

UNITED STATES DEPARTMENT OF HOMELAND SECURITY  
TRANSPORTATION SECURITY ADMINISTRATION

Statement of

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Before the

SUBCOMMITTEE ON HOMELAND SECURITY  
COMMITTEE ON APPROPRIATIONS  
UNITED STATES HOUSE OF REPRESENTATIVES

Good morning Chairman Price, Ranking Member Rogers, and distinguished members of the Subcommittee. Thank you for the opportunity to appear before you today to discuss challenges in Aviation and Surface Transportation security, and to discuss the President's budget request for the Transportation Security Administration (TSA) for fiscal year (FY) 2008.

The President's overall budget request of \$6.4 billion for TSA reflects a total increase of \$138 million over the FY 2007 enacted level. Approximately \$101 million of the requested increase directly supports additional transportation security initiatives, while the remainder supports base adjustments to maintain current operating levels. The request includes \$5.0 billion for Aviation Security; \$41.4 million for Surface Transportation Security; \$77.5 million in appropriated funding for Transportation Threat Assessment and Credentialing; \$722.0 million for the Federal Air Marshal Service; and \$524.5 million for Transportation Security Support.

Challenges and Solutions in Aviation Security

Given the ongoing threats to the aviation system, we have built an aviation security system that is highly flexible and quickly adaptable risk-based approach to changing security conditions. We know that our mission cannot be achieved with a checklist mentality in an assembly-line environment. To that end, we continue to work on improving and retaining a highly motivated, flexible and adaptable workforce; make prudent investments in technology with a high security return on investment; achieve continuous improvement in the efficiency of our operations; and strive to improve the customer experience.

I would like to thank this Committee and its leadership for their support of TSA's effort to increase security for the growing passenger loads while living within prudent budget limits. The Committee has been supportive of TSA's increased use of flexible,

unpredictable, and risk-based measures in our common effort, and we are greatly appreciative of that support.

As the British bombing plot last August demonstrated, our system of aviation security can be required to literally change its focus overnight. In less than twelve hours, screening procedures were adjusted nationwide to counter and deter the liquid explosive threat, and once implemented by our Transportation Security Officers (TSOs), the TSA response did not create sustained significant flight delays. Furthermore, our 3-1-1 program, which was developed to allow small amounts of liquids, aerosols, and gels to be carried on aircraft, demonstrated TSA's ability to balance the threat with the needs of the traveling public. As we continue to develop our security measures, we will remain adaptive.

The FY 2008 Aviation Security request of \$4.95 billion and the \$722 million request for the Federal Air Marshal Service, will continue the high level of security in the aviation sector established since September 11.

#### *Enhancing and Leveraging the Workforce*

TSA's workforce is its most critical asset in meeting its security mission. Even with extensive use of technology, we will always need the critical thinking skills of people to adapt to emerging threats. The human brain is the most sophisticated computer on earth, and we must continue to rely on it heavily to ensure security. As a result, success depends on recruiting and keeping trusted, bright, well motivated and trained people who have the right tools, and work in a positive, team-oriented and challenging environment. To keep our best employees, our workforce must be rewarded with fair compensation and benefits and prospects for continued advancement based on their ability and effort.

To this end, in 2006 we rolled out a comprehensive performance management system for TSOs, making TSA a performance-based organization. Under this system, TSA now compensates TSOs based upon their technical proficiency, training and development, customer service skills, teamwork, professionalism, and leadership. By recognizing and rewarding the right skills, and higher proficiency levels, we reinforce critical performance areas to support ever-changing needs in security.

Our performance based management system for TSOs is enhanced by our TSO Career Progression initiative. Begun in 2006, this initiative establishes TSA's commitment to creating a career track and advancement opportunities for TSOs to encourage not only quality performance, but also improve retention rates. Our experience has shown that the TSOs who perform best also gained the most practical experience on the job. As a result, this program expanded available pay bands for TSOs at full performance and provides the opportunity to serve in advanced positions as Behavior Detection Officers, who execute TSA's Screening Passengers by Observation Technique (SPOT) Program; Bomb Appraisal Officers (BAOs), who provide training and assistance in resolution of explosives alerts at our major airports; and TSA-Approved instructors, who provide a full range of required TSO training.

We continue to see benefits from the Career Progression initiative with dramatic improvements in attrition rates. Voluntary attrition among part-time TSOs fell dramatically to 38.7% in FY 2006 from its high of 57.8% in FY 2004, and overall attrition has also improved to 16.5% from its 18% high in FY 2004. Furthermore, the advanced positions created through the progression initiative permit us to leverage the existing workforce to provide additional security without increasing overall costs.

In our next major workforce initiative, specially trained and equipped TSOs will assume the document-checking responsibilities at high risk airports. The President's Budget requests an additional \$60 million to fund 1,329 specially trained TSOs, who will examine boarding documents to detect and deter individuals attempting to use the aviation system with hostile intent. Combined with existing resources, 2,000 Travel Document Checkers (TDCs) will be fielded in FY 2008 based upon risk. Their interaction with passengers also gives these TSOs an additional opportunity to observe behavioral characteristics of passengers and identify anomalies that would warrant additional screening.

In order to preserve the enhanced levels of security put in place since the creation of TSA, we must preserve the flexibility to organize and deploy the workforce upon which the foundation of our security measures are built. As the Administration indicated in its Statement of Administration Policy on H.R. 1, the 9/11 Commission Recommendations Implementation Act, proposed changes to TSA's personnel system threaten to tie TSA's hands in deploying TSOs and FAMs to respond to changing threats such as the August 11 bomb plot and Hurricane Katrina. The changes would severely erode the gains we have made in providing flexible benefits and compensation for our workforce and hamper our ability to confront future aviation security challenges. Going forward, we ask for the Committee's assistance in ensuring TSA has the flexibility to continue a performance-based management system that supports the specialized needs of our workforce and carry out our vital mission.

In addition, we are continuing to work smarter in our aviation security enforcement activities. The FY 2008 Aviation Security request includes an additional \$6.1 million for aviation regulation and other enforcement, including \$3 million to sustain the 15 full-time equivalent (FTE) Foreign Repair Station Program inspectors. This is in direct support of direction received from the Congress in Vision 100.

### Air Cargo

We are also taking steps to ensure the security of the 23 billion pounds of cargo shipped by air in the United States each year. Safeguarding the nation's critical air cargo transportation infrastructure is a shared public and private sector responsibility. As a result, we continue to work through compliance activities, policy initiatives, and technology implementation. In FY 2006, we increased the number of air cargo inspectors to 300, expanded the use of canine resources in screening cargo at 80 of the highest cargo-volume airports nationwide, and conducted over 20,000 inspections of air carriers,

and indirect air carriers. Each month, TSA conducts week-long cargo enforcement surges at highest cargo volume airports; one of the surges resulted in 103 inspections, 40 findings of possible violations, and 6 formal investigations. Express parcel, counter to counter, shipments were routinely screened by TSA at over 250 airports.

In FY 2008, we request \$55.8 million to continue to improve the supply chain risk management model through continued implementation and enforcement of the Air Cargo final rule, deployment of the Air Cargo Risk Based Targeting programs, which includes the Known Shipper Management System, Indirect Air Carrier Management System, the Freight Assessment System, and the Certified Shipper Programs. In addition, we will continue to effectively employ the air cargo inspectors by targeting highest risk areas of the supply chain.

### Secure Flight

Last February, after completing a review of the Secure Flight program and considering feedback from the Congress and the Government Accountability Office (GAO), as well as DHS evaluations of the program, I announced that TSA was rebaselining Secure Flight, our program to prescreen passenger names against the Terrorist Watch Lists. We undertook this effort to enhance privacy and information security in the program by ensuring it is built on the proper foundation, with adequate requirements and appropriate privacy protections at the very core of its design.

One year later, the rebaselining work has been completed and we are prepared to move forward with Secure Flight. As a result, the President's Budget requests an additional \$38 million for Secure Flight implementation, for a total request of \$53 million. The additional request will be used to fund hardware procurement, operations ramp-up, and network interface engineering between Secure Flight and other federal and airline information systems. We are currently working with the DHS Screening Coordination Office (SCO) toward achieving DHS certification and demonstrating to GAO our completion of the ten areas of Congressional direction. We are also cooperating with GAO in their review of the program's development. It is our expectation that Secure Flight will begin operational testing at the end of 2008 for domestic passenger vetting, with full implementation in 2010. In implementing this program, TSA is firmly committed to protecting the privacy and civil liberties of travelers, as reaffirmed by the directions of this Committee. Additionally, in recognition of the important role Secure Flight will play as a layer of aviation security, TSA is working with DHS to explore ways to efficiently accelerate the schedule to implement the program, as appropriate and within established lifecycle cost estimates.

### *Prudent Technological Investment*

We continue to invest heavily in technology to assist in the aviation security mission, and we continue to do so in a way that will yield a high security return on our investment. Investment in technology to increase our efficiency, in both airline passenger and baggage screening, yields important security benefits. Our technology program

emphasizes investment in both current and emerging technology for all areas of aviation security.

### Electronic Baggage Screening Program

In February, 2006, TSA delivered to Congress a Strategic Planning Framework for the Electronic Baggage Screening Program (EBSP). This framework details TSA's long-term planning philosophy for the development and implementation of optimal baggage screening solutions at the Nation's top 250 airports, where over 95 percent of checked baggage originates, and currently guides TSA's investment and deployment decisions. The plan also includes a funding prioritization schedule, a deployment strategy, an EDS life-cycle management plan, and a stakeholder collaboration plan. Funds requested in FY 2008 will provide 10 airports with either full or partial in-line EDS systems as guided by the strategic plan.

The President's FY 2008 request includes \$729 million for the deployment and operations and maintenance of Explosives Detection Systems (EDS) for checked baggage, including \$181 million for purchase of EDS technology, \$259 million for installation costs, \$264 million for maintenance of all screening technology, and \$25 million for operation integration to test and pilot new technologies. The President's request for FY 2008 is commensurate with previous years requests and the EDS Strategic Plan.

### Checkpoint Technology

We are continuing to test and evaluate new technology for deployment to the checkpoint to increase security and efficiency. The President's FY 2008 request includes approximately \$82 million to purchase, install and field test emerging checkpoint technology. Whole Body Imaging (WBI) technology, including backscatter X-ray and millimeter wave technology, may be beneficial in the detection of plastic and liquid explosives, composite weapons, plastic and metal guns, and ceramic and metal knives. The technology produces an image to identify contraband (metallic and non-metallic) secreted on an individual without subjecting them to an invasive pat down inspection. As piloted in 2007, backscatter will be a voluntary option for passengers in secondary screening as an alternative to the pat down inspection. Among other technology under investigation are advanced X-ray detection and checkpoint EDS technology.

### *Improving the Customer Experience*

#### Registered Traveler

The Registered Traveler (RT) program is a fully fee-funded public-private partnership that allows passengers willing to provide biometrics and undergo threat assessments with additional security convenience benefits at the checkpoint for a fee. The convenience benefits offered by RT do not disadvantage non-RT travelers or compromise security. While the overall timeframe for deployment of RT is driven by its private sector

providers, TSA stands ready to bring airports online quickly. RT has already been scheduled for implementation at New York JFK, Indianapolis, Orlando, San Jose, and Cincinnati airports, with an additional 5 to 10 airports anticipated this year. In addition to these convenience benefits, RT allows TSA to evaluate technology for wider use at no cost to the government. For example, shoe scanners purchased using private industry capital can be tested for wider use by TSA.

#### Improved Passenger Redress Processes

Integral to the successful execution of our passenger pre-screening efforts is our redress system, through which travelers who experience delays or other issues due to passenger prescreening misidentification issues may apply to have any errors corrected. We have significantly modified the process in response to customer feedback and introduced an automated Redress Management System (RMS) to improve the redress process. The RMS was launched on October 6, 2006, enabling travelers to submit and check the status of their applications electronically via the internet. TSA received and processed more than 20,000 redress requests for calendar year 2006, while reducing the average processing time from 60 to less than 10 days.

#### Surface Transportation Security Challenges and Solutions

We are continuing to methodically address major system wide security risks in surface transportation in cooperation with the Department of Transportation (DOT) and its various modal administrations. DHS, DOT, and TSA are working closely with surface transportation stakeholders to enhance security through partnerships, proposed regulations, and grant awards. Many of these important security steps are built upon the solid safety foundation developed over the years by our transportation partners and DOT. As we continue to strive to improve the security of these vital transportation systems, we must not forget the principles that make them viable and efficient. Many of these systems were designed with mobility and ease of access as a fundamental principle underlying their operational success. Our security efforts must work within the framework of these systems and not hamper them. That inherent openness and mobility also presents us with our greatest security challenge.

The overall transportation system is a network. It has intersections and junctions; and while each transportation mode has its own particular security challenges, there are common vulnerabilities and mitigation strategies that can be applied system-wide. To use our security resources efficiently, we work closely with stakeholders to leverage our security impact and determine risk-based priorities.

On December 5, 2006, the President issued Executive Order 13416, which builds upon the improvements made in surface transportation security since September 11, 2001, through specific actions taken under Homeland Security Presidential Directive 7, "Critical Infrastructure Identification, Prioritization, and Protection" (HSPD-7). Executive Order 13416 requires the strengthening of our Nation's surface transportation systems by the facilitation and implementation of a comprehensive, coordinated, and

efficient security program. As the Federal official with principal responsibility for protecting surface transportation infrastructure, Secretary Chertoff has the lead in implementing this policy in coordination with the Secretary of Transportation and the heads of other agencies. The order established deadlines for key security activities including security assessments of each surface transportation mode and an evaluation of the effectiveness and efficiency of current Federal Government surface transportation security initiatives. We continue to build upon current security initiatives to develop a comprehensive transportation sector specific plan, as defined in the National Infrastructure Protection Plan (NIPP), in compliance with the mandates of the Executive Order.

To effectively leverage our resources and set security priorities, TSA evaluates the transportation network and its components on a risk basis. The strategy focuses first on identifying areas of high risk and ensuring that baseline security standards are in place to address those risks. As TSA identifies risk based priorities of national importance, we move to address them in concert with state and local governments and private sector operators. Examples include grant priority for underwater and underground tunnels in mass transit, and Toxic Inhalation Hazards (TIH) in the rail environment. Once baseline standards are established, we assess the actual status of security in the transportation industries, and in close coordination with stakeholders, devise strategies for bringing actual practices up to the standards we have established. We are developing advanced systems of security through a coordinated research and development program, to further enhance security beyond the baseline standards. In support of this strategy, the Office of Transportation Sector Network Management specifically addresses the cross-cutting issues that affect all aspects of the transportation sector as a unified whole. They are implementing this strategy through cooperation with stakeholders where appropriate, regulation and inspection where necessary, and through the distribution of grants to assist the industry to implement these objectives we have set forth.

I want to emphasize that TSA's actions in surface transportation security build on the work already in place. Longstanding regulations and best practices in the safety area clearly intersect with best security practice. In addition to the 100 Surface Transportation Security Inspector (STSI) workforce and approximately 37 canine teams devoted to passenger transit, there are literally thousands of transit and rail law enforcement and other security officers on duty night and day to provide security throughout the transportation network. Furthermore, each surface transportation stakeholder makes a deliberate and strategic decision when they develop their annual budgets as to where they should make investments to close security vulnerabilities. This approach creates a more effective network of local security rather than deploying a far greater Federal workforce to perform these same functions.

The FY 2008 Surface Transportation Security request of \$41.4 million continues our overall efforts in surface transportation security, and provides an additional \$3.5 million to expand the National Explosives Detection Canine Team Program (NEDCTP) by approximately 45 teams to support the Nation's largest mass transit systems and expand coverage to ferry systems.

### *Freight Rail*

An airborne hazard from an attack against a chemical facility or toxic chemicals in transit is among the most serious risks facing America's highest threat areas. As a result, in December, DHS released a proposed rail security rule on Toxic Inhalation Hazard (TIH) handling to address that risk comprehensively. The rule covers: location, TIH rail car standstill time, chain of custody, reporting, inspection authority, and tracking. DOT issued a proposed rule at the same time with the requirement that TIH cars move on the safest, yet commercially viable route. To raise the level of security in the freight rail transportation sector ahead of the final rule, both DHS and DOT negotiated security action items with the freight rail industry. TSA began industry adoption surveys in September 2006, and expects rail carriers to fully implement all measures before the rule is finalized. The Notice of Proposed Rulemaking is estimated to have little financial impact on the federal government, and the ten year estimated impact for private industry is just over \$16 million per year.

### *Mass Transit and Passenger Rail*

Over 33 million people use some form of mass transit everyday. While transit agencies cannot harden every entry point, or screen every passenger coming into busy stations, they can deploy visible, unpredictable mobile teams that disrupt terrorists' planning capabilities and provide high levels of security. We are assisting in accomplishing this by expanding our canine program and leveraging our security network to field surge capacity through Visible Intermodal Protection Response (VIPR) Teams. VIPR Teams, consisting of STSIs, canine teams, Federal Air Marshals (FAMs), and advanced screening technology, provide TSA the ability to leverage a variety of resources quickly and effectively. These deployments are designed to raise the level of security in any mode of transportation across the country in heightened security alert environments. The teams work with local security and law enforcement officials to provide leadership as well as a supplement to existing security resources. VIPR exercises have been conducted at key commuter and regional passenger rail facilities, and exercises will continue throughout 2007 and 2008.

Explosives detection canine teams are being trained, certified, and deployed by TSA to passenger transit systems. Since late 2005, TSA's National Explosive Detection Canine Team Program has worked in partnership with passenger transit systems to train, certify, and deploy 53 explosives detection canine teams to 13 major systems in a risk-based application of resources. Nearly forty of these teams are currently in place and the remainder are projected for training, certification, and deployment in the coming months. Because canines are a highly effective, adaptable, and easily deployable security asset, the FY08 budget request seeks to expand the program by 45 teams.



### *Transportation and Infrastructure Protection Grants*

While not funded by TSA, grant programs are an important element of DHS' approach to the surface transportation security strategy. TSA continues to work on establishing baseline security standards throughout the surface transportation system. The FY 2007 enacted budget and FY 2008 President's request for Transit Security Grant Program includes \$175 million for mass transit systems and Amtrak.

### Conclusion

Mr. Chairman, thank you again for this opportunity to discuss the President's budget request for TSA, challenges in Aviation and Surface Transportation security, and TSA's responses to those challenges. I look forward to our continued work together and would be pleased to respond to your questions.