Screening Partnership Program

First Half, Fiscal Year 2015

June 19, 2015
Fiscal Year 2015 Report to Congress

Homeland Security

Transportation Security Administration

Message from the Acting Administrator

June 19, 2015

I am pleased to present the following report, "Screening Partnership Program," for the first half of Fiscal Year (FY) 2015, prepared by the Transportation Security Administration (TSA).

TSA is submitting this report pursuant to language in the Joint Explanatory Statement accompanying the *FY 2015 Department of Homeland Security Appropriations Act* (P.L. 114-4). The report discusses TSA's execution of the Screening Partnership Program (SPP) and the processing of SPP applications.

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

> The Honorable John R. Carter
> Chairman, House Appropriations Subcommittee on Homeland Security
>
> The Honorable Lucille Roybal-Allard
> Ranking Member, House Appropriations Subcommittee on Homeland Security
>
> The Honorable John Hoeven
> Chairman, Senate Appropriations Subcommittee on Homeland Security
>
> The Honorable Jeanne Shaheen
> Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries relating to this report may be directed to me at (571) 227-2801 or to the Department's Chief Financial Officer, Chip Fulghum, at (202) 447-5751.

Sincerely yours,

Francis X. Taylor
Acting Administrator

Screening Partnership Program
First Half, Fiscal Year 2015

Table of Contents

I. Legislative Language

This report is submitted pursuant to language in the Joint Explanatory Statement accompanying the *Fiscal Year* (FY) *2015 Department of Homeland Security Appropriations Act* (P.L. 114-4), which states:

Privatized Screening

> TSA is to provide the Committees semi-annual reports on its execution of the SPP and the processing of applications for participation.

II. Background

To assist in supporting its mission, the Transportation Security Administration (TSA) contracts with qualified private companies at participating airports to screen passengers and baggage (including some cargo screened as baggage) for explosives, weapons, and other prohibited items through the use of a private contract screening workforce under federal oversight. The use of private contract screeners continues to play an important role in TSA's mission of protecting the Nation's transportation systems.

The Screening Partnership Program (SPP) complies with the *Aviation and Transportation Security Act* (ATSA; P.L. 107-71) and 49 U.S.C. §44920, which authorize the TSA Administrator to approve an application submitted by an operator of an airport to have the screening of passengers and property at the airport carried out by the screening personnel of a qualified private screening company under a contract entered into with the Administrator. The *Federal Aviation Administration* (FAA) *Modernization and Reform Act of 2012* (P.L. 112-95) amended 49 U.S.C. § 44920 by providing several standards that TSA must use when determining whether to approve an application, a timeline for approving or denying an application, and specific actions to take if an application is denied.

III. Current Status of SPP

Applying to SPP is voluntary. Since the creation of the program in 2004, 32 airports have applied to the program. Of the 32 airports, 27 airports were approved, 3 airports retracted their application, and 2 airports were denied and have not since reapplied to the program. Currently, 21 airports are participating in the program with contract security screeners in place. Additionally, TSA is in the procurement stage for one new airport. Currently no applications are pending approval. The following table shows the current listing of active airports in SPP and when they began participating in the program.

Airport	State	Code	Year
San Francisco International Airport*	California	SFO	2005
Kansas City International Airport*	Missouri	MCI	2005
Greater Rochester International Airport*	New York	ROC	2005
Jackson Hole Airport*	Wyoming	JAC	2005
Tupelo Regional Airport*	Mississippi	TUP	2005
Sioux Falls Airport	South Dakota	FSD	2005
Key West International Airport	Florida	EYW	2007
Sonoma County Airport	California	STS	2007
Roswell International Air Center	New Mexico	ROW	2008
Dawson Community Airport	Montana	GDV	2009
Glasgow International Airport	Montana	GGW	2009
Havre City-County Airport	Montana	HVR	2009
L.M. Clayton International Airport	Montana	OLF	2009
Sidney-Richland Municipal Airport	Montana	SDY	2009
Bozeman Yellowstone International Airport	Montana	BZN	2014
Bert Mooney Airport	Montana	BTM	2014
Glacier Park International Airport	Montana	GPI	2014
Yellowstone Airport	Montana	WYS	2014
Orlando Sanford International Airport	Florida	SFB	2014
Sarasota-Bradenton International Airport	Florida	SRQ	2014
Portsmouth International Airport	New Hampshire	PSM	2014
Punta Gorda Airport	Florida	PGD	Pending Procurement

*These five airports were part of the original pilot program.

Major program activities in FY 2015 have included:

- Awarded contract for security screening services at Sarasota-Bradenton International Airport (SRQ) on November 24, 2014. SRQ is a new participant in the SPP.
- Awarded contract for security screening services at Portsmouth International Airport (PSM) on December 22, 2014. PSM is a new participant in the SPP. The contract for this airport was awarded within 6 months of the airport's application submission using the Small Business Administration's 8(a) Small Business Development Program. The vendor assumed responsibility of security screening services on May 1, 2015.
- Awarded recompetition contract on December 5, 2014, for five airports in Eastern Montana known collectively as Montana East (MTE). MTE comprises the following airports: Dawson Community Airport (GDV), Glasgow International Airport (GGW), Havre City-County Airport (HVR), L.M. Clayton Airport (OLF), and Sidney-Richland Municipal Airport (SDY).
- On February 24, 2014, SPP awarded a contract for security screening services at Kansas City International Airport (MCI) to Akal Security. The contract was protested by the incumbent, and a stop work order was issued. On November 13, 2014, the Court of Federal Claims dismissed the protest in favor of the Federal Government. Additionally, the incumbent's request for a stay pending appeal was denied by the United States Court of Appeals on December 24, 2014, and the incumbent subsequently voluntarily withdrew its appeal of the decision. SPP successfully completed a vendor-to-vendor transition at MCI on March 1, 2015.
- Received one new application to the SPP on December 2, 2014, from Punta Gorda Airport (PGD) in Florida. The application was approved on January 14, 2015, which is within 120 days as required by the FAA Modernization and Reform Act of 2012. The solicitation for security screening services for this airport was released on March 9, 2015, and is currently in the source selection process.
- Hosted an Industry Day on January 16, 2015. There were 82 attendees representing 59 companies. Other attendees included the Department of Labor, Government Accountability Office, and BDO USA, LLP. Key topics of Industry Day included briefings on Sensitive Security Information, the proposed Indefinite Delivery Indefinite Quantity contract, Federal Cost Estimates, and other program information/updates.
- Completed a transition from federal to contract screener workforce at Orlando Sanford International Airport (SFB) on February 1, 2015, and SRQ on April 1, 2015.
- Completed the contract-to-contract transition with no vendor change at Roswell International Air Center (ROW) on January 1, 2015, and Montana East on March 1, 2015. Both of these transitions were completed ahead of schedule.

- The SPP received the congressionally mandated independent study from BDO USA, LLP on November 21, 2014. It was submitted to the Government Accountability Office for review on January 13, 2015, which is within the 1-year deadline as directed by Congress. The Government Accountability Office has opened a new engagement, SPP Study – GAO 441280, to more thoroughly review the independent assessment results.

The following table shows the status of all airports that have applied to SPP. Those shaded in gray represent the five initial pilot airports.

Applicant	Date Application Received	Decision	Date of Decision	Currently Participating (Y/N)
Elko Regional Airport (EKO)	11/29/2004	Retracted	6/13/2005	N
Jackson Hole Airport (JAC)	1/3/2005	Approved	6/13/2005	Y
Kansas City International (MCI)	4/25/2005	Approved	6/13/2005	Y
Sioux Falls Airport (FSD)	4/27/2005	Approved	6/13/2005	Y
Greater Rochester Int'l (ROC)	4/28/2005	Approved	6/13/2005	Y
San Francisco International (SFO)	4/29/2005	Approved	7/1/2005	Y
Tupelo Regional Airport (TUP)	4/29/2005	Approved	6/13/2005	Y
Key West International (EYW)	10/25/2006	Approved	5/18/2007	Y
Florida Keys Marathon (MTH)	10/25/2006	Approved	5/18/2007	N – See note 1
Sonoma County Airport (STS)	11/13/2006	Approved	6/15/2007	Y
East 34th Street Heliport (6N5)	1/4/2007	Approved	1/4/2007	N – See note 1
Gallup Municipal Airport (GUP)	5/9/2007	Approved	10/15/2007	N – See note 1
Roswell Int'l Air Center (ROW)	6/18/2007	Approved	10/15/2007	Y
L.M. Clayton International Airport (OLF)	12/18/2007	Approved	8/13/2009	Y
Sidney-Richland Municipal Airport (SDY)	12/18/2007	Approved	8/13/2009	Y
Miles City Airport (MLS)	1/2/2008	Approved	8/13/2009	N – See note 1
Glasgow International Airport (GGW)	1/7/2008	Approved	8/13/2009	Y
Dawson Community Airport (GDV)	1/9/2008	Approved	8/13/2009	Y
Havre City-County Airport (HVR)	1/9/2008	Approved	8/13/2009	Y
Lewiston Airport (LWT)	1/9/2008	Approved	8/13/2009	N – See note 1
Branson Airport (BBG)	10/27/2008	Retracted	3/24/2009	N

Applicant	Date Application Received	Decision	Date of Decision	Currently Participating (Y/N)
Missoula Int'l Airport (MSO)	5/20/2010	Denied	1/28/2011	N – See note 2
Springfield-Branson Airport (SGF)	12/15/2010	Denied	1/28/2011	N – See note 2
Yellowstone Airport (WYS)	7/21/2011	Approved	1/23/2012	Y
Sacramento Int'l Airport (SMF)	2/3/2012	Retracted	1/9/2013	N
Orlando-Sanford Int'l (SFB)	2/14/2012	Approved	6/6/2012	Y
Glacier Park Int'l Airport (GPI)	3/21/2012	Approved	6/22/2012	Y
Bert Mooney Airport (BTM)	6/4/2012	Approved	8/27/2012	Y
Bozeman Yellowstone Int'l (BZN)	6/19/2012	Approved	8/27/2012	Y
Sarasota-Bradenton Int'l (SRQ)	2/5/2013	Approved	5/16/2013	Y
Portsmouth International (PSM)	6/24/2014	Approved	8/19/2014	Y
Punta Gorda Airport	12/2/2014	Approved	1/14/2014	N – See note 3

[1] Commercial air service ceased (airport de-federalized) after application approval.
[2] Applications denied because of lack of clear and present advantage of privatization. Applications not resubmitted after *FAA Modernization and Reform Act of 2012* language changes.
[3] Procurement process under way.

IV. Conclusion

Private contract screeners have played an important role in TSA's mission of protecting the Nation's transportation systems since TSA began screening passengers and baggage in 2002. That work continues today as almost 2,000 private contract screeners annually screen nearly 32 million passengers and their baggage across 21 airports nationwide. TSA has continued to enhance and improve SPP by improving stakeholder communication and outreach as well as exploring new procurement strategies that can strengthen the administration of the program. TSA strives to maintain SPP as a strong, well-managed, and valuable program, as it continues to enhance the execution of program initiatives.