



June 16, 2010

The Honorable Charles E. Schumer
Chairman
Senate Committee on Rules and Administration
305 Russell Senate Office Building
Washington, DC 20510

Dear Mr. Chairman:

Thank you for your letter yesterday concerning production of U.S. e-passports. I personally share your strong interest in manufacturing as many components as is practicable on U.S. soil for the e-passport and other critical security documents. I can assure you the Government Printing Office (GPO) has worked unceasingly, in conjunction with the Department of State, and within all applicable laws and regulations, to ensure the security and integrity of the production process for e-passports. This work has been discussed in depth by the Government Accountability Office in its January 2010 report, *Border Security: Better Usage of Electronic Passport Security Features Could Improve Fraud Detection* (GAO-10-96), which was prepared in response to a 2008 request from the House Committee on Energy and Commerce.

GPO has contracts with two European companies to produce the covers for the e-passport booklets, including the manufacturing and inlaying of component parts of the e-passport—the integrated circuits (chips) that meet the required International Civil Aviation Organization (ICAO) standard and associated antenna—into the booklet covers. These electronic components represent one of a multitude of security features incorporated into the paper, threads, inks, laminates, and other substrates of the completed booklets. When the open, competitive procurement was conducted in 2004 for the e-passport covers and their electronic components, there were no U.S.-based firms that were able to provide solutions that met the requisite standards. Both European companies use a subcontractor with secure facilities in Asia and the U.S. to assemble the chips into the e-passport covers before shipping the finished covers to GPO for final production of the booklets. Final production, including verification of the integrity and security of the completed e-passport books, is carried out in secure GPO facilities under total U.S. Government control.

Applicable contract law does not provide GPO with the ability to move passport component production to U.S. manufacturing and production facilities immediately. However, under my direction key GPO staff have worked with our contractors to shift the

final assembly of the passport covers from the subcontractor's Asia facility to a facility in the U.S. As a result of this effort, approximately 80% of all e-passport covers now undergo final assembly in the U.S., and the subcontractor is on target to begin 100% assembly functions in the U.S. later this summer. Simply put, this would not have happened without constant pressure from the GPO. We look forward to completing the shift of work to the U.S. within the next several weeks.

The final year of GPO's five-year contracts for the e-passport covers will expire in June 2011. In conjunction with the Department of State, GPO has issued a Request for Proposal (RFP) for a new e-passport cover contract. The RFP, which has been broadly advertised nationwide, is being conducted under all applicable laws and regulations, including the Buy American Act. It can be found on the FedBizOps Web site at https://www.fbo.gov/index?s=opportunity&mode=form&id=32d148c8ac67f89181b675869d3e2b18&tab=core&_cview=1.

Again, I share your concern, Mr. Chairman, and I can only point out results of the intensive and ongoing effort we have been making for the past several years to ensure the security and integrity of this critically important product. To date we have produced more than 55 million blank e-passports with no breach of security. The process that GPO initiated to move the subcontractor's assembly operation to the U.S. is almost completed. The current RFP for the next passport cover contract is seeking proposals from every available qualified resource, including those noted in your letter. We are looking forward to working with these resources in the current procurement process, and to continuing our efforts to provide the Department of State with a product that fully meets the requirements of the Department and the American people for the most technologically advanced and secure e-passport possible.

Sincerely,



ROBERT C. TAPELLA
Public Printer