain by government certified shippers and freight forwarders, when designing their Certified Cargo Screening Program. TSA officials believe this program will assist the agency in meeting the requirement to screen 100 percent of air cargo transported on passenger aircraft by August 2010, as mandated by the Implementing Recommendations of the 9/11 Commission Act of 2007.[33] We have not independently assessed TSA's Certified Cargo Screening Program.

Source: GAO Analysis.

TSA Has Made Progress in Developing and Implementing the Secure Flight Program, but Can Further Strengthen Its Efforts

In February 2008, we reported that TSA has made substantial progress in instilling more discipline and rigor into Secure Flight's development and implementation, but challenges remain that may hinder the program's progress moving forward.[34] For example, TSA developed a detailed concept of operations, established a cost and schedule baseline, and drafted key management and systems development documents, among other efforts. However, while TSA developed a life-cycle cost estimate and an integrated master schedule for Secure Flight, the program has not fully followed best practices that would help to ensure reliable and valid cost and schedule estimates. We also reported that TSA can strengthen its systems development efforts by demonstrating that it has fully implemented its risk management plan, incorporated end-to-end testing[35] as part of the program's testing strategy, and more fully addressed system security requirements and vulnerabilities. We further reported that DHS and TSA can strengthen their assessment of the current redress process for passengers who believe they were inappropriately inconvenienced during the watch-list matching process. TSA officials stated that they have considerably strengthened Secure Flight's systems development efforts, and have already taken or plan to take action to address the issues we identified. We made a number of recommendations to strengthen TSA's development and implementation of Secure Flight to address the issues discussed below, which officials generally agreed with.

TSA Has Made Progress in Strengthening Secure Flight's Development and Implementation

TSA has taken numerous steps to address previous GAO recommendations related to strengthening Secure Flight's development and implementation, as well as additional steps designed to strengthen the program.[36] TSA has, among other things, developed a detailed, conceptual description of how the system is to operate, commonly referred to as a concept of operations; established a cost and schedule baseline; developed security requirements; developed test plans; conducted outreach with key stakeholders; published a notice of proposed rulemaking on how Secure Flight is to operate; and issued a guide to key stakeholders (*e.g.,* air carriers and CBP) that defines, among other things, system data requirements. Collectively, these efforts have enabled TSA to more effectively manage the program's development and implementation.

TSA has also taken steps to integrate the domestic watch-list matching function with the international watch-list matching function currently operated by CBP. We previously reported that TSA and CBP experienced coordination challenges which, among other things, could result in a duplication of effort and conflicting results from domestic and international watch-list matching.[37] We recommended that DHS take additional steps and make key policy and technical decisions that were necessary to more fully coordinate these programs. TSA and CBP have since worked with DHS to develop a strategy called the One DHS Solution, which is to align the two agencies' domestic and international watch-list matching processes, information technology systems, and regulatory procedures to provide a seamless interface between DHS and the airline industry. TSA and CBP also agreed that TSA will take over the screening of passengers against the watch list for international flights from CBP, though CBP will continue to match passenger information to the watch list in fulfillment of its border-related functions. Full implementation of an integrated system is not planned to take place until after Secure Flight acquires the watch list matching function for domestic flights.

TSA has also taken steps to address key privacy principles in plans to protect private passenger information for the Secure Flight program. We previously reported

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[32] The table represents the key recommendations GAO made regarding air cargo, but does not encompass all of them. See GAO–06–76 and GAO–07–660 for the complete list of recommendations.

[33] In fulfilling this mandate, DHS must provide for the screening of 50 percent of all cargo transported on passenger aircraft by February 2009, 18 months after enactment of the Act. See 49 U.S.C. § 44901(g).

[34] See GAO–08–456T.

[35] End-to-end testing is conducted to verify that the entire system, including any external systems with which it interfaces, functions as intended in an operational environment.

[36] GAO, *Aviation Security: Secure Flight Development and Testing Under Way, but Risks Should Be Managed as System is Further Developed,* GAO–05–356 (Washington, D.C.: March 28, 2005); and GAO, *Aviation Security: Significant Management Challenges May Adversely Affect Implementation of the Transportation Security Administration's Secure Flight Program,* GAO–06–374T (Washington, D.C.: February 9, 2006).

[37] See GAO–07–448T.

that TSA, as part of its requirements development process, had not clearly identified the privacy impacts of the Secure Flight system or the full actions it planned to take to mitigate them. We also reported that TSA violated provisions of the Privacy Act by not fully disclosing its use of personal information during systems testing.[38] In March 2005, we recommended that TSA specify how Secure Flight will protect personal privacy.[39] In August 2007, TSA published, for public comment, the required privacy impact assessment[40] and system of records notice[41] that address key privacy protection principles.[42] TSA also developed a Program Privacy Architecture describing key aspects of TSA's plans to protect private passenger information. We will continue to monitor TSA's efforts as part of our ongoing work to ensure that privacy protections continue to be appropriately considered.

TSA Has Not Fully Followed Best Practices for Developing Reliable and Valid Cost and Schedule Estimates for Secure Flight

Although TSA has developed a life-cycle cost estimate and maintains an integrated master schedule for Secure Flight, the program has not fully followed best practices for developing reliable and valid cost and schedule estimates, and several program milestones have been missed or have slipped. The Office of Management and Budget (OMB) endorsed the use[43] of GAO's Cost Assessment Guide in the development of life-cycle cost and program schedule estimates.[44] Without adhering to these best practices in the development of its cost and schedule estimates, TSA is at risk of the Secure Flight program experiencing cost overruns, missed deadlines, and performance shortfalls.

Life-cycle cost estimate. We reported that TSA has not fully followed best practices for developing a reliable and valid life-cycle cost estimate. Using our Cost Assessment Guide's 12-step process for creating cost estimates, we assessed the Secure Flight cost estimate against these best practices.[45] DHS's Cost-Benefit Analysis Guidebook, which TSA program officials stated that TSA used to develop the life-cycle cost estimate for Secure Flight, contains most of the best practices outlined in our Guide. TSA followed some of these practices in developing its cost estimate, including defining the purpose of the program and estimate purpose; identifying many program cost elements, including expenditures for facilities, hardware, and software; and identifying the numbers of staff, their pay, and associated travel and training costs, among other elements. However, it is unclear whether TSA followed other best practices or did not address the practices in developing its estimate. For example, it is unclear whether the cost estimate had been updated to reflect the current program because the detailed support for the estimate was produced between 2004 and 2006, and does not reflect the current program plan. In addition, the cost estimate does not capture all key costs. For example, the estimate does not capture costs beyond 2012 even though the system is expected to be operational beyond that date. TSA officials stated that the program's cost figures were updated in 2007 and

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[38] See GAO, *Aviation Security: Transportation Security Administration Did Not Fully Disclose Uses of Personal Information during Secure Flight Program Testing in Initial Privacy Notices, but Has Recently Taken Steps to More Fully Inform the Public,* GAO–05–864R (Washington, D.C.: July 22, 2005).

[39] See GAO–05–356.

[40] The E-Government Act of 2002 requires agencies to conduct privacy impact assessments (PIA). Pub. L. No. 107–347, § 208, 116 Stat. 2899, 2921–23 (2002). A PIA is an analysis of how personal information is collected, stored, shared, and managed in a Federal system. Agencies are required to make their PIAs publicly available.

[41] The Privacy Act places limitations on agencies' collection, disclosure, and use of personal information maintained in systems of records and requires agencies to publish a public notice, known as a System of Records Notice (SORN), in the *Federal Register.* See 5 U.S.C. § 552a.

[42] TSA will not issue final notices until it completes its evaluation of public comments on notice of proposed rulemaking. The comment period for the Secure Flight rulemaking closed on November 21, 2007.

[43] OMB's Capital Programming Guide (Supplement to Office of Management and Budget Circular A–11, Part 7: Planning, Budgeting, and Acquisition of Capital Assets) identifies that there are certain key criteria that OMB will look for in the justification of spending for proposed new capital assets including credible cost estimates. Appendix 9 of the guide identifies that following the guidelines in GAO's Cost Assessment Guide will help agencies meet most cost estimating requirements.

[44] See GAO, *Cost Assessment Guide: Best Practices for Estimating and Managing Program Costs, Exposure Draft,* GAO–07–1134SP (Washington, D.C.: July 2007).

[45] The 12 steps involved in developing a high-quality cost estimating process are (1) define the estimate's purpose, (2) develop the estimating plan, (3) define the program, (4) determine the estimating structure, (5) identify ground rules and assumptions, (6) obtain the data, (7) develop the point estimate and compare it to an independent cost estimate, (8) conduct sensitivity analysis, (9) conduct risk and uncertainty analysis, (10) document the estimate, (11) present estimate to management, and 12) update the estimate to reflect actual costs and changes.

continue to be updated as changes warrant. Officials further stated that their estimates were prepared in accordance with DHS and OMB guidance and were reviewed and approved by DHS and OMB. However, without adhering to the best practices discussed above, as recommended by OMB, TSA's cost estimate may not provide a meaningful baseline from which to track progress, and effectively support investment decisionmaking.

Schedule estimate. We reported that TSA also did not fully follow best practices for developing a reliable and valid schedule estimate. GAO's Cost Assessment Guide includes 9 best practices, which if followed correctly, should result in high quality, reliable, and valid schedule estimates.[46]

Without a reliable schedule baseline and careful monitoring of its status, a program may not be able to determine when forecasted completion dates differ from planned dates. TSA has made progress in developing a reliable and valid schedule estimate, including capturing key activities and accounting for the development of program requirements and testing. However, TSA officials could not provide evidence that their scheduling software can produce a critical path (*i.e.,* the longest path of sequential activities in a schedule) driven by discrete lower level tasks. Best practices call for the critical path to be generated using scheduling software. We also reported that the schedule is not fully integrated because several lower level activities were not connected in a logical manner, as called for by best practices. As a result, the Secure Flight schedule estimate may not provide a meaningful benchmark from which to gauge progress, identify and address potential problems, and make informed decisions. For example, the inability to institute a reliable schedule could affect TSA's ability to effectively measure contractor performance in meeting deliverables. TSA officials stated that their scheduling software can create a critical path, and that lower level tasks in their schedule were logically linked together; however, they did not provide evidence that supported this.

In February 2008, we reported that since TSA completed a re-baselining of the Secure Flight program, and began using its current schedule, the program has missed milestones and experienced schedule slippages.[47] For example, while TSA reported that it had met most of its March 2007 schedule milestones to date, the August 2007 milestone for developing Memoranda of Understanding and other written agreements (*e.g.,* service level agreements) with key Secure Flight stakeholders (*e.g.,* CBP) was missed and had not yet been met. TSA officials attributed schedule slippages in part to an extension in the Secure Flight rulemaking comment period and underestimating the time needed to complete key activities.

In February 2008, we recommended that TSA fully incorporate best practices into the development of Secure Flight life-cycle cost and schedule estimates. TSA generally agreed with these recommendations. We will continue to assess TSA's efforts to develop life-cycle cost and schedule estimates as part of our ongoing review of the Secure Flight Program.

TSA Has Made Progress in Strengthening Secure Flight's Development, but Can Further Strengthen Efforts

While TSA has taken numerous steps to strengthen the development of Secure Flight, additional challenges remain. These challenges include: (1) implementing the program's risk management plan, (2) planning and conducting end-to-end testing as part of their overall parallel testing strategy, and (3) addressing information security requirements and vulnerabilities.

Risk management. In October 2006, TSA issued a risk management plan for identifying, managing, and mitigating Secure Flight program risks that was consistent with relevant guidance and best practices. TSA also acquired an electronic tool to guide its risk management efforts. However, TSA has not yet provided us with evidence that it has implemented all aspects of the plan, including developing an inventory of risks and related information to demonstrate that its risk management tool has been populated and is being used to identify, prioritize, mitigate, and monitor risk. In November 2007, TSA hired a risk management coordinator, a position that had been vacant since June 2007. According to program officials, the coordinator has been tasked with supporting the risk management board in implementing the risk management plan and has provided related training for its members. We

[46] The 9 best practices are (1) capturing key activities, (2) sequencing key activities, (3) establishing the duration of key activities, (4) establishing the critical path for key activities, (5) assigning resources to key activities, (6) identifying "float time" between key activities, (7) distributing reserves to high risk activities (including conducting an independent cost estimate), (8) integrating key activities horizontally—to link products and outcomes associated with already sequenced activities—and vertically—to ensure that traceability exists among varying levels of activities and supporting tasks, and (9) completing schedule risk analysis.

[47] See GAO–08–456T.

will continue to assess TSA's efforts to mange risk as part of our ongoing review of Secure Flight.

End-to-end test planning. Secure Flight does not fully outline plans for end-to-end testing in its overall test and evaluation plan, or other test plans. Federal guidance and related best practices recommend end-to-end testing to verify that the systems that collectively support a program like Secure Flight will interoperate as intended in an operational environment, either actual or simulated.[48] We reported in March 2005 on the importance of Secure Flight end-to-end testing and recommended that TSA perform such testing.[49] TSA agreed with this recommendation. However, Secure Flight's current test and evaluation master plan only outlines plans for partner organizational entities (*e.g.,* CBP for integration of international watch-list functions) to test their respective parts of the system on their own—rather than a coordinated end-to-end test involving all parties. TSA developed a preliminary working draft of an end-to-end testing strategy,called the parallel testing strategy. However, the plan does not contain provisions for (1) testing that ensures that supporting systems will operate as intended in an operational environment, (2) definitions and dates for key milestone activities and parties responsible for completing them, or (3) the revision of other test plans, such as the test and evaluation master plan, to reflect the performance of end-to-end tests. In February 2008, we reported that Secure Flight officials stated that they plan to conduct full end-to-end testing of the program, beginning in the spring of 2008, and that they planned to reflect this testing in test plans that were still under development. While we commend TSA's plans to conduct end-to-end testing, the draft of TSA's test plan that discusses end-to-end testing does not define a scope that extends to all aspects of the program. Until TSA has well-defined and approved end-to-end test plans and procedures, it will be challenged in its ability to demonstrate that Secure Flight will perform in a way that will allow it to achieve intended program outcomes and results. We will continue to assess TSA's testing strategy, to include end-to-end testing, as part of our ongoing review of the program.

Information security. While the Secure Flight program office has completed important steps to incorporate security into the system's development, it has not fully completed other steps to ensure security is effectively addressed. Federal standards and guidance identify the need to address information security throughout the lifecycle of information systems, and specifies a minimum set of security steps needed to effectively incorporate security into a system during its development.[50] The Secure Flight program has performed several steps that incorporate security into the system's development, including performing a security risk assessment, identifying and documenting recommended security control requirements, and testing and evaluating security controls for the system and incorporating identified weaknesses in remedial action plans. However, other steps pertaining to ensuring that security requirements are tested, preparing security documentation, and conducting certification and accreditation activities were not adequately completed.[51] For example, security requirements planned for Release One did not always trace to test activities for this release.[52] Program officials stated that some security requirements were deferred until future releases due to delays in funding for acquiring specific hardware and other requirements require coordination with the information system security official to verify whether they were tested as part of security test and evaluation. In addition, security documentation contained incorrect or incomplete information. To illustrate, the systems security plan did not identify all interconnecting systems that Secure Flight will interface with, such as those operated by the DHS Watch List Service, the organization that will transmit the watch-list to Secure Flight. Program officials stated that security documentation was outdated or incorrect because

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[48] Risks of testing in the production environment must be thoroughly analyzed and precautions taken to preclude damage to systems and data. See GAO, *Year 2000 Computing Crisis: A Testing Guide,* GAO/AIMD–10.1.21 (Washington. D.C.: November 1998).

[49] See GAO–05–356.

[50] National Institute of Standards and Technology (NIST), Technology Administration, U.S. Department of Commerce, *Security Considerations in the Information System Development Life-Cycle,* NIST Special Publication 800–64 (Gaithersburg, MD: June 2004).

[51] OMB requires that agency management officials formally authorize their information systems to process information and accept the risk associated with their operation. This management authorization (accreditation) is to be supported by a formal technical evaluation (certification) of the management, operational, and technical controls established in an information system's security plan. See GAO, *Information Security: Although Progress Reported, Federal Agencies Need to Resolve Significant Deficiencies,* GAO–08–496T, (Washington, D.C.: February 14, 2008).

[52] These activities include (1) system testing performed as part of software development, and (2) security test and evaluation performed as part of certification and accreditation.

there was insufficient time to update the documentation for changes in the computing environment and security requirements.

Furthermore, program officials granted an authorization to operate—one of three possible accreditation decisions made in the certification and accreditation process—although the system had 46 known vulnerabilities, including 11 high-risk and 27 moderate-risk vulnerabilities and the controls had not yet been implemented. [53] Federal guidance as well as DHS policy provide for an interim authority to operate accreditation when significant restrictions or limitations exist and certain deficiencies and corrective actions need to be addressed within a specified period. Although security officials identified plans of actions and milestones for addressing the vulnerabilities within 60 and 90 days for the high and moderate risks, respectively, given their significance, an interim authorization to operate would be the more appropriate determination. In addition, hardware components used to implement controls over user identity and account management (*i.e.,* authentication, logins and passwords, and user roles and privileges), as well as the alternate processing site had not yet been implemented. Once implemented, the security controls over these components could have an impact on the information security and, therefore, may require a re-accreditation. Program officials chose the authority to operate accreditation because they asserted that the DHS Chief Information Security Officer does not allow interim authorizations. If these security activities are not completed, there is an increased risk that key security controls and requirements may not be fully developed, tested, implemented or documented. In February 2008, we recommended that TSA fully implement the Secure Flight risk management plan; finalize and approve Secure Flight's end-to-end testing strategy; and strengthen information security documentation and controls. TSA generally agreed with these recommendations.

DHS and TSA Lack Performance Measures to Fully Evaluate the Effectiveness of the Redress Process, but Plan Additional Measures Under Secure Flight

DHS and TSA have not developed a complete set of performance measures to assess the effectiveness of the redress process for passengers inconvenienced as a result of watch-list matching.[54] Measuring performance allows organizations to track the progress they are making toward their goals and gives managers critical information on which to base decisions for improving their programs. DHS and TSA are developing additional measures for the redress process that they plan to implement when Secure Flight becomes operational.

TSA, supported by the Terrorist Screening Center, provides opportunities for airline passengers to seek redress in cases where they experienced inconveniences during the check-in and screening processes due to the possibility they have been misidentified as being on or wrongly assigned to the terrorist watch-list.[55] The redress process enables these individuals to file an inquiry to have erroneous information corrected in DHS systems that may prevent future delays and inconveniences at the airport. In February 2007, DHS established the Traveler Redress Inquiry Program (TRIP) to serve as the central processing point within the department for redress inquiries. TSA's Office of Transportation Security Redress (OTSR) is responsible for reviewing redress inquiries submitted by air passengers through TRIP.

TRIP and OTSR's redress program goals are to process redress applications as quickly and as accurately as possible. However, to measure program performance against these goals, TRIP and OTSR currently track only one measure for redress related to the timeliness of case completion, and do not track any performance measures related to program accuracy. Previous GAO work identified that agencies successful in evaluating performance had measures that used attributes from GAO's best practices.[56] Specifically, our previous work identified that agencies successful in evaluating performance had measures that demonstrated results, covered multiple priorities, provided useful information for decisionmaking, and successfully addressed important and varied aspects of program performance. TRIP and OTSR offi-

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[53] TSA defines high-risk vulnerabilities as those where there is a strong need for corrective measures, the probability of serious incident is likely and risks are not normally acceptable, corrective action plans must be in place as soon as possible, and the authorization to operate may be receded or not granted. Moderate-risk vulnerabilities are those where the probability of incident is elevated, with increased probability of unauthorized disclosure or disruption of operations, and risks are probably not acceptable.

[54] In general, performance measures are indicators, statistics, or metrics used to gauge program performance.

[55] The term "misidentified" refers to a person initially matched by a screening entity to a name on the watch-list, but upon closer examination, the person is found to not match any watch-list record.

[56] GAO, *Tax Administration: IRS Needs to Further Refine Its Tax Filing Season Performance Measures,* GAO–03–143, (Washington, D.C.: November 22, 2002).

cials stated that they do not plan to develop additional performance measures, such as measures related to accuracy of the redress process, but rather are awaiting the implementation of Secure Flight to determine the program's impact on the redress process before creating additional measures. Secure Flight is intended to reduce the inconveniences experienced by air passengers by taking over from air carriers the responsibility for prescreening passengers in order to ensure consistent and effective use of the cleared list,[57] which should impact the effectiveness of the redress process.[58]

In addition to TRIP and OTSR's performance measures for the redress process, the Secure Flight program office is working with OTSR to develop redress performance measures for the Secure Flight Program. Secure Flight plans to use the TSA redress process that is currently available for individuals affected by the air carrier identity-matching processes. Secure Flight is coordinating with OTSR to determine how this process will be integrated with other Secure Flight requirements. Secure Flight and OTSR are jointly developing a set of performance measures and targets covering multiple priorities for redress that are to be implemented when Secure Flight becomes operational, and officials told us that they will follow best practices in the development of these measures.

While we commend TSA for developing redress performance measures for the Secure Flight Program, since the program is not scheduled to be implemented until January 2009, DHS and OTSR's current redress process lacks a complete set of measures with which they can assess performance and make program improvements. Since measures are often the key motivators of performance and goal achievement, the program's overall success is at risk if all priorities are not addressed and information is not obtained to make future adjustments and improvements to the program. Moreover, such performance data would provide a baseline against which to benchmark Secure Flight's progress and planned improvements to the redress process. In February 2008, we recommended that DHS and TSA reevaluate redress performance measures and consider creating and implementing additional measures that, consistent with best practices, demonstrate results, cover multiple priorities, and provide useful information for decisionmaking. TSA generally agreed with this recommendation.

TSA Has Taken Steps to Secure the Nation's Surface Transportation Systems, but More Work Remains

DHS, primarily through the efforts of TSA, has undertaken initiatives to strengthen the security of the Nation's surface transportation systems. While TSA has devoted the vast majority of its resources to securing commercial aviation and to meeting related statutory requirements, it has more recently increased its focus on the security of surface modes of transportation. However, these efforts are still largely in the early stages. International events such as the March 2004 bombing of commuter trains in Madrid, Spain, and the July 2005 bombings and attempted attacks against public transit in London, England, have, in part, contributed to this increased focus. TSA and other DHS components have developed a strategic approach for securing surface modes of transportation, have taken steps to conduct risk assessments of surface transportation assets and have administered related grant programs. TSA also issued a proposed rule in December 2006 which, if finalized as proposed, will require freight and passenger rail operators to implement additional security requirements, and will increase TSA's oversight of operators' security efforts.[59] However, TSA has not issued standards for securing all surface transportation modes or determined whether it will issue standards for all modes, and is still defining what its regulatory role will be for these modes. We have ongoing work assessing the security of surface modes of transportation, and will report on our results later this year.

Strategic Approach for Implementing Security Functions

In September 2005, DHS completed the National Strategy for Transportation Security. This strategy identified and evaluated transportation assets in the United States that could be at risk of a terrorist attack and addressed transportation sector

[57] The cleared list contains the names and other personal identifying information of individuals who have gone through the redress process and have been checked and cleared as being persons not on the No Fly or Selectee lists.

[58] Under Secure Flight, as described by TSA's notice of proposed rulemaking, TSA plans to introduce a unique redress number that would enable Secure Flight to "pre-clear" individuals who have previously been misidentified, have gone through the redress process, and who provide additional identifying information when making a reservation. TSA expects this to reduce the likelihood of travel delays at check-in for those passengers.

[59] See 71 Fed Reg. 76,852 (Dec. 21, 2006).

security needs. Further, in May 2007, DHS issued a strategic plan for securing the transportation sector and supporting annexes for each of the surface transportation modes, and reported taking actions to adopt the strategic approach outlined by the plan. The Transportation Systems Sector-Specific Plan describes the security framework that is intended to enable sector stakeholders to make effective and appropriate risk-based security and resource allocation decisions within the transportation network. TSA has begun to implement some of the security initiatives outlined in the sector-specific plan and supporting modal plans. Additionally, the Implementing Recommendations of the 9/11 Commission Act imposes a deadline of May 2008, for the Secretary of DHS to develop and implement the National Strategy for Public Transportation Security. Our work assessing DHS's efforts in implementing its strategy for securing surface transportation modes is being conducted as part of our ongoing reviews of mass transit, passenger and freight rail, commercial vehicle, and highway infrastructure security. We will report on the results of this work later this year.

Threat, Vulnerability, and Criticality Assessments

TSA has taken actions to assess risk by conducting threat, criticality, and vulnerability assessments of surface transportation assets, particularly for mass transit, passenger rail, and freight rail, but its efforts related to commercial vehicles and highway infrastructure are in the early stages. For example, TSA had conducted threat assessments of all surface modes of transportation. TSA has also conducted assessments of the vulnerabilities associated with some surface transportation assets. For example, regarding freight rail, TSA has conducted vulnerability assessments of rail corridors in eight High Threat Urban Areas where toxic-inhalation-hazard shipments are transported. With respect to commercial vehicles and highway infrastructure, TSA's vulnerability assessment efforts are ongoing. According to TSA, the agency performed 113 corporate security reviews on highway transportation organizations through Fiscal Year 2007, such as trucking companies, state Departments of Transportation, and motor coach companies.[60] However, TSA does not have a plan or a time-frame for conducting these reviews on a nationwide basis. Furthermore, DHS's National Protection and Programs Directorate's Office of Infrastructure Protection conducts vulnerability assessments of surface transportation assets to identify protective measures to reduce or mitigate asset vulnerability. With regard to criticality assessments, TSA reported in April 2008 that the agency had conducted 1,345 assessments of passenger rail stations.[61] Additionally, the Implementing Recommendations of the 9/11 Commission Act has several provisions related to security assessments. For instance, the Act requires DHS to review existing security assessments for public transportation systems as well as conduct additional assessments as necessary to ensure that all high-risk public transportation agencies have security assessments. Moreover, the Act also requires DHS to establish a Federal task force to complete a nationwide risk assessment of a terrorist attack on rail carriers. We will continue to review threat, vulnerability, and criticality assessments conducted by TSA related to securing surface modes of transportation during our ongoing work.[62]

Issuance of Security Standards

TSA has taken actions to develop and issue security standards for mass transit, passenger rail, and freight rail transportation modes. However, TSA has not yet developed or issued security standards for all surface transportation modes, such as commercial vehicle and highway infrastructure, or determined whether standards are necessary for these modes of transportation. Specifically, TSA has developed and issued both mandatory rail security directives and recommended voluntary best practices—known as Security Action Items—for transit agencies and passenger rail operators to implement as part of their security programs to enhance both security and emergency-management preparedness. TSA also issued a notice of proposed rulemaking in December 2006, which if finalized as proposed, would include additional security requirements for passenger and freight rail transportation opera-

[60] TSA conducts corporate security reviews in multiple modes of transportation to establish baseline data against which to evaluate minimum-security standards and identify coverage gaps in reviewed systems.

[61] According to TSA, the agency completed 945 criticality assessments in Fiscal Year 2007 and 400 assessments in Fiscal Year 2008. TSA officials stated that some of these assessments may have been conducted to update previously completed ones.

[62] For more information, see GAO, *Passenger Rail Security: Enhanced Federal Leadership Needed to Prioritize and Guide Security Efforts,* GAO–07–225T (Washington, D.C.: Jan. 18, 2007).

tors.[63] For example, the rule would include additional security requirements designed to ensure that freight railroads have protocols for the secure custody transfers of toxic-inhalation-hazard rail cars in High Threat Urban Areas. DHS and other Federal partners have also been collaborating with the American Public Transportation Association (APTA) and public and private security professionals to develop industry-wide security standards for mass transit systems. APTA officials reported that they expect several of the voluntary standards to be released in mid-2008. Additionally, the Implementing Recommendations of the 9/11 Commission Act requires DHS to issue regulations establishing standards and guidelines for developing and implementing vulnerability assessments and security plans for high-risk railroad carriers and over-the-road bus operators.[64] The deadlines for the regulations are August 2008 and February 2009, respectively. With respect to freight rail, TSA is developing a notice of proposed rulemaking proposing that high-risk rail carriers conduct vulnerability assessments and develop and implement security plans. We will continue to assess TSA's efforts to issue security standards for other surface transportation modes during our ongoing reviews.

Compliance Inspections

TSA has hired and deployed surface transportation security inspectors who conduct compliance inspections for both passenger and freight rail modes of transportation; however, questions exist regarding how TSA will employ the inspectors to enforce new regulations proposed in its December 2006 Notice of Proposed Rulemaking and regulations to be developed in accordance with the Implementing Recommendations of the 9/11 Commission Act.[65] TSA officials reported having 100 surface transportation inspectors during Fiscal Year 2005 and, as of December 2007, were maintaining an inspector workforce of about the same number. The agency's budget request for Fiscal Year 2009 includes $11.6 million to fund 100 surface transportation security inspectors—which would maintain its current staffing level. Inspectors' responsibilities include conducting on-site inspections of key facilities for freight rail, passenger rail, and transit systems; assessing transit systems' implementation of core transit security fundamentals and comprehensive security action items; conducting examinations of stakeholder operations, including compliance with security directives; identifying security gaps; and developing effective practices. To meet these compliance responsibilities, TSA reported in December 2007 that it had conducted voluntary assessments of 50 of the 100 largest transit agencies, including 34 passenger rail and 16 bus-only agencies, and has plans to continue these assessments with the next 50 largest transit agencies during Fiscal Year 2008. With respect to freight rail, TSA reported visiting, during 2007, almost 300 railroad facilities including terminal and railroad yards to assess the railroads' implementation of 17 DHS-recommended Security Action Items associated with the transportation of toxic-inhalation-hazard materials.

TSA has raised concerns about the agency's ability to continue to meet anticipated inspection responsibilities given the new regulations proposed in its December 2006 Notice of Proposed Rulemaking and requirements of the Implementing Recommendations of the 9/11 Commission Act. For example, the Act mandates that high-risk over-the-road bus operators, railroad carriers, and public transportation agencies develop and implement security plans which must include, among other requirements, procedures to be implemented in response to a terrorist attack.[66] The Act further requires the Secretary of DHS to review each plan within 6 months of receiving it. TSA officials stated that they believe TSA inspectors will likely be tasked to conduct these reviews. The Act also requires that the Secretary of DHS develop and issue interim final regulations by November 2007, for a public transportation security training program.[67] As of April 2008, these interim regulations have not been issued. According to TSA officials, TSA inspectors will likely be involved in ensuring compliance with these regulations as well. To help address these additional requirements, the Implementing Recommendations of the 9/11 Commission Act authorizes funds to be appropriated for TSA to employ additional surface transportation inspectors, and requires that surface transportation inspectors have relevant transportation experience and appropriate security and inspection qualifica-

[63] See 71 Fed. Reg. 76,852 (Dec. 21, 2006).
[64] See Pub. L. No. 110–53, § 1512, 1531, 121 Stat. at 429–33, 454–57.
[65] See, *e.g.,* Pub. L. No. 110–53, § 1534, 121 Stat at 461–62.
[66] See Pub. L. No. 110–53, § 1405, 1512, 1531, 121 Stat. at 402–05, 429–33, 454–57.
[67] See Pub. L. No. 110–53, § 1408, 121 Stat. at 409–11 (requiring that the Secretary develop and issue final regulations for the training program by August 2008).

tions.[68] However, it is not clear how TSA will meet these new requirements since the agency has not requested funding for additional surface transportation security inspectors for Fiscal Year 2009. We will continue to assess TSA's inspection efforts during our ongoing work.[69]

Grant Programs

DHS has developed and administered grant programs for various surface transportation modes, although stakeholders have raised concerns regarding the current grant process. For example, the DHS Office of Grants and Training, now called the Grant Programs Directorate, has used various programs to fund passenger rail security since 2003. Through the Urban Areas Security Initiative grant program, the Grant Programs Directorate has provided grants to urban areas to help enhance their overall security and preparedness level to prevent, respond to, and recover from acts of terrorism. The Grant Programs Directorate used Fiscal Year 2005, 2006, and 2007 appropriations to build on the work under way through the Urban Areas Security Initiative program, and create and administer new programs focused specifically on transportation security, including the Transit Security Grant Program, Intercity Passenger Rail Security Grant Program, and the Freight Rail Security Grant Program. However, some industry stakeholders have raised concerns regarding DHS's current grant process, including the shifting of funding priorities, the lack of program flexibility, and other barriers to the provision of grant funding. For example, transit agencies have reported that the lack of predictability in how TSA will assess grant projects against funding priorities makes it difficult to engage in long-term planning of security initiatives. Specifically, transit agencies have reported receiving funding to begin projects—such as retrofitting their transit fleet with security cameras or installing digital video recording systems—but not being able to finish these projects in subsequent years because TSA had changed its funding priorities. The Implementing Recommendations of the 9/11 Commission Act codifies surface transportation grant programs and imposes statutory requirements on the administration of the programs.[70] For example, the Act lists authorized uses of these grant funds and requires DHS to award the grants based on risk.[71] It also requires that DHS and DOT determine the most effective and efficient way to distribute grant funds, authorizing DHS to transfer funds to DOT for the purpose of disbursement.[72] According to the TSA Fiscal Year 2009 budget justification, to ensure that the selected projects are focused on increasing security, DHS grants are to be awarded based on risk. We will continue assessing surface transportation related grant programs as part of our ongoing work.[73]

Conclusions

DHS and TSA have undertaken numerous initiatives to strengthen the security of the Nation's transportation system, and should be commended for these efforts. Regarding commercial aviation, TSA has developed processes to more efficiently allocate and deploy the TSO workforce, strengthened screening procedures, is working to develop and deploy more effective screening technologies, strengthened the security of air cargo, and improved the development of a program to prescreen passengers against terrorist watch-lists. Further, TSA has more recently taken actions in a number of areas to help secure surface modes of transportation. More work, however, remains. For example, TSA's surface transportation security efforts are still largely in the early stage, and the nature of its regulatory role, and relationship with transportation operators, is still being defined. Opportunities therefore exist to further strengthen these efforts, in particular in the areas of risk management and program planning and monitoring. Our work has shown—in homeland security and in other areas—that a comprehensive risk management approach can help inform decisionmakers in the allocation of finite resources to the areas of greatest need. We are encouraged that risk management has been a cornerstone of DHS and TSA policy, and that TSA has implemented risk-based decisionmaking into a number of its efforts. Despite this commitment, however, TSA will continue to face difficult decisions and trade-offs—particularly as threats to transportation systems evolve—regarding acceptable levels of risk and the need to balance security and its investments among all transportation modes. We recognize that doing so will not be easy.

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[68] See Pub. L. No. 110–53, § 1304, 121 Stat. at 393–94.

[69] For more information, see GAO, *Passenger Rail Security: Enhanced Federal Leadership Needed to Prioritize and Guide Security Efforts,* GAO–06–181T (Washington, D.C.: Oct. 20, 2005).

[70] See Pub. L. No. 110–53, § 1406, 1513, 1532, 121 Stat. 405–08, 433–35, 457–60.

[71] See, *e.g.,* Pub. L. No. 110–53, § 1406(b), (c)(2), 121 Stat. at 405–07.

[72] See Pub. L. No. 110–53, § 1406(d), 1532(e), 121 Stat. at 407, 459.

[73] For more information see GAO–06–181T.

Mr. Chairman this concludes my statement. I would be pleased to answer any questions that you or other members of the Committee may have at this time.

The CHAIRMAN. Thank you very much, Director Berrick.

If I may ask the Administrator, Mr. Secretary, why is the Administration proposing an increase in fees just after Congress considered a similar request and rejected it? And how much funding do you have at the current time for the EDS program, which has not been expended?

Mr. HAWLEY. For the issue of the fee financing, it is significantly different from the previous request in that it is limited by time. It is a four year surcharge to get through the in-line baggage system process, and we have that in for over $400 million in 2009 and about $1.7 billion or so for the 4 years, which would complete within that time-frame all of the EDS restructuring that now is going to take more than a decade.

So that is—the reason is to accelerate the deployment, and we thought this was a better way to do it than being able to get additional appropriated dollars, increases to get that done as well.

And then for the unobligated, I can provide that for the Committee. But I would like to raise one other issue that is important here, and that is that we are looking with the National Laboratories—Sandia National Labs, Lawrence Livermore, Los Alamos—at what the standards are for checked baggage screening in view of additional technology, both in the airframe security to make the airframe stronger as well as improvements in detection capability that might open up more cost-effective routes for us to do checked baggage screening that would have that effect by lowering the cost of accelerating the deployment.

So we are expecting to get further word from the National Labs here in the next month or so, and that will better inform us on the best deployments. But we have also set up the strategic plan—I think we did that last week—that projects all of the 2008 proposed funding.

The CHAIRMAN. So you do have leftover, but you don't know how to spend that yet?

Mr. HAWLEY. No, no. We know how to spend it. In fact, we have sent up to the Congress the deployment plan for 2008. And what it says is we have this much money, and here is how we would spend it.

The CHAIRMAN. The Committee has been advised that airports need more money at this time to improve their infrastructure, and they are not prepared at the present time for the installation of the EDS. Is there any truth to that?

Mr. HAWLEY. The reconstruction of airports is extremely expensive, and in the 9/11 bill that you and the Vice Chairman mentioned in your comments, the requirement of using the first $250 million that drops in from the user fees gets spent on these systems. So the reason it would take another decade or so is that the needs are so great and so expensive.

And so, we either have to find a way to do it much cheaper, using a different technology, or a financing mechanism like a surcharge that would allow us to speed it up. Those are the two levers that we can play with to accelerate the deployment. Other than that, it is on a longer term that doesn't make me comfortable. And

I think the clear message from this Committee and ATSA was get these machines deployed system-wide as soon as possible.

The CHAIRMAN. I will be back again. But I would like to ask Ms. Berrick, do you believe that the TSA plan to meet the requirement to inspect 100 percent of the cargo transported on passenger aircraft is being carried out or can be carried out?

Ms. BERRICK. They do have plans that we are aware of, and I know that they are kicking off a pilot to begin this effort. And it involves moving the screening further down the supply chain. We have done work on air cargo security before and did identify that this method is being used in some other countries successfully, and the United Kingdom is one place where it is being used.

So the idea and the concept of this has proven effective in other countries. We haven't yet seen the specific details and plans on how TSA plans to implement it here, but that is something we will be looking at, that we have been asked by Congress to do follow up work on.

The CHAIRMAN. So you haven't had the opportunity to study the TSA plan?

Ms. BERRICK. Not in detail, no.

The CHAIRMAN. What primary actions do you believe that TSA should take to strengthen the security of air cargo?

Ms. BERRICK. I think one is developing detailed plans for their strategy for securing 100 percent of cargo and screening 100 percent of cargo on passenger aircraft. That is one area.

Another area is cargo coming into the United States. TSA has done a lot of security efforts to strengthen cargo transported domestically. There has been less of a focus by CBP and TSA on cargo coming into the United States from foreign countries. For example, there is a lot of cargo that is exempted from screening that is coming into the United States from foreign countries. Also, TSA and CBP's inspection program is less rigorous for cargo coming into the United States from foreign countries.

So I think developing the plan for 100 percent screening and also putting an increased focus on cargo coming into the United States should be two priorities.

The CHAIRMAN. Do you believe that the technology being planned for use by TSA would meet the requirements?

Ms. BERRICK. We have reported that DHS's Science and Technology Office, which is spearheading the technology effort in partnership with TSA, has been slow. There are a lot of technology pilots underway. I think about 10. There is one that we have been able to identify where there are specific time-frames on when they expect it to be deployed, and that is EDS-type screening. But the rest, it has been unclear when the completion dates for those have been expected.

So, to answer your question, there are a lot of technologies in the works. It is unclear when they are going to be available for cargo.

The CHAIRMAN. Thank you very much.

Senator Stevens?

Senator STEVENS. Thank you very much.

First, Mr. Hawley, I have said many times when you are here before us that in our state 70 percent of our cities are reached only

by air. We fly probably 10, 15 times the amount of any Americans, and yet I find that there is no recognition of this in this plan.

Alaskans are dependent upon air travel as their primary means of transportation, are forced to pay the surcharge every time they take off. Air travelers, per se, are the only ones that pay for security in this country.

Now, why should we continue to increase the surcharge on people who fly every day in our state when, in any other State, they would be getting on a commuter train or they would be getting on a bus or getting in a taxi and paying no cost at all for their security? Why do you continue this?

Mr. HAWLEY. I appreciate the point. The reason is to try to accelerate the deployment of these systems and——

Senator STEVENS. But why don't you exempt some of the small areas? The small hub airports are very busy little airports, but they are primarily serving just the local area, commuters in from various places into a place like Bethel. And then once you get to Bethel, you wait until the next day to get on a plane to go to Anchorage. And then you wait in Anchorage until the next day for a plane to go to Seattle.

Now I don't know any other state that really uses air transportation the way we do, but your regulations don't recognize that difference for Alaska. Why?

Mr. HAWLEY. It is a large-scale fee tool, and I suppose that in the drafting of the legislation to enact it, it would be possible to reflect some of the things that you are talking about.

Senator STEVENS. Well, I looked at that, and the idea we gave you provided discretion on where you charge them. You don't have to charge the same thing at hub airports you charge at large airports. You don't have to charge the same thing for intrastate as you do interstate passengers.

At least intrastate versus interstate would make a great deal of difference to us. But why do you insist that intrastate passengers pay the same costs? As I said, some of our people fly two and three times in a day to just get to either Anchorage or Fairbanks.

I don't know why we have to pay intrastate surcharges for things we are not going to get at all. As a matter of fact, you do not even plan for this. There is no solution for the small airports at all.

Mr. HAWLEY. Yes, so we would be happy to work with the Committee staff. Frankly, as we looked at it, it was trying to fill the budget hole of how can we, with simplicity and certainty, raise the money that we need to fill it, and that kind of fine-tuning, we would be happy to work with the Committee on.

Senator STEVENS. Well, I hope you would because you probably have 10,000, 15,000 people in my state that are flying more than any other Americans, but they are flying within our own state. And I don't see any reason why we should pay for security for Chicago and New York and Los Angeles. And that is what we are doing. We are paying more per capita than anyone, and yet there are fewer of us paying in.

I would hope you would take a good look at it. The intrastate thing just makes no sense to me in terms of this. I will get to you, and you may disagree with me at the GAO.

But let me go on to air cargo, and that has been mentioned by GAO. The concept of this, the requirements of the 9/11 bill mandates inspection of 100 percent of cargo within 3 years. Now our Anchorage airport is number one in the U.S. for landed weight cargo aircraft, number three in the world for cargo throughput. How do you plan to catch up with the requirements of the 9/11 bill if you haven't started at all with regard to our airport?

Mr. HAWLEY. We are looking only at air cargo carried on passenger aircraft for that particular provision. There are two provisions. One is directed primarily on the maritime sector, and then this one is aimed at the passenger jets that have cargo on them. And so, it is an approach very much similar to what the GAO recommended in the study they did, and it gets to the issue that Ms. Berrick raised about international partnership.

So we are using a system that is used in other countries. And that by having a system that can align with these other nations, we think that addresses the issue that Ms. Berrick raised about screening of incoming. But——

Senator STEVENS. Aren't we included in the 100 percent requirement for air cargo within 3 years?

Mr. HAWLEY.—it is 50 percent by February 2009 and then, 18 months later, 100 percent of cargo carried on passenger aircraft. And so, that is——

Senator STEVENS. You are not inspecting cargo airplanes at all?

Mr. HAWLEY.—not a part of this program. There is a separate security plan for all cargo aircraft that does not contemplate screening every individual package on it. So the view from a risk perspective is that the passenger aircraft represent a bigger risk.

Senator STEVENS. I would question that. All right, let me go on then to TWIC. As you know, TWIC enrollment in Alaska began on April 30th, and it is planned for Anchorage, Nikiski, and Valdez. I am told you plan to have mobile enrollment sites at Kodiak, Cordova, Dutch Harbor, Ketchikan, Craig, Haines, Skagway, Sitka, Petersburg, and Wrangell.

Now the problem is for people who have to travel long distances, Alaskan new hires have to fly to Anchorage or other central locations to enroll in these plans at their cost. And when you are talking about Dutch Harbor, you are talking about flying about 1,200 miles. Or if you are up in Barrow, it is a good 2,000.

Why? Why do these people have to fly, and why can't you take people out to these areas on a scheduled basis and have them get enrolled?

Mr. HAWLEY. Well, the ports in Alaska are, as you know, a big logistical challenge. So we are looking at that.

And what we are hoping is that we can get over the next year, as people travel into the sites where we do have the mobile screening locations, that we can get the majority of them. And, then at some point, to then make a decision based on where we have populations that need to be credentialed and to then deploy other mobile screening to folks we need to cover.

And that is another reason why we extended the compliance deadline until next April, to account for some of the logistics.

Senator STEVENS. You have extended the compliance time? I did not realize that.

Mr. HAWLEY. Until April 15, 2009. And that was done in conjunction with industry to accommodate many of the concerns that you are articulating.

Senator STEVENS. OK, that means that these people are coming onboard now before 2009 don't have to be—have TWIC at all, right?

Mr. HAWLEY. There will not be the access control compliance enforcement until then. They are getting the threat assessments. They have them. They are subject to spot checks. But the date by which everybody has to have it is moved to April 15.

There will be some enforcement in October in the New England area, and that is worked out with the captain of the port and the industry there.

Senator STEVENS. We do have half the coastline in the United States. Have you ever been to Dutch Harbor?

Mr. HAWLEY. Not to Dutch Harbor, no, sir. I have been to Alaska, but not Dutch Harbor.

Senator STEVENS. But I really think—have you ever been to southeastern Alaska—Juneau, Ketchikan?

Mr. HAWLEY. Well, Kodiak.

Senator STEVENS. You have a good fishing knowledge, I can see.

Mr. HAWLEY. Not a great deal. Not success anyway.

Senator STEVENS. OK. Well, I am worried about the fact that these regulations, again, are imposed upon us when we are spread out so thin around an area one-fifth the size of the U.S., and this puts the burden on our workers to travel long distances to meet your people. And I think you have—there is enough so that your people could travel the long distances and have a schedule to enroll our prospective workers, and I don't quite understand how you are going to get there with what you have got planned.

Mr. HAWLEY. Well, we start in Nikiski, as you know, next week, and that is another population that we will be serving. And I think a lot of it has to do with the communication with the industry to get the word out so that folks who are traveling into the areas where we do have the stations will have a chance to enroll. But, it is our responsibility and that with our partner, Lockheed Martin, who provides these, to service the community and whatever it takes to get people enrolled.

Senator STEVENS. Have you ever thought of letting the Post Offices do this? So many other things, like getting passports and what not, you go to the Post Office and you can fill out the form and get it and do it right and mail it in.

Why can't you use the facilities that are already available, supported by the economy, and have them be able to identify themselves and get the application? The Postmaster in all these places can verify a passport or identification just as well as your TWIC guys can. I don't understand why the expense of the system the way you have designed it in areas like mine.

Mr. HAWLEY. I think that is a common sense suggestion, and we will pursue it.

Senator STEVENS. Thank you.

Let me go to you, Ms. Berrick. This burden is placed on air travelers where this temporary surcharge is leveraging Government contributions for long-term funding from the bond markets. Do you

support the Administration's preference for the short-term approach rather than a long-term solution to the 9/11 bill?

Ms. BERRICK. Well, we haven't looked specifically at the fee and the surcharge and assessed that. We have reported that in-line systems can significantly increase security and create efficiencies in terms of TSA needing less TSOs to screen baggage, and we said that it doesn't make sense for all airports, but it is one good solution for a lot of airports.

But in terms of time-frames, we recommended that TSA come up with a strategy for how they are going to address this. They have issued the strategy. We didn't make a comment on at what point this should be implemented, but we did identify that this can provide significant benefits, and it is important to pursue it.

Senator STEVENS. Do you agree that this surcharge is an unnecessary burden on air travelers in terms of the concept involved? I don't know why we should have a temporary surcharge to deal with a problem like this. Why shouldn't we have a percentage increase in the surcharge, per se, and not have this be temporary?

It seems to me there is a temporary, right, and then theoretically, it has got to end? I don't remember many surcharges ending when they are supposed to end. But it does seem to me that this places an unnecessary burden on those who are very frequent travelers on airplanes. Have you looked at the impact of this on frequent travelers as opposed to those who just fly maybe once or twice a year?

Ms. BERRICK. No, we have not, sir.

Senator STEVENS. Do you think it would be worthwhile to do?

Ms. BERRICK. We could certainly talk to your staff about your interest and maybe a way to possibly do that, if you would like.

Senator STEVENS. Well, I hope you will because it does seem to me that a temporary surcharge and this concept—I can understand where it might be necessary in these areas where you are going to make changes. We are going to pay—our people are going to pay this surcharge, and no changes are contemplated for our area at all.

So we will have this surcharge for how many years, Mr. Hawley? Three years?

Mr. HAWLEY. Four years.

Senator STEVENS. Four years. We pay the surcharge more than anybody else, and there are no changes contemplated by the plan in our state. I really—I think you both should understand our antipathy for this concept of a surcharge that is never going to benefit us.

Now does the GAO believe that TSA can meet its deadline for Secure Flight by 2010, Ms. Berrick?

Ms. BERRICK. We are looking at Secure Flight right now. We reported a couple of months ago that TSA has made significant progress in developing the program. They have instilled a lot more discipline and rigor into the development.

We did cite some concerns, and one relates to program costs and schedule estimates. We looked at the estimates TSA developed. We thought that they could be improved. So we cited some concerns with that. And obviously, that could impact their time-frames.

So we made recommendations for TSA to strengthen their schedule and cost estimates, among some other areas. TSA agreed with that. We are going back in now to look at TSA's current efforts. And as you know, we are mandated by legislation to review TSA's development of Secure Flight after DHS certifies the program, which is expected in August of this summer.

So before they roll this out nationwide, GAO does have to do a review and report to the Congress on the development of the program, which we will do.

Senator STEVENS. Would it be a burden to find out for us how much of this surcharge will come from intrastate as opposed to interstate passengers?

Ms. BERRICK. I would have to—we would have to look into that. I don't know off the top of my head. We could research that.

Senator STEVENS. It does apply, Mr. Hawley, to commuters as well to mainline air flights, right? Anyone who has a commercial flight——

Mr. HAWLEY. Yes, sir, as proposed.

Senator STEVENS.—ticket is going to pay the surcharge.

Mr. HAWLEY. That is the proposal.

Senator STEVENS. Even if you are just going from Sitka to Juneau or from Ketchikan to Wrangell in southeast Alaska, you are going to pay the surcharge. When you go from Sitka to Ketchikan to Wrangell to Petersburg to Sitka to Juneau, you are going to pay it five times, right?

Mr. HAWLEY. No, just twice. It is capped at $1 per trip. It is 50 cents per leg.

Senator STEVENS. But that is per day, isn't it? I mean, if I have a schedule to go to all those places, I spend a day in each place to catch the next plane, how——

Mr. HAWLEY. So it is per day.

Senator STEVENS.—it is per day, right?

Mr. HAWLEY. I believe—well, that is the intent. And I guess in the legislation it would be a little bit clearer, but that is—I think the intent is that it would be for——

Senator STEVENS. Again, I would urge you to take a look at the impact of deciding it would only apply to interstate passengers rather than apply the surcharge to intrastate passengers.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Senator McCaskill?

STATEMENT OF HON. CLAIRE McCASKILL, U.S. SENATOR FROM MISSOURI

Senator MCCASKILL. Senator Stevens, I think the temporary surcharge is temporary only in imagination, and I think us directing rules doesn't do much good either in terms of Congressional prerogative. That is what I want to talk about today.

I know, Mr. Hawley, that you and I have talked about this, and I have pounded on it a number of times about foreign repair stations. In 2003, Congress said to TSA you must develop a rule for security at foreign repair stations. And GAO in 2003 found a member of Al Qaeda working on an airplane in a foreign repair station.

That was in February 2003. It was supposed to be done by August 2004. Once again, last year, Congress said we must have a rule about foreign repair stations. And so, now you have been told by Congress twice to complete the rule, and the rule is now 5 years—well, 4 years overdue.

I understand you say it hasn't been a priority, even though Congress has told you twice to make it a priority. This is frustrating for those of us who get elected and believe we are trying to exercise the best judgment on behalf of the people we represent, that Congress says it is a priority and yet agencies of Government ignore what Congress says.

When is this rule going to be finalized, and will you make the new deadline of August 2008?

Mr. HAWLEY. Well, we certainly don't ignore the wishes of Congress. And on the issue of priority, I would say as a technical matter of threat and intelligence that it does not rise to the top of the charts of things that we have an obligation to stop in terms of stopping attacks.

It clearly is an important area to be covered. We take the point that you make and in the 9/11 bill is very clear. We will have our proposed rule out, I believe, by the deadline in August. And the way the process works in terms of notice and comment, it takes considerably longer than the time allotted in the 9/11 bill.

However, I do want to assure you that we have staffed up the office and are beginning to put in place security assessments and threat assessments, so that when we have the legal authority, we will have already done a number of the actual foreign repair stations inspections and analysis such that we will be able to begin applying the security now. And then, whenever the final rule becomes effective, that will then seal the deal in terms of having all of the authorities in place.

Senator MCCASKILL. I understand that you have substituted your judgment as it relates to priorities, which, of course, is your prerogative as the head of the agency. But when you have a directive from Congress, I don't think that it is appropriate to substitute your judgment. It is the law.

Mr. HAWLEY. Yes, so we are progressing as fast as one can write these rules. I am saying, just as a technical matter, my job is stop attacks against Americans, and that is the priority. And there are a number of live threats, and I believe the Director of National Intelligence called a clear and present danger and a number of the folks in the intelligence community have been quite clear of the threat environment in which we work.

So I know that you and the other members of the Committee hold me accountable to do whatever it takes to stop attacks, and that is—in terms of my priority, it is that. And I believe the Congress recognized in creating TSA that that has to be—the person in my job has to put those priorities first and clearly follow the instructions of Congress on foreign repair stations, and we are.

We have already had 14 foreign assessments that we had folks out and doing, including——

Senator MCCASKILL. But isn't it true, Mr. Hawley, that the only foreign assessments that you are doing are the ones where you have been invited?

Mr. HAWLEY. We don't go in—well, we don't have legal authority to go in uninvited. What we have found——

Senator MCCASKILL. Because there is no rule.

Mr. HAWLEY. Exactly. But what we have found is cooperation that every single one that we have been to has opened the door and wants to have us look at it to ensure the security because they are under competitive pressure as well. So you are correct in terms that the rule does close—so there is no wiggle room. But all of the places that we have been six countries, 14 repair stations—have let us have unfettered access.

And we have the FAA inspectors, who also have access to it, and we have communicated with all of the FAA inspectors and have asked their support in their ongoing inspections for safety.

Senator MCCASKILL. Have you been to any of the foreign repair stations unannounced?

Mr. HAWLEY. I expect not in that we would make arrangements to go. So I think we probably—I am certain that we have made arrangements before showing up.

Senator MCCASKILL. And have you done any of these assessments in any of the five nations that have foreign repair stations that are currently classified as terrorist Portuguese (Brazil) safe havens—Argentina, Brazil, Colombia, Indonesia, or the Philippines?

Mr. HAWLEY. Yes.

Senator MCCASKILL. And which one of those countries have you been to?

Mr. HAWLEY. Colombia.

Senator MCCASKILL. And was it in the border region?

Mr. HAWLEY. I am not familiar with where the foreign repair station specifically visited was, but I can get back to you on that.

Senator MCCASKILL. But it was not unannounced? In other words, they knew you were coming?

Mr. HAWLEY. I frankly don't know the answer to the question, but I expect it was arranged in advance.

Senator MCCASKILL. Well, it is my understanding that you have been doing some of these classified assessments as audits, but they are on invitation. And with some background as an auditor, I will tell you that someone inviting you to audit is generally a pretty good sign that you don't need to, whereas when you go in and audit regardless of whether they want you there or not, is generally when you find the problems that need to be addressed. I don't think being able to go in by invitation only is an assessment.

Now tell me what is going to happen in August when they can no longer certify any more foreign repair stations, even though we have several in the process of being certified? These airlines are really in a bind now because they cannot certify any after August of this year, and there are 97 foreign repair stations waiting to be certified. What happens in August? We just shut it down?

Mr. HAWLEY. No, we have to work with the airlines and the Congress to figure the best way forward. Our job is the security assessment, and we have already begun that. I expect that by that time we will be able to demonstrate to you and other Members of Congress the security measures that are in place that may allow for a practical way forward. But, yes, that needs to be developed.

Senator MCCASKILL. And you do acknowledge, Mr. Hawley, that, in fact, the amount of foreign repairs has dramatically gone up in the last 5 years? Since we directed you to make the rule, the percentage of all the repair work being done in foreign repair stations has gone from approximatley 34 percent to 60-some percent.

Mr. HAWLEY. Well, I know that there are about 720 abroad and over 4,000 domestically. I am not sure what the trajectory is in terms of growth of—in terms of revenue, but there are about 700 that need to be covered in these assessments.

Senator MCCASKILL. And many of these airlines are using noncertified repair stations?

Mr. HAWLEY. I would have to really check to get back to you whether that is a true statement. I can't affirm——

Senator MCCASKILL. Ms. Berrick, isn't that a true statement?

Ms. BERRICK. My understanding is that some of them are, right.

Senator MCCASKILL. I believe that is a true statement, and I would be more comfortable if you knew the trajectory and if you knew the status of airlines using noncertified foreign repair stations. I respect that you have to figure out what the priorities are in terms of our Nation's security, but I think this is a gaping hole.

I know that the airlines want to take responsibility and want to be careful. But this is something we need to do.

Before I yield to my colleague, I would like to briefly ask you one question about the checkpoint screening technologies. We spent a bunch of money on checkpoint technology and reconfiguration and on explosive trace portals.

GAO has reported that 114 of these explosive trace portals are sitting in storage at a cost of over $20 million. If we didn't need them, why did we buy them? And if we need them, why are they sitting in storage?

Mr. HAWLEY. Well, to get back on the foreign repair station, I would take issue that it is a gaping hole. I do not believe it is a gaping hole. I view it as one issue that among many a balanced security measure has to be in place.

On the portals, so to speak, there are some maintenance issues with them in terms of, they are called puffers because they put compressed air out, lint and other things go up into the filters and can clog them. And we are working with the industry to make them more reliable.

In other words, when you have a large portal in the checkpoint and it is down for maintenance, it blocks the way and also is not providing that level of security. So we are insisting on improved performance before fully deploying those. And also, as you may know, we are moving out with the whole body imager, which is a highly effective technology, and we have already announced that we will have 30 of them out. And that is another generation of technology that we think will be very effective.

Senator MCCASKILL. Have we checked the maintenance on those technologies to make sure that we don't end up with $20 million of those in storage because they don't work?

Mr. HAWLEY. Yes, we have, indeed.

Senator MCCASKILL. And we are confident that we are not going to have a problem with spending that kind of money and then saying we can't use them because, frankly, they are impractical?

Mr. HAWLEY. No. We know they work. They are in use in other places around the world. We have had extensive testing of them, and I think the real issue is public acceptance. And as you know, there are those advocates who are not comfortable with the clear image that is projected to the Officer screening. I think that is probably the issue, public acceptance, rather than the technology.

Senator MCCASKILL. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Senator Kerry?

STATEMENT OF HON. JOHN F. KERRY, U.S. SENATOR FROM MASSACHUSETTS

Senator KERRY. Thank you, Mr. Chairman.

Obviously, the whole existence of Homeland Security is a response to America's learning in the most tragic way just how vulnerable our airports and our airlines were. And everybody still remembers painfully how horrible it was to see commercial airliners turned into missiles in the wrong hands. And I think that pain was particularly acute up in Boston because two of those planes took off from our city and our airport.

We here responded, I think, swiftly and appropriately by saying we were going to put in place the resources and exponentially expand the Federal Air Marshal Service, among other things. And I want to talk about a few of those other things, but first let me focus on the Federal Air Marshal Service.

The purpose of putting it in place was sort of a last line of defense. It was to combat terrorism, to reassure the public that they are safe in the skies, and finally, to act as a deterrent to terrorists from launching a future attack. We are now approaching 7 years from that period, and despite all of the time and energy, effort, reorganization, and money put into this program. Let me just preface this—I would not bring this up in a public hearing, as a former law enforcement officer, because I understand the imperatives of deterrence, and deterrence works off of a number of different theories.

But CNN just weeks ago informed millions of Americans through an investigation that, according to whistleblowers within the service, "Of the 28,000 commercial airline flights that take to the skies on an average day in the United States, fewer than 1 percent are protected by onboard armed Federal Air Marshals."

Now, again, I repeat I wouldn't personally bring this up in a spontaneous way. But now that is it out there, I am concerned about it, as Americans are concerned about it. And we, unfortunately, have to respond to it.

Now I understand that TSA has publicly denied the number and, for reasons which I agree with, hasn't released the actual one, stating the number of covered flights, which is classified, and I think it ought to be classified. I am not suggesting it shouldn't be.

But that doesn't deal with the problem of adequately addressing the deterrent and adequately confirming to people that they should feel safe. That still remains our public responsibility. And according to TSA's website, while the exact number of flights that Air Marshals protect is classified because you don't want terrorists to play a mathematical guessing game against the percentages, the

actual number of Air Marshals employed by the agency is "in the thousands."

Now my concern here is pretty simple. I think Congress needs assurance and the public needs assurance that this program is really working, that the people who would do us harm don't have to bet on some mathematical guessing game that right now all they have to do is rely on the news that is out there, which is not adequately responded to, frankly. And I don't think that is acceptable.

I think Americans need to know that whatever level of deterrence is necessary and whatever level of protection they have come to expect, it is there. That is the right of every flyer and of every family in the country.

And one Marshal stated this in the broadcast of CNN. This is what the Marshal said, that you folks are "whistling past the graveyard, hoping against hope that this house of cards that you call airline security doesn't come crashing down around [you.]" He said "them." I changed it to "you."

Now that shouldn't be acceptable. It is not acceptable to the Senate, to the Congress, the American people. Without a concrete refutation and some kind of evidence, some kind of statement, without a specific number that the program is working and a proactive public awareness campaign, I think you are going to have a hard time counteracting this knowledge that is out there now.

And that means that the program could fail in providing two of the three goals that I spoke of—number one, reassuring the American people and, number two, actually providing an adequate deterrent against terrorism, even if the CNN report got it wrong.

So after the report, I sent Secretary Chertoff a letter expressing my concerns. And as a result I have now gotten dozens of e-mails from current and former Federal Air Marshals, reaffirming the CNN report, speaking of high turnover rates, inadequate training for new employees, abusive management, abuse of traveling privileges, and discrimination and sexism. And people have outlined how they have been punished for whistleblowing in the past and have been pressured not to report on-the-job injury, or related illnesses.

We have spent billions of dollars on this program since 9/11. And the President's budget is now requesting $786 million more, which incidentally raises other questions. I think Senator Stevens, when I came in here, was asking you about the funding mechanism. And I gather if that funding mechanism doesn't pass, you actually have to cut these programs. Is that correct?

Mr. HAWLEY. No, sir.

Senator KERRY. You don't?

Mr. HAWLEY. These are separate. We were just talking about the EDS deployments, the explosives detection checked baggage system.

Senator KERRY. OK, these are separate. But this would mean if you don't get that fee, there is a reduction, isn't there?

Mr. HAWLEY. No. No, sir.

Senator KERRY. How so?

Mr. HAWLEY. It is in a different budget category. There is a separate category for the Federal Air Marshal Service.

Senator KERRY. I am not talking about the Federal Air Marshal Service. I am talking about your overall transportation, security, other facilities. I mean the four different sections.

Mr. HAWLEY. It is just limited to the checked baggage systems is what we were talking about.

Senator KERRY. OK. So, in other words, that fee will only go to——

Mr. HAWLEY. Yes. Yes, exactly. It is a targeted four year specific fee for exactly that, checked baggage in-line system——

Senator KERRY. Will the other sections of the budget, nevertheless, then be increased?

Mr. HAWLEY. They are on their own and separately considered by the Congress, but the fee does not impact any of the security programs you have mentioned other than the checked baggage deployment of new systems.

Senator KERRY. Well, let me give you an opportunity now in front of this Committee to help Americans understand and address what has been made public. Whether you agree or disagree that it should have been, it certainly affects notions of deterrence as it currently stands. We have to address that, both of us.

Mr. HAWLEY. Yes.

Senator KERRY. And I would like you to try to do so here now in order reassure passengers and anybody with any nefarious intent that they are listening to that this country is ready and prepared and that we are adequately deployed, and we are not going to play a gambling game based on numbers.

Mr. HAWLEY. Thank you, Senator Kerry, for raising that issue. I very much appreciate it because the CNN story was completely wrong. And it was admitted by CNN it was a guess of somebody who was essentially anonymous and perhaps based on a very limited time period or geography.

But we have—I am trying to figure out a good way to say it that would just kill this issue once and for all. We have, as you mentioned, thousands of Air Marshals. We run thousands and thousands of missions a month all over the world.

Our Federal Air Marshals are among the best-trained—highest marksmanship, best-trained officers. We like the reassurance. We like the deterrent. But make no mistake, the number-one capacity of the Federal Air Marshal Service is to stop attacks cold. And I have no doubt in my mind that if called to serve, there is no contest.

And we change every day our Federal Air Marshal flight coverage based on threats, and we move them around city to city, country to country. Unfortunately, I guess, in some respects, they don't break cover very often. And there was a case where a flight was leaving Amsterdam in the Netherlands going to Indonesia, and some folks got up and were acting beyond something that we could tolerate, and our Federal Air Marshal team on that flight broke cover.

Anybody wanting to do harm to an American aircraft has to know that in flights to or from areas that are at all interesting from a threat perspective, Air Marshals are covering those flights. Maybe not 100 percent of those flights, but Air Marshals are covering those flights.

And anybody interested in the Olympics in Beijing this summer or throughout China, Federal Air Marshals are covering a significant number of flights there. As we look at any particular threat either in the U.S. or abroad, Federal Air Marshal teams are on those flights.

Senator KERRY. Well, I appreciate your saying that. I think it is important. I am not pressing you for numbers because I think it would be inappropriate to do so here.

But I will tell you, just anecdotally, that on any number of flights that I have been on—and I fly a lot, as we all do—I have encountered Air Marshals. I have had conversations with them on flights from Washington to Boston, Boston to New York, New York to Washington, Washington to California, Washington to Miami, Europe to here. I have encountered Air Marshals.

So I hope that whatever is going on in terms of the whistleblowing component and the management component of FAMS that you guys will address it because, under any circumstances, there is a lack of communication there or understanding and trust. And I think it is important for the agency to get its act together with respect to that.

Mr. HAWLEY. Yes, sir. And I would pass on to you, and I have heard from Air Marshals myself who have flown with you and very much appreciate your support of them.

Senator KERRY. Thank you very much.

The CHAIRMAN. Because of the scheduled votes, we will have to adjourn the hearing earlier than expected. But if we may, Mr. Secretary and Madam Director, submit questions to you for your consideration and response?

Ms. BERRICK. Yes.

Mr. HAWLEY. Yes, sir.

The CHAIRMAN. So we will do that, and with that, the hearing is adjourned.

[Whereupon, at 11:03 a.m., the hearing was adjourned.]

APPENDIX

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

Question 1. How is TSA determining the effectiveness of initiatives such as Behavioral Detection and the Aviation Direct Access Screening Program?

Answer. The Screening of Passengers by Observation Techniques (SPOT) Program has several metrics in place to track its effectiveness. Some of these metrics include: the number of SPOT referrals, the number of SPOT referrals to Law Enforcement Officers (LEO), the specific reasons for the LEO referral, and the results of the LEO referral To date, over 11,000 SPOT referrals have been made to Law Enforcement Officers, resulting in over 900 arrests for various crimes, such as fraudulent documents, immigration violations, and outstanding warrants. Furthermore, Behavior Detection Officers (BDOs) who perform SPOT have been credited with thwarting possible nefarious acts, such as the recent incident in Orlando where an individual was identified by BDOs as displaying suspicious behavior. This individual was referred to Law Enforcement Officers, and components for making explosives, specifically pipe bombs, were discovered in his baggage. BDOs provided a critical layer of security that assisted in preventing the materials and the individual from boarding an airplane.

The SPOT Program also utilizes a Standardization Team to conduct annual visits at each SPOT airport to evaluate the BDOs' procedures, methodology, reporting, and effectiveness of training. Recommendations of these standardization teams have resulted in changes to the program to better equip the BDOs to identify people who exhibit suspicious characteristics and behaviors.

The Department of Homeland Security Science and Technology Directorate is also reviewing and evaluating the behaviors identified in the SPOT Program. This review will provide TSA with additional scientific expertise and help ensure that the BDOs are concentrating their efforts on behaviors that are indicative of threats to transportation security.

The Aviation Direct Access Screening Program (ADASP) provides additional security and deterrence by randomly screening persons and property entering or present within a Security Identification Display Area, Air Operations Area, secured area, sterile area, or entering an aircraft. This program adds a measure of unpredictability and introduces an additional dimension of complexity designed to thwart actions that would be harmful to aviation security. The ADASP Program Manager tracks the metrics for this program, monitoring prohibited items and other items of interest found and ensuring that the ADASP operations are providing an effective use of resources.

Question 1a. What has been the security impact of switching from private-sector to Federal travel document checkers?

Answer. Replacing contract travel document checkers (TDCs) with Transportation Security Officers (TSOs) strengthens the current layers of security. TSOs provide a uniformed presence that serves as an added deterrent. TSOs are also better trained and equipped than the previous document checkers. The Transportation Security Administration (TSA) has invested considerable resources in deploying technology to the TDCs, such as magnifying loupes and ultraviolet lights used in detecting fraudulent documents. TSOs are vetted Federal employees and have access to Sensitive Security Information, to include the latest security threats. This information was not necessarily available to the private sector TDCs.

Efficiencies are also gained in the checkpoint screening process with TSA performing the TDC function. There is no longer any disconnect between private document checkers and Federal TSOs. Passenger screening has become one fluid process undertaken by TSA.

To date, over 3,700 TDC referrals to Law Enforcement Officers have resulted in over 350 arrests. This metric is tracked to demonstrate the effectiveness of the Federal document checkers in identifying potentially fraudulent documents or sus-

picious behavior in individuals who may wish to cause harm to the transportation system. While a byproduct of the TDC referral process may be the netting of low-level criminals, our intent is to solely identify and resolve a potential threat. This is further driven by current intelligence and events that still points to terrorists' desire to attack the transportation sector.

Question 1b. What is the current annual attrition rate among TSA's senior-level and management employees? How does this compare with the workforce as a whole? What efforts does TSA have underway to address the turnover and what has been the impact of these efforts?

Answer. The Transportation Security Administration's (TSA's) senior-level and management employees are in the J, K, L, and Transportation Security Executive Service (TSES) pay bands. These pay bands correspond to the General Schedule grades of 14 and above plus the Senior Executive Service (SES). The Fiscal Year (FY) 2007 attrition rates for these pay bands was 9.5 percent, 8.5 percent, 6.3 percent, and 14.8 percent, respectively.[1] TSA's Fiscal Year 2007 overall attrition rate was 18.9 percent.

Building on previous efforts, TSA has five training programs to enhance the competencies and engagement of its senior-level and management employees and those aspiring to those ranks. They are: (1) Core Skills Integration for J and K band employees in headquarters (CSI: J/K), (2) Foundations of Leadership for supervisory employees, (3) Mid-Level and (4) Senior-Level Leadership Development Programs (MLDP and SLDP), and (5) Leading from the Middle.

The Critical Skills management course is for all headquarters (HQ)-based J and K band employees. It is called Core Skills Integration: J/K (CSI: J/K), and is designed to enhance collaborative decisionmaking and process discipline skills for all employees at the critical J/K level at TSA HQ.

The Foundations of Leadership Training is a 9-day course intended for newly promoted supervisors to provide the competencies needed by first line supervisors across TSA. Launched in November 2006, the course has now trained over 3,000 TSA supervisors, receiving strong participant evaluation scores. Since the course is nearly 2 years old, it will be reviewed to assess its impacts and to make necessary changes. Employee attitude survey data show improvement in some critical areas since the introduction of Foundations. Focus groups indicate the agency is realizing an additional benefit from the exposure participants get to peers from different parts of the organization. TSA plans to update the content and make the course more widely available.

The Mid-Level Leadership Development Program serves the succession management goal of preparing employees who already have supervisory experience with enhanced competencies that will prepare them to be highly qualified bench strength for mid-level management positions both in the field and TSA HQ. While the program is less than a year old, it has already been rigorously evaluated. The highly decentralized beta model produced many excellent program practices at many locations. Work is now underway to provide structure and tools that will facilitate implementation of the best practices enterprise-wide.

The Senior-Level Leadership Development Programs build bench strength for critical senior positions by developing competencies identified for those positions with mentoring, details, action learning projects, formal training, and other learning experiences. Currently, three iterations of this program are being offered:

- SLDP 1—intended to build bench strength for the critical field positions of Federal Security Director, Executive Deputy Federal Security Director, Special Agent in Charge, Deputy Special Agent in Charge and Assistant Special Agent in Charge at K Band and TSES levels. There are currently 61 participants;
- SLDP 2—intended to build bench strength for the critical field positions of Assistant Federal Security Director for Screening, Inspections, Operations, and the AFSD Generalist. There are currently 51 participants; and
- SLDP 3—a formal Candidate Development Program, intended to build bench strength for TSES positions, primarily at Headquarters. TSA anticipates selecting 22 participants.

Most SLDP 1 participants will complete the program requirements this fiscal year. About half have already been promoted, some more than once. While SLDP 2 participants only began implementing their individual development plans in the spring, many of them have already been promoted as well. Stakeholder assessments

[1] This information was pulled from the National Finance Center on June 28, 2008. Fiscal Year 2007 information from the National Finance Center adjusts slightly over time because of retroactive corrections.

of the programs and their participants have been uniformly favorable, and TSA is confident that there is already a positive impact on bench strength for critical field positions. While SLDP 3 is still in the selection phase, the program plan calls for all participants to complete requirements by the end of FY 2009. In the interim, TSA's succession plan update will allow TSA to identify any new or emerging succession vulnerabilities and plan for a suitable learning and development response.

The newest offering in the leadership suite is a highly rigorous course for middle managers titled, Leading from the Middle. This course takes a blended learning approach including candidate assessment and coaching, distance learning, classroom training, and directed, graded work on an issue paper that concerns genuine workplace concerns.

Question 2. When will Secure Flight be fully operational for domestic watch list matching? For international watch list matching functions?

Answer. The Transportation Security Administration anticipates that it will assume full watch list matching for all domestic aircraft operators by July 2009 and for all international aircraft operators in early 2010, pending approval of the necessary funding levels and the publication of the Final Rule.

Question 2a. What are TSA's key challenges in meeting Secure Flight scheduled completion dates?

Answer. The main challenge facing the Secure Flight program is to continue to maintain our aggressive implementation schedule. The $82 million requested in the Fiscal Year 2009 budget allows us to maintain our progress and allow the accelerated implementation timeline to assume full watch list matching for all domestic aircraft operators by July 2009 and for all foreign air carriers by early 2010.

Question 2b. What is the status of the Secure Flight rulemaking?

Answer. The Transportation Security Administration (TSA) anticipates that the Secure Flight Final Rule will be submitted to the Office of Management and Budget (OMB) for review under Executive Order 12866 by early August. Following OMB clearance, TSA will publish the final rule in the *Federal Register*.

Question 3. Please provide a general update on the status of the TSA's efforts regarding general aviation security.

Answer. The Transportation Security Administration (TSA) is engaged in efforts to enhance international and domestic general aviation (GA) security to minimize the vulnerability of such flights being used to deliver illicit materials, employed as a weapon, or transport individuals wishing to cause harm to the United States. Listed below are a number of initiatives that TSA is currently developing and implementing to help close existing security gaps:

Secure Fixed Based Operator (SFBO) Concept: TSA has developed, in close coordination with the industry, a program in which overseas FBOs voluntarily provide additional security for flights inbound to the United States. The program allows FBOs to compare passenger and flight crew passports to the submitted manifests to confirm identities of persons onboard GA aircraft prior to departure. This program currently serves as a proof of concept to validate the effectiveness of the proposed security measures and assist in positively identifying the pilot. Current SFBO locations are Anchorage, Alaska, and Shannon, Ireland. TSA is actively engaged in discussions with additional potential host countries and plans to continue to partner with foreign FBOs to expand the existing pilot program to several more locations.

Automatic Detection and Processing Terminal (ADAPT): To enhance TSA's ability to enforce airspace security rules, the agency has implemented a joint program between the Federal Aviation Administration and TSA known as ADAPT. This system serves as a critical advance warning system by allowing TSA and other agencies to gain better security situational awareness of the operations occurring in the National Airspace System. The system is currently operational, and it is continually being upgraded with additional commercial and government databases to more precisely verify flight operations and significantly improve security.

Positive Pilot Identification (PPID): To appropriately address the issue of positive identification of airmen, TSA is in the early phases of the development of a pilot program designed to explore various methods of pre-departure and in-flight pilot identification. While the program will focus on multiple types of operations, the agency will initially focus on operations utilizing large aircraft. The purposes of the phased approach are to gain an understanding of the concept of the operations, to enhance TSA's ability to monitor a small, manageable population of operators, and to determine the advantages and disadvantages of alternative technology and other solutions and their impact on GA operations. The pilot program will serve as a means of verifying pilot identity for access to special airspace and in the event of an incident management situation.

International Outreach: To facilitate better communication and harmonization with our foreign partners, TSA recently signed a quad-lateral agreement with the European Union, Australia, and Canada to establish a working relationship in developing security initiatives that have an impact on GA throughout the world. Through this partnership, we intend to collaborate with industry security partners to incorporate universally accepted security measures into the GA realm of aviation. This international cooperation is positive step forward for GA, and will not only enhance security measures and practices being developed in agreement with other nations, but it is also envisioned that these measures and practices will become more uniform and standardized.

9/11 Act Recommendations: TSA is in the process of developing, socializing, and implementing an airport vulnerability assessment tool for GA airport owners/operators to conduct a security self assessment of their respective facility. TSA envisions that this tool will be interactive and offered online, and will be aligned with existing security practices and measures to provide effective security while being reasonable and feasible for industry to utilize. Additionally, TSA is in the process of analyzing the feasibility of establishing a funding mechanism for security enhancements at GA airports.

Question 4. Included in the Implementing Recommendations of the 9/11 Commission Act of 2007 is a requirement that the TSA develop a means of enhancing security "by properly identifying authorized airline flight deck and cabin crew members at screening checkpoints and granting them expedited access through screening checkpoints." What is the status of these efforts?

Answer. The Transportation Security Administration (TSA) is evaluating the feasibility of instituting a sterile area access system through pilot testing at three airports: Baltimore-Washington International Airport, Pittsburgh International Airport, and Columbia (South Carolina) Metropolitan Airport. TSA will conduct a pilot of the proposed sterile area access system for 60 days at these locations and has committed to a July 2008 implementation date.

Question 5. The 9/11 Act tasks TSA with many new and important responsibilities for surface transportation security. For rail security alone, the Act requires some 12 new rulemakings, reports, and assessments. How does the TSA plan to implement the new surface transportation security provisions of the 9/11 bill without any increased funding for the upcoming fiscal year?

Please provide a list of all the mandates given to TSA in the 9/11 Act, including for rail and surface transportation, and whether or not the mandate has been completed. If the mandate has not yet been completed, please include the expected completion date.

Answer. The Transportation Security Administration (TSA) has developed implementation plans for all of the provisions in the Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act) pertaining to freight rail transportation. Additional funding to implement a number of the provisions in the 9/11 Act (including several rail provisions) was included in the Fiscal Year (FY) 2008 Consolidated Appropriations Act and a spend plan has been approved. The funding will carry through FY 2009. TSA is identifying the specific processes needed to implement the actions required in the 9/11 Act. This includes the identification of the data necessary to assessing the economic impacts of specific taskings and rulemakings deployment. TSA is working diligently to meet its obligations in the 9/11 Act.

The Transportation Security Administration tracks the status the 9/11 Commission Act implementation on a monthly basis as part of a Department of Homeland Security managed working group. The attached spreadsheet lists all mandates given to TSA in the 9/11 Act and their current status. We would be happy to provide additional information to Congress regarding estimated completion dates on particular mandates of interest. Certain tasks lack sufficient resources to allow them to be completed in accordance with the 9/11 Act's deadlines. Projected completion dates are provided if known or reasonably predictable. Tasks that have not been resourced will not have an expected completion date.

Question 6. Please explain why FEMA, presumably with TSA's guidance, has limited the use of FY 2008 grant funds for the Class I freight railroads to just training when the 9/11 Act clearly provides 22 different appropriate uses for the funds.

Answer. The Implementing Recommendations of the 9/11 Commission Act of 2007 authorized a grant program for freight railroad carriers. The Fiscal Year (FY) 2008 Consolidated Appropriations Act appropriated $400 million for Public Transportation Security and Railroad Security Assistance. For FY 2008, the Department of Homeland Security (DHS) awarded $7.4 million from this appropriation to the freight railroad carriers.

DHS focused the Railroad Security Assistance on Class II and Class III railroads, which have smaller operating budgets and profit margins and, therefore, do not have the funds to pay for security enhancements and mitigation efforts through their own budgets. The Class I railroads, having already prepared robust vulnerability assessments and security plans, were afforded an opportunity to obtain grants for the enhancement of training for frontline employees. Training of frontline employees is a top funding priority for DHS across all transportation grant programs.

Question 7. Why did the FY 2009 budget proposal seek to eliminate all funding for freight railroad security efforts, despite the 9/11 Act authorization of $300 million for this purpose? Do you believe that the freight railroads' operations are totally secure and that no risks exist?

Answer. The freight railroads and their owners are well positioned financially to make the necessary operational and infrastructure changes to improve their security posture. Funds have been made available to the freight railroads through the Freight Railroad Security Grant Program (FRSGP) administered by the Federal Emergency Management Agency. The FRSGP provided assistance to both small and large railroads to improve their security foundation by making funding available for conducting vulnerability assessments, developing security plans, and conducting security-related training for frontline employees.

The Transportation Security Administration (TSA) has identified risks in freight railroad operations and is actively working with the industry to reduce vulnerabilities and minimize the consequences of a terrorist attack. For example, 2 years ago, TSA identified the transportation of Toxic Inhalation Hazard (TIH) materials through high population density areas to be the primary security risk for freight railroads and the communities they serve. TSA negotiated a voluntary agreement with the freight rail industry that would drive TIH risk reduction. This program's goal is to reduce the objectively measured risk of TIH rail transportation by 50 percent by the end of 2008. To date, this program has achieved a reduction of 52.7 percent in the measured risk. This reduction has been attained through the diligent and concerted efforts of the railroad carriers to make operational changes that reduce the time that TIH rail cars spend transiting high threat areas. The rail carriers have also instituted measures that provide better monitoring of these rail cars while they are standing still (referred to as "dwell time") so as to better detect and deter potential acts of terrorism. TSA has and will continue to monitor efforts to reduce the vulnerability of these security-sensitive shipments through field inspections and examination of rail car trip data. The TSA surface inspection force has conducted over 3,100 individual surveys to verify the management of these cars by the railroads.

In addition, TSA published a notice of proposed rulemaking on December 21, 2006, proposing rule security requirements for freight railroad carriers; intercity, commuter, and short-haul passenger train service providers; rail transit systems; and rail operations at certain, fixed-site facilities that ship or receive specified hazardous materials by rail. TSA anticipates issuing the final rule before the end of 2008.

Question 8. Although you have moved all of your canine units and Visible Intermodal Protection and Response teams under aviation security, you indicate that a large number of them will still be used for surface transportation purposes. What percentage of these resources will be solely allocated to surface transportation?

Answer. Since the program's inception in 2005, Visible Intermodal Protection Response (VIPR) deployments have been conducted in both the aviation and surface transportation areas.

Of the 783 canine teams that are projected to be deployed by the end of Fiscal Year (FY) 2009, 82 teams, or approximately a little more than 10 percent, will be allocated to surface transportation.

The percentage of VIPR teams that will be allocated to surface transportation cannot be accurately projected, because VIPR resources are not allocated by transportation mode, but rather by intelligence and/or threats, or through the direction of senior security managers.

Absent specific intelligence information, the decision to conduct a VIPR operation at a particular transportation venue is made by the Federal Security Director and/or the Federal Air Marshal Special Agent in Charge. Historically, approximately half of all deployments have been focused in the aviation domain. The allocation of additional funding to the Transportation Security Administration (TSA) for VIPR deployments in the FY 2008 budget enabled TSA to support all modes of transportation and respond to intelligence and/or emerging threats.

Question 9. On December 15, 2006, your agency issued a proposed rule to strengthen the security of the Nation's rail systems in high-threat urban areas. The proposed rule would require freight railroads to increase the security of hazardous material shipments and to appoint a rail security coordinator to share information with the Federal Government. This proposed rule would also formalize the TSA's freight and passenger rail inspection authority and allow the TSA to impose fines for security violations. Congress has been promised many times that this rule would be finalized soon, but it is still not complete. When can we expect to see this important rule finally completed?

Answer. The Transportation Security Administration anticipates publishing the final rule in the fourth quarter of this calendar year.

Statutory reference	Task Description	Status
Section 1202(b)	*Conduct a revision of the National Strategy for Transportation Security (NSTS).*	The revision is in progress. The strategy must align with other strategies and plans required by the 9/11 Act and with the Transportation Systems Sector Security Plan (TS–SSP). Estimate completion by the end of the calendar year.
Section 1202(c)	*Submit an expanded Periodic Progress Report on the National Strategy for Transportation Security.*	A progress report is undergoing agency review.
Section 1202(c)	*Submit a written explanation of transportation security activities not delineated in the NSTS.*	This requirement has been completed. A written explanation of transportation security activities not delineated in the National Strategy for Transportation Security (NSTS) was delivered to Congress on November 19, 2007.
Section 1203(a) Title XII (49 U.S.C. 114(u)(6)(A))	*Establish and submit a report containing the Transportation Security Information Sharing Plan (TSISP), 150 days after enactment, and annually thereafter. The plan shall contain a "reasonable deadline" by which the Plan will be implemented.*	The Transportation Security Information Sharing Plan (TSISP) is undergoing agency review. Anticipate submission to Congress by the end of the calendar year.
Section 1203(a) Title XII (49 U.S.C. 114(u)(6)(B))	*Submit a report on updates to the Transportation Security Info Sharing Plan 1 year from enactment.*	The first annual report will be due one year after the Transportation Security Information Sharing Plan (TSISP) is implemented.
Section 1203 (b)(1) Title XII	*Submit a semi-annual report on number of public and private stakeholders who were provided with each Comptroller General report.*	The first semi-annual report will be due six months after the Transportation Security Information Sharing Plan (TSISP) is implemented.
Section 1302(a)	*Establish regulations for civil penalties for nonaviation modes.*	Regulation is under development.
Section 1302(a)	*Issue report to the public of all transportation enforcement actions via the Federal Register.*	TSA will meet the deadline of December 31, 2008.
Section 1302(a)	*Submit a report to the public via Congress on transportation security enforcement process.*	This requirement has been completed. A report on the transportation security enforcement process was delivered to Congress on February 25, 2008.
Section 1303	*Develop VIPR (Visible Intermodal Protection Response) Team.*	This requirement has been completed. The Visible Intermodal Protection Response (VIPR) teams have been created and are currently operating.
Section 1304	*Deploy surface transportation inspectors to assist carriers and enforce transportation security regulations and directives.*	This requirement has been completed. TSA has deployed transportation security inspectors-surface and will deploy additional inspectors commensurate with funding.

Statutory reference	Task Description	Status
Section 1307(b)	*Increase the number of explosives detection canine team up to 200 canine teams annually.*	This requirement has been completed. The National Explosives Detection Canine Team Program (NEDCTP) has begun training and deploying canine teams. 170 new teams should be deployed by the end of the end of the calendar year.
Section 1307(c)	*Establish criteria to ensure that the canine explosives detection teams trained by external organizations are adequately trained and maintained.*	The National Explosives Detection Canine Team Program (NEDCTP) is increasing the number of canine teams and is studying options for engaging external organizations.
Section 1309	*Review TWIC regulations on conformity with statute.*	This requirement has been completed. In the Transportation Worker Identification Credential (TWIC) rulemaking, TSA established the eligibility and qualifications standards workers must meet in order to apply for and receive a TWIC. These standards include the list of criminal offenses set forth in Section 1309.
Section 1404(a)	*Develop and implement the "National Strategy for Public Transportation Security" plan.*	This requirement has been completed. The existing Mass Transit Annex to Transportation Systems Sector Security Plan (TS–SSP) meets the requirement.
Section 1405(a)	*Review and study the DOT–FTA public transportation security assessments.*	This requirement has been completed. Security assessments conducted by the Federal Transit Administration (FTA) were provided to TSA.
Section 1405(b)	*Conduct local bus-only public transportation system security assessments to determine local public transportation security needs.*	Assessments have been completed and information is being prepared for use by the transportation system operators.
Section 1405(c)	*Require high-risk public transportation agencies to develop comprehensive security plans.*	Through TSA's Baseline Assessments and Security Enhancement (BASE) program 70 mass transit systems were assessed, confirming that security plans have been developed and are being implemented. Assessment results are being used to develop parameters for the mandated regulation.
Section 1405(c)	*Review, amend and approve high-risk public transportation agencies' security plans.*	Security assessments conducted under TSA's Baseline Assessments and Security Enhancement (BASE) program (70 total) confirm security plans have been developed and are being implemented. Assessment results are informing development of the parameters for the mandated regulation.
Section 1405(e)	*Update public transportation system security assessments.*	This requirement has been completed. Baseline Assessments and Security Enhancement (BASE) program assessments were used to update the Federal Transit Administration (FTA) assessments. Revisions to the BASE assessment checklist since implementation in August 2006 have streamlined the process.
Section 1405(f)	*Establish and adopt security improvement priorities.*	This requirement has been completed and is on-going. Baseline Assessments and Security Enhancement (BASE) program assessments were used to set priorities for the assessed agencies.

Statutory reference	Task Description	Status
Section 1406(a)	*Establish public transportation grant program.*	This requirement has been completed. It was completed with a joint letter by the Secretaries of DHS and Department of Transportation (DOT) specifying DHS as the lead on substantive and administrative matters pertaining to the Transportation Security Grant Program (TSGP). The letter was sent to the appropriate Congressional committees on December 21, 2007.
Section 1407(a)	*Establish a new program that is part of the larger National Exercise Program that conducts security exercises for the public transportation sector (excluding ferries).*	TSA's Intermodal Security Training and Exercise Program (I–STEP) meets the exercise program requirements.
Section 1408(a)	*Issue interim final regulations on public transportation security training program.*	Interim final regulations are under development. The Congressional purpose has been met—security training guidelines by subject areas and categories of employees were published in February 2007 with streamlined application and eligible expenses funded under Transit Security Grant Program (TSGP).
Section 1408(a)	*Issue final regulations on public transportation security training program.*	TSA is proceeding in an integrated approach for the surface modes required to produce regulations on security plans that include training requirements. TSA prepared a draft security training rule, including preamble and regulatory text, for mass transit and passenger rail.
Section 1408(d)	*Approve or require amendment to a public transportation agency's training program.*	This requirement is contingent on the publication of the regulations and receipt of training programs.
Section 1408(g)	*Secretary shall ensure the public transportation security training program is a component of the larger National Training Program.*	Requirements for making the public transportation security training program a component of the National Training Program will be incorporated into the regulatory project.
Section 1410(a)	*Ensure DOT receives timely notification of all credible terrorist threats against public transportation systems.*	This requirement has been completed. Notification to DOT occurs through the National Operations Center (NOC) and the Transportation Security Operations Center (TSOC) alerts and advisories and through direct engagement between TSA and FTA in the interagency Mass Transit Security Information Network.
Section 1410(b)	*Fund public transportation ISAC.*	The FY08 DHS Appropriations Act did not provide funding for the public transportation ISAC.
Section 1411	*Establish a program to complete a name-based background and immigration status check for all front-line public transportation employees.*	Significant funding and time will be required to implement this requirement. TSA has begun to develop a project plan for a rulemaking needed to satisfy this requirement.
Section 1412	*Submit a report on implementation of Title XIV (Public Transportation Security) action items to include the amount of funds needed to carry the Title XIV's mandates that have not been appropriated or obligated.*	The report is undergoing agency review.
Section 1413(i)	*Publish regulations documenting process by which persons may contact DHS to report public transportation security problems.*	The regulatory project has been initiated.

Statutory reference	Task Description	Status
Section 1414(b)	*Routinely update guidance and recommendations given to public transit agencies for conducting voluntary security background checks.*	This requirement has been completed. Guidance approved by OMB in November 2007.
Section 1414(e)	*Publish a regulation covering process for handling false statements.*	A draft interim final rule has been developed and is undergoing agency review.
Section 1557(d)	*If determined necessary by the Secretary, issue security regulations for pipeline operators.*	Evaluation of the need for regulations is ongoing.
Section 1501(13)	*Define security-sensitive material.*	A proposed definition for security-sensitive material (SSM) is undergoing agency review.
Section 1502(a)	*Establish procedures to ensure all grants made under Title XV (Surface Transportation Security) are expended in accordance with this Title.*	This requirement has been completed. Procedures have been established.
Section 1502(d)	*Notify Congress within 5 days of issuing a Letter of Intent (LOI).*	This requirement has been completed. Appropriate Congressional delegations and staffs receive formal notification (within five days of issuing a Letter of Intent (LOI)).
Section 1504	*Develop a Railroad and Over-the-Road Bus Security Public Outreach and Awareness Plan.*	This requirement has been completed. A letter including the January 2008 plan was sent to Congress on June 17, 2008.
Section 1511	*Establish a Task Force to assess the risk of a terrorist attack on railroads.*	This requirement has been completed. Task force has been established.
Section 1511(b) and Section 1511(e)	*Develop and implement the modal plan titled "National Strategy for Railroad Transportation Security" (NSRTS) based on the task force's risk assessment and consults with railroad-related entities and submit a report containing the assessment and the plan.*	The "National Strategy for Railroad Transportation Security" (NSRTS) is under developmment.
Section 1512(a)	*Issue railroad security regulation for high-risk carriers.*	A regulatory project has been initiated.
Section 1512(d), and (e), (f), and (h)	*Provide technical assistance, threat info and guidance to railroad carriers on developing their security plan developed in accordance with the NSRTS; Review and approve vulnerability (VA) and security plans; Develop a program to assign railroads to risk tiers and notify appropriate railroads.*	Contingent on completing the railroad security regulation for high-risk carriers.
Section 1513(c)	*Award security improvement grants to railroad carriers, the Alaska railroad, shippers of security sensitive materials by rail, owners of railcars used to transport security sensitive materials and other recipients identified in Title XV.*	This requirement has been completed. Grants award announced on May 16, 2008.
Section 1513(g)	*Submit a report on the feasibility and appropriateness of requiring a non-federal match for grants awarded to freight railroad carriers.*	This report is in the initial stages of development.
Section 1514	*Award grants to Amtrak for general security purposes as well as specific projects.*	This requirement has been completed. Grants have been awarded.
Section 1516(a)	*Develop a program for railroad carrier exercises that is a component of the National Exercise Program.*	Pilot exercises were held in the National Capital Region from January through June 2008. This program will be consolidated as an exercise package for national dissemination.

Statutory reference	Task Description	Status
Section 1517(a); Section 1517(e)	*Issue regulations for a railroad security training program that is a component of the National Training Program.*	A consolidated regulatory project including railroad, public transit, and over-the-road bus entities has been initiated. Anticipate a Notice of Proposed Rulemaking (NPRM) to be issued in the first quarter of Calendar Year 2009. The requirements of the National Training Program will be included in the training regulation and program implementation.
Section 1517(d)	*Approve or amend the railroad carrier training program.*	This requirement is contingent upon issuing the regulation and the reviewing the carriers' training programs.
Section 1517(f)	*Submit a report on a representative sample of the railroad training programs.*	The report will be submitted after the regulations are published and the training programs have been reviewed.
Section 1517(g)	*Issue guidance and best practices for a railroad shipper employee security program.*	Completion of this requirement will be concurrent with the Freight Railroad security regulation.
Section 1519(b)(5)	*Complete a study of the probable methods of a terrorist attack on a railroad tank car used to transport toxic gases (DISPERSION MODEL).*	TSA is working with the DHS Chemical Security Analysis Center (S&T) to conduct analyses of tests on release of toxic inhalation hazards from rail tank cars. Expected to begin around January 2009.
Section 1520	*Establish a program to complete name-based security background and immigration status against the consolidated terrorist watch list for all railroad frontline employees.*	Significant funding and time will be required to implement this requirement. TSA has begun to develop a project plan for a rulemaking needed to satisfy this requirement.
Section 1521(i) and Section 1536(i)	*Publish regulations documenting the process by which persons may contact DHS to report railroad security problems and over-the-road bus security problems, deficiencies or vulnerabilities.*	A regulatory project has been initiated. Currently, TSA via the TSA Contact Center (TCC) has in place procedures through which persons may report security related matters including those relating to motor carriers and railroads.
Section 1522(b)	*Routinely update guidance and recommendations given to railroad carriers/contractors for conducting voluntary security background checks.*	This requirement has been completed. The guidance approved by OMB in November 2007 was disseminated to mass transit and passenger rail security partners.
Section 1522(e)	*Publish a regulation covering a process for handling false statements.*	A draft interim final rule has been developed and is undergoing agency review.
Section 1531	*Publish regulations for high risk tiered over-the-road bus operators to conduct vulnerability assessments and to submit a security plan.*	A draft Notice of Proposed Rulemaking (NPRM) is undergoing agency review.
Section 1531(d) and (e)	*Provide technical assistance, threat information, and guidance to over-the-road bus operators on completing their vulnerability assessments and developing their security plan.*	TSA will provide technical assistance to assist operators to comply with the requirements of the regulations when published.
Section 1531(f)	*Review and approve security plans of high risk over-the-road bus operators.*	This requirement is contingent upon issuing the regulations and receiving the security plans.
Section 1531(h)	*Develop a process to assign over-the-road bus operators to a risk-based tier that includes notifying the operator within 60 days of assignment or reassignment.*	A draft Notice of Proposed Rulemaking (NPRM) is undergoing agency review.
Section 1532	*Establish a program for making grants to private over-the-road bus operators that prioritizes grants based on security risks.*	This requirement has been completed. All awards were announced and finalized on May 16, 2008.

Statutory reference	Task Description	Status
Section 1533	*Establish a program for over-the-road bus exercises that is consistent with the larger National Exercise program.*	TSA's Intermodal Security Training and Exercise Program (I–STEP) is being adapted to serve as the over-the-road bus exercise program.
Section 1534(a); Section 1534(e)	*Develop and issue regulations for an over-the-road bus training program to prepare over-the-road frontline employees that is a component of the National Training Program.*	A draft Notice of Proposed Rulemaking (NPRM) is undergoing agency review. TSA will assure the necessary steps are taken to make the over-the-road bus training program a component of the National Training Program.
Section 1534(d)	*Approve over-the road bus operators' security training programs.*	This requirement is contingent upon the issuance of the training regulations and review of the training program plans.
Section 1534(f)	*Submit a report on the over-the-road bus employee training program.*	The report will be submitted no later than two years after issuance of the regulations on over-the-road bus training program.
Section 1538	*Submit a report containing threat assessment of the risk of terrorist attack on the Nation's school bus system.*	The report is under development.
Section 1540	*Submit a report containing threat assessment on commercial trucking security issues.*	The threat assessment has been initiated, however the magnitude of the study, about 100 threat scenarios, will preclude completion by the due date.
Section 1541	*DHS and DOT shall execute and develop an annex to the dept's 9/28/04 MOU addressing roles and responsibilities with respect to motor carrier transportation security matters.*	Annex is undergoing agency review.
Section 1551	*DHS shall support the DOT secretary to publish a final rule requiring railroads to analyze routes over which Security Sensitive Materials are carried and adjusts the routes over which SSM is carried accordingly.*	This requirement has been completed. An Interim Final Rule (IFR) was published on April 16, 2008.
Section 1551(i)(2)	*Publish high-consequence targets that railroads must consider in transporting security sensitive materials.*	A project to develop and publish the list has been initiated.
Section 1552(a)	*Develop a program to "encourage using improved technology" to track rail cars transporting SSM and detecting breaches in the integrity of a tank car.*	This requirement has been completed.
Section 1554	*Develop a program to facilitate tracking of motor carrier shipments of security sensitive materials and enhanced technology to improve their security.*	A program has been developed, however it was not funded for implementation under the 2008 Consolidated Appropriations Act.
Section 1554(c)	*Evaluate and submit a report on the program developed to track motor carrier shipment of security sensitive materials.*	The evaluation is contingent on completing Section 1501(13) and funding of the tracking program.
Section 1556(b)	*Incorporate technical corrections for background check requirements for persons holding a valid TWIC card.*	This requirement poses significant information technology challenges that TSA is currently addressing. Further changes may be required to the existing HME regulation.
Section 1557(a)	*Establish a program for tasking pipeline operators to comply with PHMSA security guidelines.*	This requirement has been completed. Program has been established.
Section 1557(b)	*Develop and implement a plan for reviewing pipeline security plans of the 100 most critical pipeline operators.*	A plan has been developed and funds have been allocated. TSA is taking steps to implement the plan.
Section 1557(d)	*Issue security recommendations, as appropriate, for pipelines operators based on review of pipeline security plans.*	This requirement has been completed. Recommendations have been provided to the industry.

Statutory reference	Task Description	Status
Section 1558(a); Section 1558(d)	*Develop a pipeline security and incident recovery protocols plan and submit a report.*	TSA is developing a project plan with Department of Transportation (DOT) that includes possible use of the Transportation Security Center of Excellence. The report will be submitted by the deadline of August 3, 2009.
Section 1607(b)	*Begin implementation of strategic plan for explosives detection at passenger screening checkpoints.*	Implementation of strategic plan for explosives detection at passenger screening checkpoints is underway.
Section 1601	*Expend fund from "Checkpoint Screening Security Fund" for explosives detection equipment at checkpoints.*	This requirement has been completed. TSA will purchase checkpoint evolution screening equipment until funds are expended. A spend plan was developed and sent to Congress on April 11, 2008. Funds will be expended in accordance with the spend plan.
Section 1602(a)	*TSA shall develop a program to screen 50 percent of air cargo on passenger aircraft with 18 months of and 100 percent within 36 months of bill passage*	A strategy has been implemented to achieve the 18-month and 36-month milestones.
Section 1602(a)	*Issue air cargo screening IFR and Final Rule as necessary.*	The Interim Final Rule (IFR) is in the drafting stage. Anticipate publishing the IFR before the end of the calendar year.
Section 1602(a)	*Secretary's explanation for not issuing final rule, if necessary.*	TSA expects to release a Final Rule within one year of issuing an Interim Final Rule (IFR) in accordance with the requirements of the 9/11 Act.
Section 1602(a)	*Submit a report to Congress on air cargo screening system.*	TSA is developing its 100 percent screening strategy and will submit a report one year after full implementation of this strategy.
Section 1602(b)	*Submit a report to Congress and GAO on air cargo screening exemption.*	This requirement has been completed. A report on air cargo screening exemption was sent to Congress in March 2008.
Section 1603(b)	*Submit a report on the cost-sharing study for in-line baggage screening.*	This requirement has been completed. A report on the cost-sharing study was delivered to Congress on April 2, 2008.
Section 1604(a)	*Develop a program for making grants to airport sponsors for projects to improve aviation security such as replacing baggage conveyor systems, reconfiguring terminal baggage areas to install explosive detection systems, etc.*	Currently being implemented and completed on an annual basis.
Section 1604(b)	*Submit a report on the prioritization schedule for airport security improvement projects, a corresponding timeline, and a description of the funding allocation.*	The report is undergoing agency review. A letter on the status of this provision was sent to Congress on March 31, 2008.
Section 1605(a)	*Submit a report on the plan to test and implement advanced passenger prescreening system.*	This requirement has been completed. The Secure Flight report was delivered to Congress on December 5, 2007.
Section 1607	*Develop and issue a strategic plan for strengthening explosives detection at passenger screening checkpoints.*	An updated Strategic Plan is undergoing agency review.
Section 1609	*Submit a report on the department's evaluation of the results of the blast-resistance pilot program.*	Evaluation is complete and the report is undergoing agency review. A letter on the status of this provision was sent to Congress on March 31, 2008.
Section 1609	*Make available blast-resistant cargo containers to air carriers.*	TSA has placed blast-resistant cargo containers on the qualified products list and made them available to have air carriers.

Statutory reference	Task Description	Status
Section 1611	*Develop program for specialized security training for TSO's.*	This requirement has been completed. TSA has established ongoing training programs for Transportation Security Officers (TSOs) to develop specialized skills in the following areas: behavior observation and detection, direct access security screening, bomb appraisal, improvised explosive device recognition, and travel document verification.
Section 1612	*Hire sufficient TSA personnel to enhance security and reduce passenger wait time to 10 minutes.*	This requirement has been completed. TSA has instituted a Screening Allocation Model that ensures that TSA has the appropriate level of personnel at each airport to meet all operational needs during both peak and down periods of passenger volume. The system-wide average wait time has never exceeded the 10-minute threshold cited in Section 1612.
Section 1613	*Institute a pilot program at not more than 2 airports to ID technologies to improve security at airport exit lanes.*	TSA is planning to institute a pilot program at two airports to ID technologies to improve security at airport exit lanes. The pilot launch is expected to take place at Dallas Forth Worth International and Seattle-Tacoma International in the 4th quarter of 2008.
Section 1613(c)	*Submit a preliminary report in the form of a Hill briefing on the these pilot programs.*	This requirement has been completed. The briefing on ID technologies to improve security at airport exit lanes was submitted to the appropriate Congressional committees on April 16, 2008.
Section 1613(c)	*Submit a final report on the results of the pilot programs.*	A report on the results will be completed within 18 months of the pilot launch. The pilot launch at both airports is expected to take place in the 4th quarter of 2008.
Section 1614(a)	*Submit a preliminary report on TSA's efforts to institute a sterile area access system.*	This requirement has been completed. A preliminary report on TSA's efforts to institute a sterile area access system was delivered to Congress on March 26, 2008.
Section 1614(b)	*Initiate implementation of the sterile area access system.*	TSA initiated three pilots projects for its proposed sterile area access system at Baltimore-Washington International, Pittsburgh International, and Columbia Metropolitan.
Section 1615(a)	*Publish Federal Register notice for a national registered armed law enforcement program for armed officers traveling by commercial aircraft.*	Significant funding and time will be required to implement this requirement. An integrated project team has been formed to begin these efforts.
Section 1615(b)	*Submit a report on the law enforcement biometric credential program.*	This requirement is contingent upon implementation of Section 1615(a).
Section 1616	*Issue regulations for security of foreign and domestic aviation repair stations.*	A draft Notice of Proposed Rulemaking (NPRM) is undergoing agency review.
Section 1616	*Develop program to conduct security reviews of foreign repair stations.*	TSA will initiate a repair station audit program immediately after publication of the final regulation. TSA inspectors continue to conduct audits of foreign repair stations in cooperation with foreign governments and repair station operators.
Section 1617	*TSA shall develop and implement a new threat and vulnerability assessment program for general aviation.*	TSA is creating a web-based assessment tool. Testing of the website begins August 2008 with site launch targeted for Fall 2008.
Section 1617	*TSA shall complete a feasibility study on upgrades to security at general aviation airports.*	This requirement has been completed. A letter on the results of the grant feasibility study was sent to Congress on April 9, 2008.

Statutory reference	Task Description	Status
Section 1617	*TSA shall develop a program under which general aviation aircraft are required to submit passenger information and advance notification requirements for CBP before entering U.S. airspace.*	This requirement has been completed. TSA currently ensures that passenger information submitted by international general aviation aircraft, as identified in coordination with the FAA, is vetted against the appropriate databases before entering U.S. airspace.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. ROGER F. WICKER TO HON. EDMUND S. "KIP" HAWLEY

Question 1. We often hear reports of airport closures or terminal evacuations due to suspect baggage. How many times were airports closed or terminals evacuated during 2007? Of these, how often were these evacuations and closures based on suspect baggage identified at security checkpoints? Has TSA calculated the economic cost associated with these evacuations and closures?

Answer. In 2007, there were 49 terminal evacuations. In all 49 instances, the terminal evacuations were based on suspect baggage identified at security checkpoints or other airport locations. TSA does not calculate the economic cost associated with these closures.

The Transportation Security Administration's (TSA's) Bomb Appraisal Officer (BAO) program is designed to help address these checkpoint evacuation incidents. BAOs are TSA employees who were former military or public safety bomb disposal technicians and have previously served as members of a certified bomb squad. They are graduates of one of two bomb disposal schools, the Federal Bureau of Investigation Hazardous Devices School or the Department of Defense Naval School, Explosive Ordnance Disposal. BAOs bring their experience with improvised explosive devices directly to TSA's front line. If TSA screening personnel are unable to resolve an alarm, BAOs provide TSA with one more opportunity to resolve an alarm before turning the situation over to a Law Enforcement Officer who may order an evacuation and call for a bomb squad response.

During calendar year 2007, there were 1,156 BAO-related requests to conduct advanced alarm resolution procedures. Of these, the BAO cleared 1,139 events in an average of 12.5 minutes. Of the 17 events not cleared by the BAO, 7 were not cleared because the BAO was not present to respond. The remaining 10 events resulted in bomb squad responses for items such as hand grenades, 20 millimeter projectiles, blasting caps, temperature sensors, etc. Without the involvement of TSA BAOs, the number of terminal evacuations summarized above may have been far greater.

Question 1a. Does TSA have a national policy on resolving suspect baggage? What are the procedures and technologies used by TSA to implement this policy and contain these threats?

Answer. The Transportation Security Administration's (TSA's) national policy for resolving possible threats in suspect baggage involves application of process algorithms, technical procedures, technological solutions, and the training and experience of our professional screening workforce. When a bag is identified as containing potential threat items, the screening workforce must follow the procedures for clearing possible threats as detailed in the Screening Checkpoint and Checked Baggage Standard Operating Procedures.

At screening checkpoints, accessible property is first examined with X-ray systems. For those items that appear to contain a prohibited item, the X-ray operator refers the bag to a property search screener who may apply a mixture of Explosive Trace Detection (ETD) screening, liquid explosive screening, and/or physical search procedures. For items that remain a potential threat, Transportation Security Officers request Bomb Appraisal Officer (BAO) and/or law enforcement assistance. BAOs have extensive experience (military or commercial) with explosive handling and/or identification. BAOs are readily available to assist the screening workforce by providing advanced alarm resolution procedures in cases where there may be an improvised explosive devices (IED) or IED components.

For checked baggage at airports equipped with Explosive Detection Systems (EDS) X-ray systems, the screening workforce utilizes On-Screen Alarm Resolution Protocols to determine if the bag contains a possible threat. Additional screening is conducted utilizing ETD devices and/or physical search procedures for bags identified by the EDS as a possible threat. At airports equipped with ETD devices only, the screening workforce applies a varying ETD bag search protocol to each checked bag (search types are applied on a random basis). If a possible threat is identified,

additional screening is conducted utilizing physical search procedures. Again, BAO assistance is requested for incidents involving suspected explosive devices. Law enforcement is notified when checked luggage remains suspicious after all screening alarm resolution procedures and BAO resolution efforts have been exhausted.

Question 2. I recently wrote to you regarding concerns over small and medium sized airports' access to the latest explosive detection systems. Would you agree that the need for the small and medium airports to receive the latest explosive detection systems is just as important as the larger airports?

Answer. The Transportation Security Administration (TSA) agrees. Based on the current strategic plan for the Electronic Baggage Screening Program (EBSP), TSA intends to deploy explosives detection systems (EDS) to all CAT X–III airports. This includes all medium-hub airports and most small-hub airports across the country. TSA is exploring the concept of dual use, which incorporates the screening of carry-on and checked baggage at smaller airports. There are opportunities for EDS and advanced technology to enhance screening capabilities at the smaller airports compared to current procedures. As part of the initial deployments of Automated Explosives Detection Systems (Auto-EDS) at smaller airports, TSA will be evaluating the feasibility of dual-use.

For many small airports, the latest reduced-size EDS equipment is optimal from a security, economic, and spatial standpoint. These machines are smaller, have improved false alarm rates, and are less expensive from a life-cycle cost perspective than the initial generation of EDS machines deployed at many large airports. TSA has and will continue to deploy these reduced-size EDS machines at smaller airports across the country.

Question 2a. What is the breakdown of funding for the past 3 years of explosive detection systems between the different categories and sizes of airports?

Answer. This data is not available for Fiscal Year (FY) 2006. The chart below provides the data for FY 2007 and FY 2008.

Category		Size	
		FY07	
X	$341,380,300	Large	$353,763,779
I	$89,449,473	Medium	$75,480,028
II	$19,089,906	Small	$15,828,626
III	$9,778,509	Non-hub	$15,313,644
IV	$687,888		
		FY07 Supplemental	
X	$143,667,214	Large	$145,219,136
I	$54,082,786	Medium	$52,530,864
		FY08	
X	$357,304,911	Large	$364,305,523
I	$88,177,540	Medium	$72,878,726
II	$33,813,323	Small &Non-hub	$53,301,064
III, IV	$11,189,539		

Funding for passenger screening checkpoint equipment is broken down by technology, not by airport size or category. However, TSA did procure 20 checkpoint Auto-EDS in FY 2007 for deployment to CAT X, I, III and IV airports. Approximately $5.5 million for checkpoint screening explosive detection technology was allocated for smaller category airports in FY 2007. Approximately $2.7 million for checkpoint screening explosive detection technology was allocated for Category X and I airports.

Question 2b. How does TSA determine which airports receive the latest security technologies?

Answer. There are a number of factors impacting TSA's decisions on where to deploy the latest security technologies. While primarily driven by a risk-based approach, considerations are also made based upon the sites' capability to accommodate the equipment with regard to space availability, size, and weight, among others.

Airport technology project prioritization takes into account risk (*e.g.,* threat, consequence, and vulnerability) as well as operational and economic considerations (*e.g.,* projected airport growth, screening performance, economic viability, and on-the-job injury rates). Deployment of new technologies at airports is based on several factors, including:

1. Predicted optimal screening system for each airport—TSA identifies likely candidates for specific technologies based on the most cost-effective, or optimal, screening system;

2. Specific requests from airports and Federal Security Directors (FSDs)—In some cases, airports or their FSDs will request specific equipment. While the Office of Security Technology makes the final decision on the make and model of equipment to be deployed, where practical and justified, TSA attempts to provide equipment requested by airports and their FSDs; and

3. Availability of specific equipment—In some cases, TSA may not have the resources needed to purchase all equipment requested or total equipment requests for specific technologies may exceed availability. TSA attempts to balance equipment supply with demand.

Question 3. Based on the lessons learned from the puffer detection system program, what changes has TSA implemented for future detection system testing?

Answer. As part of the procurement process for new technology, the Transportation Security Administration (TSA) thoroughly tests equipment for effectiveness and suitability. Procurement specifications are defined for each new technology and systems are tested against detection requirements in a laboratory environment. Qualified systems that demonstrate detection effectiveness are piloted in the field to evaluate operator usability, throughput, reliability, maintainability, availability, and passenger acceptance. The final selection of technologies is based upon a consolidated evaluation of system performance, including results from laboratory and operational testing.

Incorporating some lessons learned from the Explosive Trace Portal procurement, TSA has emphasized being a more "program management centric" organization. This has improved TSA's ability to follow the acquisition life cycle to ensure that product specifications are fully reviewed, life-cycle costs analyzed, developmental and operational test and evaluation results are harmonized, and procurement decisions are made based on the results of a documented process. This will improve the decision-making process when procuring from a single vendor until we know the equipment is sufficiently mature such that a single vendor can provide the equipment that detects/performs as specified at a life cycle cost we can afford.

Question 3a. Have small and medium sized airports been considered for detection system testing?

Answer. Yes, the Transportation Security Administration (TSA) considers a variety of airport locations in selecting sites for operational (or field) testing and evaluation. Considerations are made based upon evaluation objectives, operating environment, ability to integrate items under test into the overall security architecture, and potential impact on current operations. As an example of TSA's commitment toward including small and medium sized airports for detection systems testing, we are currently considering several Category III and IV airports for the Dual-Use Auto-EDS Field Assessment. Under this pilot project, TSA will evaluate computed-tomography based systems (similar to those currently employed to screen checked baggage in large and medium-sized airports), for screening both carry-on and checked baggage.

Question 4. It is my understanding that TSA is using a number of different systems for detection such as metal detectors and new technologies including backscatter and millimeter wave systems. Where is TSA in the ongoing testing of new detection technologies? As TSA determines the capabilities of these new systems are you also studying the ongoing operation and maintenance costs?

Answer. As an example of testing activities encompassing new passenger screening technologies, the Transportation Security Administration (TSA) has recently completed evaluation of several Whole Body Imaging (WBI) systems at Phoenix Sky Harbor International Airport (PHX). The WBI systems will remain at PHX for an additional period to gather reliability, maintainability, and availability (RMA) data. Testing of the WBI systems is currently ongoing at Los Angeles International Airport (LAX) and John F. Kennedy International Airport (JFK).

We have also recently completed evaluation of several Advanced Technology carry-on baggage screening systems at LAX, Albuquerque, Reagan National Airport, PHX, and JFK.

To better understand total life-cycle costs associated with operation of aviation security devices, TSA is establishing extended surveillance sites for these systems. This will provide an opportunity to validate vendor provided life-cycle data, characterize system performance over a longer time-frame, examine system RMA and logistics supportability for these systems (and associated operations and support costs).

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. DANIEL K. INOUYE TO CATHLEEN A. BERRICK

Question 1. U.S. passenger and freight rail networks rely on an open architecture for the movement of freight, spanning vast rural stretches that are difficult to patrol and secure, and traversing densely populated urban areas. As a result, rail networks are inherently vulnerable to a variety of transportation security incidents, including potential terrorist attacks. What are the significant security concerns regarding U.S. passenger and freight rail networks?

Answer. To date, U.S. passenger rail systems have not been targets of terrorist attacks. However, worldwide, public transportation in general and passenger rail in particular, have been attacked multiple times, sometimes with grave results. According to transit agency officials, certain characteristics of passenger rail systems make them inherently vulnerable to terrorist attack and therefore difficult to secure. By design, passenger rail systems are open (*i.e.,* multiple access points, hubs serving multiple carriers, and, in some cases, no barriers) so that they can move large numbers of people quickly. The openness of passenger rail systems can leave them vulnerable because personnel cannot completely monitor or control who enters or leaves the system. In addition, other characteristics of some passenger rail systems—high ridership, expensive infrastructure, and high density locations—also make them attractive targets for terrorists because of the potential for mass casualties and economic damage and disruption. Moreover, the same characteristics that make passenger rail difficult to secure also may make the sustained use of some security measures, such as metal detectors, difficult because they could result in long lines that could disrupt service. In addition, multiple access points along extended routes could make the cost of securing each location prohibitive.

Regarding freight rail, Federal and industry stakeholders have identified several security risks. Specifically, TSA officials have determined that the rail transportation of toxic inhalation hazard (TIH) materials in close proximity to large population centers represents a significant security concern because, if released from a rail car in large quantities under certain atmospheric conditions, these materials could present a significant health hazard to people within the path of the resultant plume. Concern also exists regarding the critical role that certain infrastructure, such as key bridges and tunnels play in the national railroad system. For example, certain bridges, such as those over large rivers, play a key role in the national railroad system because of limited rerouting options. As a result, the sabotage or destruction of this infrastructure presents significant economic concerns. Cyber security concerns have also been raised regarding possible attacks against rail computer networks and communication and control systems.

Question 2. What steps is the TSA currently taking to address these concerns? More specifically with regard to passenger rail, what are the various layers of security that are now deployed to secure passenger rail systems?

Answer. DHS, primarily through the efforts of TSA, has undertaken initiatives to strengthen the security of the Nation's surface transportation systems. TSA has recently increased its focus on the security of surface modes of transportation, and while efforts are still largely in the early stages, they demonstrate the various layers of security that TSA has developed to secure passenger rail and mass transit systems. These security efforts include: (1) assessing risk by conducting threat, criticality, and vulnerability assessments of passenger rail and mass transit assets; (2) developing and issuing mandatory rail security directives and recommended voluntary best practices for mass transit and passenger rail; (3) issuing a notice of proposed rulemaking that would add additional security requirements for passenger rail operations; (4) collaborating with the American Public Transportation Association (APTA) on industry-wide security standards for mass transit systems; (5) hiring and deploying surface transportation security inspectors who are conducting compliance inspections of the top 100 transit agencies; (6) conducting Visible Intermodal Protection and Response (VIPR) operations at transit agencies throughout the country and (7) distributing grant monies to transit agencies for security enhancements through the Transit Security Grant Program.

To date, TSA has largely focused its freight rail security efforts on addressing the risks posed by the transportation of TIH materials. For example, since 2004, TSA has been meeting with rail carriers operating in major U.S. cities to assess the security status of these materials while in transit. Additionally, in June and November 2006, TSA and DOT jointly developed and issued 27 recommended security action items, or best practices, for the rail transportation of TIH materials. These 27 action items address a range of actions that were to be taken to protect TIH being transported by rail including for example, maintaining systems to locate rail cars transporting TIH materials, and inspect rail cars containing TIH materials for any appar-

ent signs of tampering, sabotage, attached explosives, and other items. Also, in December 2006, TSA issued a proposed rulemaking that would require, among other things, that rail carriers incorporate specific processes into their operating practices to mitigate the security risks posed by TIH materials. For example, the rule would require rail carriers, shippers, and receivers of certain hazardous materials, including TIH, to establish and provide for a secure chain of custody and control for rail cars in their possession containing these types of materials. However, this proposed rule has not yet been finalized.

In addition to GAO's ongoing work on mass transit security and freight rail security, we are also conducting reviews of commercial vehicle security and highway infrastructure security.

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