

RIGHTSIZING TSA BUREAUCRACY AND WORKFORCE WITHOUT COMPROMISING SECURITY

HEARING BEFORE THE SUBCOMMITTEE ON TRANSPORTATION SECURITY OF THE COMMITTEE ON HOMELAND SECURITY HOUSE OF REPRESENTATIVES ONE HUNDRED TWELFTH CONGRESS

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RIGHTSIZING TSA BUREAUCRACY AND WORK-FORCE WITHOUT COMPROMISING SECURITY

Wednesday, March 28, 2012

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON TRANSPORTATION SECURITY,
COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The subcommittee met, pursuant to call, at 3:02 p.m., in Room 311, Cannon House Office Building, Hon. Mike Rogers [Chairman of the subcommittee] presiding.

Present: Representatives Rogers, Cravaack, Jackson Lee, Davis, and Richmond.

Mr. ROGERS. The Committee on Homeland Security's Subcommittee on Transportation Security will come to order.

The committee is meeting today to examine the increasing staff levels at the Transportation Security Administration.

I now recognize myself for an opening statement.

I want to welcome all of the witnesses for being here today and apologize for the delay that votes had on all of your schedules. I appreciate your accommodation, and I look forward to your testimony. I know it takes time to prepare this and it is not always easy to schedule being here, but it is helpful to us.

The growth of TSA's bureaucracy has outpaced the number of travelers the agency was designed to protect. The goal of this hearing is to more fully understand why this is the case and hear what steps TSA plans to take to address this problem. Securing our Nation's transportation system is paramount, and for that reason we must ensure that every dollar TSA spends directly addresses that goal.

We all appreciate the incredible microscope TSA and its employees are under. There are very few Federal Government entities that interact with as many Americans on a daily basis as TSA does. However, this hearing goes beyond the behavior or mistakes made by TSA personnel. Today's hearing is about understanding why TSA's bureaucracy has expanded so dramatically and learning what steps need to be taken to prevent further unnecessary expansion.

Given the challenging economic climate we are facing, TSA should be making personnel decisions and many decisions that impact spending with a keen eye toward their impact on enhancing and improving security. Any dollar that does not enhance security should not be spent by TSA.

With an annual budget approaching \$8 billion, we need to ask the question of whether the TSA staffing model is efficient and effective. We all need to learn to do more with less, and I believe TSA is capable of doing just that without compromising security.

In the years following 9/11, we all supported the rapid expansion of TSA as both necessary and justified. However, the growth now appears to be limitless. We need to examine how it is possible that we need more screeners when we have fewer people screened.

TSA has evolved significantly since its formation after 9/11. I am supportive of Administrator Pistole's efforts to make TSA a more risk-based, counterterrorism-focused agency. The initial implementation of PreCheck, TSA's risk-based passenger screening initiative, thus far appears to be successful, and I look forward to seeing it expanded.

Having said that, my concern and the concern of many of my colleagues is that TSA does not view risk-based screening and other initiatives as a means to a more efficient staffing model. Instead, the bureaucracy continues to grow, despite the tangible benefit that risk-based screening could help us realize in the way of fewer screeners.

The fiscal year 2013 request for personnel compensation and benefits for airport screeners is more than \$3 billion. This figure represents roughly 40 percent of TSA's total budget. Without oversight and intervention, this number has the potential to skyrocket even higher. We need to learn today why that number is so high, what TSA's overtime costs look like, and how we can keep that number from expanding without tangible security need.

Today I look forward to hearing directly from the leadership of the Transportation Security Administration about the steps TSA plans to take to curb the growth of its bureaucracy and ways that we can reduce the burdens on taxpayers.

[The statement of Mr. Rogers follows:]

PREPARED STATEMENT OF CHAIRMAN MIKE ROGERS

MARCH 28, 2012

I would like to welcome everyone to this hearing and thank all of our witnesses. We look forward to your testimony and greatly appreciate your time.

The growth of TSA's bureaucracy has outpaced the number of travelers the agency was designed to protect. The goal of this hearing is to more fully understand why this is the case, and hear what steps TSA plans to take to address this problem. Securing our Nation's transportation systems is paramount, and for that reason we must ensure that every dollar TSA spends directly addresses that goal.

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However, this hearing goes beyond the behavior or mistakes made by TSA personnel. Today's hearing is about understanding why TSA's bureaucracy has expanded so dramatically, and learning what steps need to be taken to prevent further unnecessary expansion.

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In the years following 9/11, we all supported the rapid expansion of TSA as both necessary and justified; however, that growth now appears to be limitless. We need to examine how it is possible that we need more screeners when we have fewer people to be screened.

TSA has evolved significantly since its formation after 9/11. I am supportive of Administrator Pistole's efforts to make TSA a more risk-based counter-terrorism focused agency. The initial implementation of Pre-Check, TSA's risk-based passenger screening initiative, thus far appears to be successful, and I look forward to seeing it expand.

Having said that, my concern, and the concern of many of my colleagues is that TSA does not view risk-based screening and other initiatives as a means to a more efficient staffing model. Instead, the bureaucracy continues to grow, despite the tangible benefit that risk-based screening could help us realize in the way of fewer screeners.

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Today, I look forward to hearing directly from the leadership of the Transportation Security Administration about the steps TSA plans to take to curb the growth of its bureaucracy; and ways we can reduce the burden on taxpayers.

Mr. ROGERS. With that, I now recognize the Ranking Member and my friend from Texas, the gentlelady, Ms. Jackson Lee, for her opening statement.

Ms. JACKSON LEE. Mr. Chairman, thank you. I really do look forward to working with you on what are some enormously vital issues.

I think we do have a slight disagreement, however, because I believe that the matrix through which we look through, particularly TSA, involves the responsibility of TSO officers to be in place, regardless of the flow of passengers, for the security of the aviation infrastructure at airports and elsewhere. In addition, if you look to some of our privatized airports—say, for example, San Francisco—they have the same number of privatized individuals that would be if it was TSO officers.

So we need to look at this question. I want to tell my friends that all offsets—as someone said all progress is not good, all offsets are not good, as well. So I look forward to the discussion. The Chairman and I have always had ways of coming together on these issues, and I look forward to a vigorous discussion.

Mr. Chairman, I hope to quickly go through my opening statement, but I am troubled, and because we are in a transportation security hearing, I want to start by acknowledging the efforts undertaken by the passengers and flight crew yesterday aboard JetBlue Flight 191 from New York City to Las Vegas. Their brave and astute course of action mitigated what could have been an unforgettable tragedy. I want to particularly note two former NYPD police. They were magnificent.

But unfortunately this is not the first time an incident like this has threatened passengers in the sky. Just hours after this particular incident took place, the media reported that a passenger was arrested for being disruptive aboard a flight. Earlier this month, passengers subdued an American Airlines flight attendant after she became disruptive. A co-pilot a couple years ago was reportedly removed from Air Canada. As we recall, the famous incident with a flight attendant exiting with a beer can. Then, of

course, the enormous acts of passengers on December 25, 2009, the Christmas day bomber.

I want to thank all those folks. I am not maligning individuals who have issues dealing with their health. But what I am saying is that we deal with security, homeland security, and obviously these could have resulted in dastardly results.

I understand by news reports that the restraints that JetBlue had on its plane disintegrated, didn't work, broke, and they had to actually sit on this individual. There are instances where immediate passenger and flight crew response was critical to ensuring the security of the aircraft and passengers.

So I really believe this is an issue. Too many of these opens us up to others who may speculate what they could do, and result in something that none of us would want to see happen. We know that mass transit and airlines still remain an attractive target for terrorists. Let's not give them the suggestion that it is an easy process and an easy action. So I am very, very interested in conducting an oversight on cabin security.

I will turn quickly and summarize my remarks on the hearing today. I would like to thank the witnesses for joining us. I look forward to hearing how TSA determines its staffing level needs and where efficiencies that do not compromise security may be found. In these tight budgetary times, it is incumbent upon all of us to find ways to be more efficient without compromising security.

As the Chairman and other Members are aware, a lapse in our transportation security could have devastating consequences. Before calling for a reduction in the number of front-line employees at TSA, we should ensure that all other means of achieving cost efficiencies are explored. We must ask whether TSA is wisely investing its resources in new technologies. We must ask whether or not encouraging the outsourcing of screening operations to contractors at a cost premium is fiscally prudent. We must ask whether TSA, as some have suggested, is top-heavy and employs excessive headquarters staff.

I am pleased that the chief financial officer for TSA is here today to answer questions about how TSA's headquarters is organized and staffed. I look forward to hearing from him on TSA's on-going headquarters reorganization, how it will reduce cost inefficiencies.

In conclusion, I am also looking forward to hearing from the representatives of the Human Capital Office and Office of Security Operations on how they have implemented DHS Inspector General and GAO recommendations for determining appropriate staffing level at airports. Time and again, terrorists have targeted our aviation sector.

So, Mr. Chairman, let me thank you for this and to indicate, in conclusion, that we can't have a desire for short-term savings to cloud our decision-making about the allocation of resources for securing our Nation's rail, mass transit, and aviation systems. Doing so would be penny-wise and pound-foolish. As you know, Mr. Chairman, I am committed, as we have done, to working with you to ensure that TSA is as effective and cost-efficient as possible.

Mr. Chairman, thank you for your courtesies. I yield back.

[The statement of Ms. Jackson Lee follows:]

PREPARED STATEMENT OF RANKING MEMBER SHEILA JACKSON LEE

MARCH 28, 2012

Before I begin discussing the topic of today's hearing in depth, I would like to start by acknowledging the efforts undertaken by the passengers and flight crew yesterday aboard JetBlue Flight 191 from New York City to Las Vegas. Their brave and astute course of action mitigated what could have been an unforgettable tragedy.

Unfortunately this is not the first time an incident like this threatened passengers in the sky. Just hours after this particular incident took place; the media reported that a passenger was arrested for being disruptive aboard a flight. Earlier this month passengers subdued an American Airlines flight attendant after she became disruptive. A couple of years ago, a co-pilot was reportedly removed from an Air Canada flight after experiencing mental problems.

And as we all recall, on December 25, 2009, passengers subdued the Christmas day bomber. These are instances where immediate passenger and flight crew response was critical to ensuring the security of the aircraft and its passengers.

I look forward to working with you, Mr. Chairman, to ensure that we conduct oversight of in cabin security.

Turning to the hearing today, I would like thank the witnesses for joining us. I look forward to hearing how TSA determines its staffing level needs and where efficiencies that do not compromise security may be found. In these tight budgetary times, it is incumbent upon all of us to find ways to be more efficient without compromising security.

As the Chairman and other Members are aware, a lapse in our transportation security could have devastating consequences. Before calling for a reduction in the number of front-line employees at TSA, we should ensure that all other means of achieving cost efficiencies are explored.

We must ask whether TSA is wisely investing its resources in new technologies. We must ask whether encouraging the outsourcing of screening operations to contractors at a cost premium is fiscally prudent.

And we must ask whether TSA, as some have suggested, is top-heavy and employs excessive headquarters staff. I am pleased that the chief financial officer for TSA is here today to answer questions about how TSA's headquarters is organized and staffed. I look forward to hearing from him on how TSA's on-going headquarters re-organization will reduce costs and create efficiencies, if at all.

I am also looking forward to hearing from the representatives from the Human Capital Office and Office of Security Operations on how they have implemented DHS inspector general and GAO recommendations for determining appropriate staffing levels at airports.

Time and again, terrorists have targeted our aviation sector. We must not allow the desire for short-term savings to cloud our decision making about the allocation of resources for securing our Nation's rail, mass transit, and aviation systems.

Doing so would be penny-wise and pound-foolish.

As you know Mr. Chairman, I am committed to working with you to ensure TSA is as effective and cost-efficient as possible.

Mr. ROGERS. I thank the gentlelady.

Other Members are reminded that they may submit statements for the record as well.

[The statement of Ranking Member Thompson follows:]

STATEMENT OF RANKING MEMBER BENNIE G. THOMPSON

MARCH 28, 2012

Ensuring the security of our Nation's transportation systems is a vital Federal responsibility—a responsibility that the Members of this committee take seriously.

Unfortunately, other committees continue to attempt to encroach on this committee's jurisdiction over the Transportation Security Administration. Those committees have gone so far as including provisions regarding TSA's operations within legislation such as the FAA Re-Authorization Act.

As the authorizing committee for TSA, we have the responsibility of ensuring that taxpayer funds for transportation security are used wisely.

Accordingly, a review of TSA staffing levels is an appropriate area to explore and this is the appropriate committee to explore it.

However, I find the Majority's focus on whether TSA's front-line workforce is the right size inconsistent with their calls to privatize screeners.

According to TSA, contracting out screening operations to private screening companies costs taxpayers 3 to 9 percent more than if the entire system was Federalized.

We should consider "right-sizing" TSA's front-line workforce by in-sourcing screening operations and saving taxpayer dollars.

Additionally, taxpayers would be well-served if we required TSA to provide scientific validation of programs before they are expanded.

According to GAO, TSA has yet to scientifically validate the Screening Passengers by Observational Technique program.

Despite the lack of scientific validation or evidence of effectiveness, this program—known as SPOT—has been expanded Nation-wide.

We have spent \$800 million dollars on this unproven program since 2007.

I still think that \$800 million is a great deal of money.

I look forward to hearing from Mr. McLaughlin, the Assistant Administrator for Security Operations, on why Congress should continue to provide support for this program.

I am also interested in hearing from Mr. Nicholson on how the on-going headquarters re-organization at TSA will produce savings.

Without creating savings and operational improvements, this reorganization will simply move around people without achieving a purpose.

We cannot focus on moving boxes on an organization chart when terrorists still seek to do us harm.

Before yielding back, I would point out that the TSA Authorization bill introduced by the Chairman and considered by this subcommittee considered last September, contains a provision that would require TSA to develop a plan to reduce its workforce by 5 percent by the end of fiscal year 2013.

I look forward to hearing from the witnesses on the feasibility of achieving such reductions without compromising security.

Additionally, any light the Chairman may be able to shed on when that legislation may be considered by the full committee would be appreciated.

Mr. ROGERS. We have a great panel today.

We first have Mr. David Nicholson, who is the Assistant Administrator for Finance and Administration and the Chief Financial Officer of TSA. Before coming to TSA, Mr. Nicholson served as the resource director for the Under Secretary of Border and Transportation Security at DHS. Prior to joining the Department, Mr. Nicholson worked in the private sector as chief strategic analyst with Soza & Company. Additionally, from 1973 to 2001, Mr. Nicholson served in the U.S. Coast Guard, attaining the rank of rear admiral. During his career at the Coast Guard, Mr. Nicholson commanded three cutters and served as a squadron commander for joint U.S. and international operations.

Next, we have Mr. Christopher McLaughlin, who is the Assistant Administrator for Security Operations at TSA. Prior to his appointment to the position, Mr. McLaughlin was Federal security director at Denver International and Fort Collins-Loveland Airports. Before joining TSA in 2009, Mr. McLaughlin was a senior director and director of station operations with Frontier Airlines.

We also have Mr. Sean Byrne, who was named the Assistant Administrator for Human Capital for TSA in December 2010. Mr. Byrne joined TSA after a distinguished 36-year career in the U.S. Army. He retired as a major general, most recently serving as the commanding general of the Army Human Resources Command at Fort Knox, Kentucky. Mr. Byrne's military service included five command postings, both international and National locations, and staff assignments at the Pentagon and White House, where he served as the Vice President's military assistant and later as the President's military aide.

Finally, we have Mr. James Duncan, who was appointed to Assistant Administrator for TSA's Office of Professional Responsibility in 2011. Mr. Duncan has more than 16 years of experience supervising and handling employee misconduct cases at the Office of Professional Responsibility in the Department of Justice. He served as the associate counsel of that office until 2003 and was responsible for hundreds of investigations involving DOJ employees. While at DOJ, Mr. Duncan also served as a senior assistant counsel, assistant counsel, and special assistant to the U.S. attorney in the Eastern Division of Virginia.

So I want to thank all of you for being here.

At this time, the Chairman will recognize Mr. Nicholson for his opening statement of 5 minutes to summarize your testimony.

STATEMENT OF REAR ADMIRAL DAVID NICHOLSON (USCG-RET.), ASSISTANT ADMINISTRATOR FOR FINANCE AND ADMINISTRATION, CHIEF FINANCIAL OFFICER, TRANSPORTATION SECURITY ADMINISTRATION

Admiral NICHOLSON. Good afternoon, Chairman Rogers, Ranking Member Jackson Lee, and distinguished Members of the subcommittee. Thank you for the opportunity to testify about the Transportation Security Administration's workforce- and resource-related issues.

In February 2002, TSA had less than 50 employees. By November, it had over 56,000. Since its first year of existence, TSA has had a large workforce dominated by transportation security officers [TSOs]. Over the years, the composition and number of the TSOs has changed considerably, and today we have nearly 51,700 officers, of which about 25 percent are part-time.

Not counting the Federal Air Marshal Service, we have about 62,000 employees, and their work has likewise changed. The nature of our work has driven the changes. TSA employs risk-based, intelligence-driven operations to prevent terrorist attacks and reduce the vulnerability of the Nation's transportation system to terrorism and to provide the most effective security in the most efficient manner.

We continue to evolve our security approach by examining the procedures and technologies we use and how the screening is conducted. Today, TSA conducts security operations in about 450 airports divided into 6 regions and 26 Federal Air Marshal offices. We have a 7x24 National operations center and two vetting centers, with credentialing and enrollment centers throughout the country. We have a systems integration facility and two supply and logistics facilities and our Federal Air Marshal Training Center. Our headquarters is located in Arlington, Virginia.

We have nearly 16,000 pieces of checkpoint and baggage-screening equipment at our airports. Our 37 VIPR teams provide a deployable capability ready to respond to intelligence and provide search capability for protecting or restoring the transportation security.

Our international programs: We have 29 TSARs in 19 countries responding to 100 international governments. We have 920 canine teams and law enforcement agreements with over 300 local law enforcement authorities.

I view our workforce in five large categories. We have a security inspector force of over 2,000. Our airport operational command, control, and support personnel total about 3,000. We have our Federal Air Marshal Service. We have about 4,500 operational support personnel, including about 2,800 which I associate with the traditional portfolio of agency headquarters duties.

As I mentioned at the start of my remarks, our TSOs and about 1,200 TSO managers have experienced substantial change during our brief history. In 2005, we had 45,000 TSO FTEs conducting security operations, focused on the basic duties of screening people at the checkpoints and screening bags. We had no additional layers, such as travel-document checkers TSO is devoting to pushing security out from the checkpoint and to bomb-appraisal officers. We had a few BDOs in a prototype program. There was no career progression, and we were suffering from high attrition.

In 2007, our funded TSOs dropped to 42,700 FTEs. By 2010, we had 43,800 TSO FTEs, or 1,200 below our fiscal year 2005 level. At the same time, with the support of Congress, we restructured our TSO workforce. We took about 2,500 FTE savings related to EDS in-line systems, applied 2,000 FTEs gained through efficiency initiatives, and received funding for over 2,400 new FTEs.

These resources resulted in new security layers, closing vulnerabilities, and evolving our security workforce. Recently, the adjustments to the TSO levels in fiscal year 2011 and fiscal year 2012 are mostly linked to the introduction of our advanced imaging technology.

Similar to the adjustments in our TSO workforce, we have emphasized other security programs, such as air cargo, inspections, international programs, vetting, credentialing and intelligence, canine programs, and screening technology investments. Most recently, under TSO's risk-based security philosophy, you have heard of pilot programs such as TSA PreCheck, Crew Pass, screening procedures for children under 12, and our new pilot for screening people over 75.

I look forward to answering your questions on the evolution of our security programs and workforce. Thank you.

Mr. ROGERS. Thank you, Mr. Nicholson.

The Chairman now recognizes Mr. McLaughlin for his open statement.

STATEMENT OF CHRISTOPHER L. MCLAUGHLIN, ASSISTANT ADMINISTRATOR FOR SECURITY OPERATIONS, TRANSPORTATION SECURITY ADMINISTRATION

Mr. MCLAUGHLIN. Good afternoon, Chairman Rogers, Ranking Member Jackson Lee, and distinguished Members of the subcommittee. Thank you for the opportunity to testify today.

Both in the field and at headquarters, TSA's workforce is vigilant in strengthening the security of our Nation's vast transportation networks. Our goal at all times is to stay ahead of evolving terrorist threats while protecting privacy and facilitating the travel and flow of people and commerce.

TSA's workforce responsibilities include security screening of passengers and baggage at 450 airports in the United States, facilitating air travel for 1.8 million people per day. We also conduct in-

spections and enforcement activities for security regulation compliance at airports, cargo, and other transportation facilities throughout the United States and at last points of departure internationally.

TSA is committed to improving transportation security in the most cost-effective manner possible. Last fall, my office redesigned our field oversight structure by consolidating TSA's 12 area directors into 6 regional directors with broad management and oversight responsibility over TSA's security operations across our Nation. TSA's new regional structure is designed to more effectively ensure accountability for TSA's operational performance and drive uniformity and consistency in executing the agency's strategic priorities.

Through advancements in workforce efficiency, TSA has also accommodated the increased workload resulting from airline checked baggage fees; the restrictions on liquids, aerosols, and gels we implemented to counter a known terrorist threat; and a significant increase in electronics carried by passengers.

We are also re-examining the Screening Partnership Program [SPP] through the lens of the new requirements in the FAA Modernization Reform Act of 2012. Last Thursday, TSA released a new SPP application on our public website which incorporates the new language from the FAA legislation.

Whether at an SPP or a Federal airport, it is our people who determine the success of TSA's operations, and an effective workforce must be engaged and properly trained. This year, TSA began teaching a tactical communications course for our front-line workforce. This training focuses on active listening, empathy, and verbal communication techniques and will be complete by the end of 2012.

We also recognize that, in order to be successful, our front-line officers need real-time information and engagement. Our management teams engage with our workforce through shift briefings several times a day to share timely and critical operational information. TSA's field intelligence officers also provide timely, pertinent, and responsive intelligence support to our Federal security directors and coordination centers. Currently, more than 8,000 of our officers, supervisors, and security managers have a security clearance.

Our new field oversight structure and workforce engagement initiatives are some of the key aspects of TSA's security framework that provide part of the backbone for our overall risk-based security strategy. This strategy demonstrates our commitment to move away from a one-size-fits-all security model. While this approach was necessary after 9/11 and has been effective over the past decade, key enablers now allow TSA to move toward a more intuitive solution.

Perhaps the most widely-known RBS initiative is TSA PreCheck. To date, approximately 600,000 passengers have experienced expedited screening through PreCheck. By the end of 2012, we expect to offer passengers in 35 of our Nation's busiest airports the benefits of this program. In addition to eligible frequent fliers and members of CBP's Trusted Traveler Programs, we just expanded PreCheck to include active-duty U.S. military traveling out of Reagan National Airport.

In addition to PreCheck, last fall we implemented new screening procedures for children 12 and under, allowing them to leave their shoes on and go through a less-intrusive security screening process. Just last week, at a few airports, we began testing similarly modified procedures for passengers 75 and older. We are also supporting efforts to test identity-based screening for airline pilots. So far, over 470,000 uniformed pilots have cleared security through the Known Crewmember program.

These initiatives have allowed us to expedite the screening process for children, our military, many frequent fliers, and now, in testing, the elderly. They have resulted in fewer divestiture requirements and a significant reduction in pat-downs while allowing us more time to focus on travelers we believe are more likely to pose a risk to the transportation network, including those on a terrorist watch list.

None of this would be possible without the people who implement these programs. Whether it is for business or for pleasure, the freedom to travel is fundamental to our way of life, and to do so securely is a goal to which everyone at TSA is fully committed.

Thank you for the opportunity to appear before you today. I look forward to answering your questions.

Mr. ROGERS. Thank you, Mr. McLaughlin.

The Chairman now recognizes Mr. Byrne for his opening statement.

**STATEMENT OF MAJOR GENERAL SEAN J. BYRNE (USA-RET.),
ASSISTANT ADMINISTRATOR FOR HUMAN CAPITAL, TRANSPORTATION SECURITY ADMINISTRATION**

General BYRNE. Well, good afternoon, Chairman Rogers, Ranking Member Jackson Lee, and other distinguished Members of the subcommittee. Thank you for the opportunity to testify today about the programs and objectives of the Office of Human Capital within the Transportation Security Administration.

TSA's Office of Human Capital is responsible for providing human capital strategies and services to build, develop, and sustain a high-performing and diverse TSA workforce tasked with protecting the Nation's transportation systems. In my role as the Assistant Administrator for the Office of Human Capital, I oversee targeted workforce strategies and services that are delivered across TSA in recruitment and staffing, compensation and benefits, position management, succession planning, and employee relations. My office also manages TSA's human capital policy agenda and oversight of the Federal human resources regulations.

As was indicated earlier, I joined TSA approximately a year-and-a-half ago in my current position, following a career with the United States Army.

The focus of our efforts is to provide the best possible support to our 60,000-plus employees and to synchronize our efforts and DHS initiatives with Administrator Pistole's vision of TSA as a high-performing counterterrorism organization focused on developing and deploying risk-based and intelligence-driven security initiatives. Actions are taken and programs are focused on his three agency-wide priorities: Risk-based security, workforce engagement, and efficiencies throughout the organization.

Ours is truly a dynamic and diverse workforce. Approximately 43 percent of the TSO workforce has at least some college education, with 4½ percent having earned associate degrees, 11½ percent with bachelor's degrees, and 1½ percent with master's, professional, or Ph.D. degrees.

Additionally, TSA is partnering with local community colleges to provide transportation security officers across the Nation the opportunity to work toward a TSA certificate of achievement in homeland security and, further, to work toward an associate degree in homeland security or a related field. The objective of this program is to increase the professional qualifications and education of the workforce and to invest in and further engage the workforce.

The pilot program was launched in 2008, with the National roll-out in the fall of 2010. Presently, the program is available in all 50 States and is currently at over 80 airports, with over 70 colleges joining the associate's program. We have over 2,700 student participants, and at the completion of the current term, over 700 will receive TSA certificates of achievement.

Approximately 23 percent of our workforce are veterans, and that number is increasing as we continue to target our recruiting efforts, working closely with the DOD, veterans groups, and other outside agencies.

Low attrition rates continue to be a good-news story. Overall attrition, including full-time and part-time employees, was 7.2 percent in fiscal year 2011. This is a significant decrease from 18 percent in fiscal year 2004. The agency is now 10 years old, and the average TSO has been with TSA nearly 6 years, with 53½ percent of them having more than 5 years of experience on the job.

The Office of Human Capital also manages TSA's workmen's compensation program. Under this program, the injury case rate has been reduced by approximately 20 percent between fiscal years 2010 and 2011 and has reduced the injury rate by 5 percent yearly since 2006. With the reduction of 26 percent of workmen's compensation costs since 2006, TSA is leading the Government in overall cost reductions.

TSA is also an agency that listens to its employees. At TSA, leadership and employees partner to promote innovative workplace policies and practices. We have a very proactive National Advisory Council and Diversity Advisory Council, which act as advisory groups to our senior management. They are comprised of TSA airport front-line employees, supervisors, and management. They work in close partnership with senior leadership, headquarters staff, airport leadership, and field personnel to improve the workplace environment and organizational effectiveness by enhancing two-way communications, utilizing cooperative problem-solving, and fostering innovation. They provide sound ideas and recommendations that are acted on by the senior leadership.

In closing, I would like to reinforce our priorities for the Office of Human Capital: Risk-based security, employee engagement, and efficiencies throughout the agency.

Once again, I would like to thank you for the opportunity to testify today, and I look forward to answering your questions.

Mr. ROGERS. Thank you, Mr. Byrne.

The Chairman now recognizes Mr. Duncan for his opening statement.

STATEMENT OF JAMES G. DUNCAN, ASSISTANT ADMINISTRATOR FOR PROFESSIONAL RESPONSIBILITY, TRANSPORTATION SECURITY ADMINISTRATION

Mr. DUNCAN. Good afternoon, Chairman Rogers, Ranking Member Jackson Lee, and distinguished Members of the subcommittee. Thank you for giving me the opportunity to testify today.

The Office of Professional Responsibility, or OPR, was created to promote consistency, timeliness, and accountability into the TSA disciplinary process. OPR is an independent office within TSA that reports directly to the Administrator and to the Deputy Administrator.

OPR performs three primary responsibilities within TSA through a combination of direct adjudication and oversight.

First, OPR adjudicates all allegations of misconduct involving senior-level employees and law enforcement personnel. This includes the members of the Transportation Security Executive Service, the Federal security directors and their leadership at the airports, all employees in the K through M pay bands, the transportation security area representatives assigned overseas, and our agency's law enforcement employees, the Federal Air Marshals.

OPR officials also review all reports of investigation from the Department of Homeland Security's Office of the Inspector General, regardless of the pay grade or seniority of the employee investigated. OPR reviews the evidence and determines whether to bring charges against the employee and what penalty is appropriate.

Second, OPR adjudicates the appeals of adverse actions, removals, and suspensions of 14 days or more taken against the uniformed workforce. The uniformed workforce includes all transportation security officers, or TSOs, lead TSOs, supervisory TSOs, and master and expert TSOs assigned as behavior detection officers and security training instructors. The OPR Appellate Board, a unit within OPR, rules on these appeals.

Third, OPR has review and oversight responsibility over all misconduct cases adjudicated in the field by officials outside of OPR. Working with Assistant Administrator Byrne at the Office of Human Capital, we developed a database which will allow OPR and the Office of Human Capital to review all final discipline decisions to ensure fairness and consistency across the country and throughout the agency.

OPR has promoted greater consistency and transparency in the entire TSA disciplinary system by creating a table of offenses and penalties. The table provides ranges of penalties for each type of offense and guides the decisions of officials, both at OPR and in the field.

OPR has also worked to promote greater efficiency and timeliness for disciplinary actions by introducing specific time lines for investigating and for adjudicating allegations of misconduct. These innovations have promoted integrity and efficiency in the disciplinary system.

Thank you for the opportunity to testify. I look forward to answering any questions you may have.

[The joint prepared statement of Admiral Nicholson, Mr. McLaughlin, General Byrne, and Mr. Duncan follows:]

PREPARED STATEMENT OF CHRISTOPHER L. McLAUGHLIN, DAVID NICHOLSON, SEAN J. BYRNE, AND JAMES G. DUNCAN

MARCH 28, 2012

Good morning Chairman Rogers, Ranking Member Jackson Lee, and distinguished Members of the subcommittee. Thank you for the opportunity to testify today about the Transportation Security Administration (TSA) workforce.

Both in the field and at headquarters, the TSA workforce is vigilant in ensuring the security of people and commerce that flow through our Nation's vast transportation networks. TSA employs risk-based, intelligence-driven operations to prevent terrorist attacks and to reduce the vulnerability of the Nation's transportation system to terrorism. Our goal at all times is to maximize transportation security to stay ahead of evolving terrorist threats while protecting privacy and facilitating the flow of legitimate travel and commerce. TSA's security measures create a multi-layered system of transportation security that mitigates risk. We continue to evolve our security approach by examining the procedures and technologies we use, how specific security procedures are carried out, and how screening is conducted.

The TSA workforce occupies the front-line in executing the agency's transportation security responsibilities in support of the Nation's counterterrorism efforts. These responsibilities include security screening of passengers and baggage at 450 airports in the United States that facilitate air travel for 1.8 million people per day; vetting more than 14 million passengers and over 13 million transportation workers against the terrorist watch list each week; and conducting security regulation compliance inspections and enforcement activities at airports, for domestic and foreign air carriers, and for air cargo screening operations throughout the United States and at last point of departure locations internationally.

TSA also ensures the security of surface transportation operations. We have 25 multi-modal Visible Intermodal Prevention and Response (VIPR) Teams working in transportation sectors across the country to prevent or disrupt potential terrorist planning activities. Since late 2005, we have conducted over 25,000 VIPR operations, with over 16,300 occurring in surface modes. And, since 2006, TSA has completed more than 230 Baseline Assessments for Security Enhancement for transit, which provides a comprehensive assessment of security programs in critical transit systems. We are seeing the benefits of how these important steps—combined with our well-trained and highly motivated workforce and our multiple layers of security including cutting-edge technology—keep America safe every day.

TSA is committed, not only to improving the effectiveness of security, but to doing so in the most cost-effective manner possible. Through advancements in workforce efficiency, TSA has been able to accommodate the increased workload that has accompanied the current practice of many airlines to charge fees for all checked baggage, the restrictions on liquids, aerosols, and gels we had to implement to counter a known terrorist threat, and the screening required for the significant increase in the number of laptops carried by passengers. By employing smarter security practices in developing and deploying our people, processes, and technologies we are delivering more effective security in a more efficient manner, and we will continue to do so.

ADOPTING A RISK-BASED SECURITY STRATEGY

Last fall, TSA began developing a strategy for enhanced use of intelligence and other information to enable a more risk-based security (RBS) in all facets of transportation, including passenger screening, air cargo, and surface transportation. At its core, the concept of RBS demonstrates a progression of the work TSA has been doing throughout its first decade of service to the American people. RBS is an acknowledgment that risk is inherent in virtually everything we do, and TSA is not in the business of eliminating all risk associated with traveling from point A to point B. Our objective is to mitigate risk in a way that effectively balances security measures with privacy, civil rights, and civil liberties concerns while both promoting the safe movement of people and commerce and guarding against a deliberate attack against our transportation systems.

RBS in the passenger screening context allows our dedicated Transportation Security Officers (TSOs) to focus more attention on those travelers we believe are more likely to pose a risk to our transportation network—including those on the U.S.

known or suspected terrorist watch list—while providing expedited screening, and perhaps a better travel experience, to those we consider pose less risk.

Through various RBS initiatives, TSA is moving away from a one-size-fits-all security model and closer to its goal of providing the most effective transportation security in the most efficient way possible. While a one-size-fits-all approach has been effective over the past decade, and was necessary after 9/11, two key enablers—technology and intelligence—are allowing TSA to move toward a RBS model.

TSA PRECHECK PROGRAM

Perhaps the most widely-known risk-based security enhancement we are putting in place is TSA PreCheck™. Since first implementing this idea last Fall, the program has been expanded to 12 airports, making it possible for passengers flying from these airports to experience expedited security screening through TSA PreCheck™. The feedback we've been getting is consistently positive.

Under TSA PreCheck™, individuals volunteer information about themselves prior to flying in order to potentially expedite the travel experience. By changing procedures for those travelers we know more about, through information they voluntarily provide, and combining that information with our multi-layered system of aviation security, TSA can better focus our limited resources on higher-risk and unknown passengers. This new screening system holds great potential to strengthen security while significantly enhancing the travel experience, whenever possible, for passengers.

TSA pre-screens TSA PreCheck™ passengers each time they fly through participating airports. If the indicator embedded in their boarding pass reflects eligibility for expedited screening, the passenger is able to use the PreCheck™ lane. Currently, eligible participants include certain frequent flyers from American Airlines and Delta Air Lines as well as existing members of U.S. Customs and Border Protection's trusted traveler programs, such as Global Entry, who are U.S. citizens and are flying domestically on participating airlines. TSA is actively working with other major air carriers such as United Airlines, US Airways, Jet Blue, Hawaiian Airlines, and Alaska Airlines to expand both the number of participating airlines and the number of airports where expedited screening through TSA PreCheck™ is provided. In February 2012, Secretary Napolitano and TSA Administrator Pistole announced the goal to have TSA PreCheck™ rolled out and operating at 35 of the busiest domestic airports by the end of 2012.

TSA PreCheck™ travelers are able to divest fewer items, which may include leaving on their shoes, jacket, and light outerwear, and may enjoy other modifications to the standard screening process. As always, TSA will continue to incorporate random and unpredictable security measures throughout the security process. At no point are TSA PreCheck™ travelers guaranteed expedited screening.

PEOPLE DEFINE PROGRAMMATIC SUCCESS

The success of RBS and initiatives like TSA PreCheck™ depend upon people. A dedicated TSA workforce assures the traveling public that they are protected by a multi-layered system of transportation security that mitigates risk. An effective workforce must be properly trained. Good management and decent pay are key ingredients in preserving a motivated and skilled workforce. To this end, TSA has implemented employee development initiatives like the Leaders at Every Level (LEL), through which TSA identifies high-performing employees and fosters commitments to excellence and teamwork, and the Associates Degree Program, which builds morale and provides the workforce an opportunity to enhance technical and non-technical skills through formal training and education programs. The implementation of a new four-tier performance management program for non-TSOs enables the workforce to actively engage in developing their annual performance goals in collaboration with their supervisors, while promoting two-way communication between employees and their supervisors throughout the performance year. Providing a mechanism to proactively identify opportunities to improve their performance has increased employee morale.

Every day, the TSA workforce, including front-line workers and managers both in the field and at headquarters, strives to ensure our operational planning and decision-making process is timely, efficient, well-coordinated, and based on intelligence. Management communicates with our front-line officers through shift briefings held several times a day.

We also work to share critical information with key industry stakeholders whenever appropriate. Thanks to the effective partnerships we've forged with industry stakeholders, with our airline and airport partners, and with law enforcement colleagues at every level, TSA has achieved a number of significant milestones during

its first 10 years of service. These include screening 100 percent of all passengers flying into, out of, and within the United States for terrorism through the Secure Flight program, screening all air cargo transported on passenger planes domestically, and working closely with our international partners every day to screen 100 percent of high-risk inbound cargo on passenger planes. Our goal is that by the end of 2012, 100 percent of inbound cargo on passenger aircraft must be screened according to TSA-approved protocols. We are also improving aviation security through innovative technology that provides advanced baggage screening for explosives.

CONCLUSION

As we review and evaluate the effectiveness of TSA's aviation security enhancements, we must always be cognizant of the fact that these enhancements are only as good as the people who operate, staff, and manage them. As we strive to continue strengthening transportation security and improving, whenever possible the overall travel experience for all Americans, we must always remember that our success is defined in the final analysis by our people. Whether it is for business or for pleasure, the freedom to travel from place to place is fundamental to our way of life, and to do so securely is a goal to which everyone at TSA is fully committed. Thank you for the opportunity to appear before you today. We will be happy to address any questions you may have.

Mr. ROGERS. Great. I thank all of you. Those were very helpful and informative.

I now recognize myself for the opening questions.

Mr. McLaughlin, since 2007, the number of airport screeners has increased by more than 5,000 people, an 11 percent increase. This is striking to me because, during the same period, we saw 40 million fewer passengers.

How do you reconcile these numbers, particularly given the testimony we just had about how you all have gone to a more risk-based system? We now have in-line baggage screening. We have put a lot of technology in place. It would seem to me that, with this smarter approach and the aid of this new technology and 40 million fewer passengers, you would need fewer workers.

So how do you reconcile those?

Mr. McLAUGHLIN. Thank you, sir.

So the TSA is committed to providing the most effective security in the most efficient way. Over the last couple months, I would just say, since the fall of this year, we have really begun moving forward with PreCheck, as you suggested, which we believe, as we continue to work with that program, it is beginning to show some efficiencies that we believe, as the program grows, if it grows, and the population base grows, will provide some of the efficiencies that you are looking for.

Since 2007, we have achieved some savings with our in-line baggage system. But we have also been required to layer some of those savings back into our security for reasons such as the 2006 liquids plot out of England, which changed our procedures in the United States. We have increased the BDO program in that time. Then more recently, in response to the Christmas day 2009 attack with Abdulmutallab, we have deployed a large number of AITs across the country as well.

Mr. ROGERS. Yeah, but, see, I would think those things would aid your efficiencies.

I would draw your attention to the graph up on the board. You were all provided with these before we left for our last series of votes. You see, particularly in years 2009, 2010, and 2011, a dramatic drop-off in passenger activity, but you can see in the red line

how spending has continued to stay way above, at levels of passengers from 2005 until the economy went south in 2008.

You know, it is hard for me to defend that with taxpayers back home that we are asking to take cuts in a variety of programs that matter to them and they look at that and say, "How do you explain it, Mike?", because I can't. So what you just said does not reconcile those numbers.

Can anybody else take a shot at it?

Admiral NICHOLSON. Yes, sir, I will give it a try.

As Mr. McLaughlin mentioned, in the series of events that took place, first with the 2006 liquids plot, then with an intelligence-driven increase in our TSO security workforce in 2008 related to improvised explosive devices and the need to improve our detection capabilities and to look for different methods other than being what we used to refer to as "chained to the checkpoint" and not thinking of different ways and different approaches, drove an increase to provide an enhancement in security both in terms of the layers and number of people that we had devoted to that. We had the technology, but the increase in the behavior detection office was more to get toward an assessment of intent by some individuals. So that represented the growth in those programs.

More recently, the AIT, from the beginning, the increase in staffing was realized with AIT. For the first 1,000 units that we had, to get the full benefit of the capabilities of that technology and be able to use it and apply it to enhance the security required a staff increase of five people per machine.

Mr. ROGERS. See, I have never liked those machines, by the way. But we were told that it was going to decrease the staff requirements when we paid that huge amount of money per machine for those. In fact, it has gone the other way.

Admiral NICHOLSON. Yes, sir, I can tell you that our budget presentation tried to make that very clear, that each machine would come with a cost of training and TSO workforce for the first 1,000 of five people. That was not five people per machine that you would add to a checkpoint, but those five people would be essentially one person per shift, with a 7-day-a-week operation and about two-and-a-half shifts a day. So that is how you got that number.

But to realize the capability of the machine, we knew that there was going to be that additional cost associated with people to derive the benefit.

Mr. ROGERS. All right.

Mr. Byrne, do you want to take a shot at it? Your microphone needs to be turned on.

General BYRNE. I would have to enforce Mr. Nicholson's comments. But it has been basically, as missions have expanded, there have been some increases. I think that in the long run, as we go through the risk-based security program and the PreCheck and all other programs that we have on-going, we will be able to harvest savings. But we have not yet seen all of those savings.

Mr. ROGERS. So if, over the next 2 years, we see passenger travel drop another 50 million passengers, you don't think we are going to see a corresponding reduction in our cost per screening.

General BYRNE. Sir, I really can't address the specifics on that. I have not seen the figures that have indicated that the passenger

travel will drop anywhere near that level. I had heard that the expectation is that, if anything, passenger travel would increase in the future.

Mr. ROGERS. I hope the economy turns around so they start traveling.

My time has expired. I recognize my colleague from Illinois, Mr. Davis, for any questions he may have.

Mr. DAVIS. Thank you very much, Mr. Chairman.

I want to thank all of the witnesses for being here.

Mr. Byrne, let me ask you, TSA has consistently ranked as one of the least hospitable work environments, not only within DHS, but within the Federal Government. It is clear at this point that whatever has been done in the past to increase morale at TSA has failed. What approaches do you intend to take that you think will help the situation?

General BYRNE. Sir, we have a number of initiatives on-going. Quite honestly, we pay very close attention to those survey results. But I will tell you up front, the surveys are very interesting in the sense that they ask very specific questions on pay and subjective questions on leadership, but one thing they don't really talk about is: What is the quality of morale of the people that are working? What do they think about their mission? How are they excited about what they are doing? When you talk to our employees, our TSOs, you see a different result.

I will have to acknowledge that in some places our working conditions may not be the best, because in some cases we are caught up in whatever the conditions are available at the airports, which may not be the most positive. Break areas may not be close to where the screeners are working, and situations such as that.

I will tell you some of the initiatives we have on-going. We have recently stood up a directorate, the Training and Workforce Engagement, with an assistant administrator of equivalent rank of the four of us sitting here. His focus is on standardizing training throughout, standardizing leader development throughout. I think that is going to make a major difference.

Additionally, he has oversight and will have oversight of internal communications, where we are going to do a better job of talking to the employees, informing the employees of what is going on.

In my initial comments, I talked about the National Advisory Council and the Diversity Advisory Council. Those are two key groups that are giving the senior leadership advice. They are offering dialogue, telling us some things they see in the field that we may not be picking up on. They are also taking a look at programs that we have on-going, assisting Mr. McLaughlin and his group with some of the risk-based security procedures at the checklines to make things more efficient.

We are a learning organization. But believe you me, we are paying attention, and we are actively promoting programs that will change the perspective and give our employees better workforce, better workplace conditions.

Mr. DAVIS. Of course, last year, last June, the TSOs voted to be represented by the American Federation of Government Employees. How do you view working with the union? I mean, how do you see the union fitting into this?

General BYRNE. Well, I fully support the administrator's directive and decision to offer all our TSOs the opportunity for union representation. I believe working with the AFGÉ will offer us a great opportunity. It will offer outside eyes to give us advice, to help us have consistency through the force.

I think there are a lot of plusses. Naturally, we have to be very careful. The administrator gave his directive where there are some issues that we are not willing to bargain over, those being primarily in the security arena.

But I think, working together with the AFGÉ—and, you know, we are currently involved in the collective bargaining process right now; we do not have a contract—but working with the AFGÉ and President Gage I think offers a lot of great opportunities.

Mr. DAVIS. Have you been directly involved in those negotiations?

General BYRNE. I have an office that works for me called the Partnership Office. They are basically the liaison. I am not a member of the collective bargaining team.

Mr. DAVIS. Do you have any idea about how far away we might be to a contract?

General BYRNE. Well, the guidance that—we went through the initial stages, the ground rules. We got the ground rules resolved. Basically, the contract is supposed to be resolved within 90 days, which would be the 9th of May. However, there could be an extension past that for another 30 days, which would take us into the June time frame.

They are working very hard. We have a number of issues that we need to work our way through. We at TSA, I think, have a very dynamic team, headed by an FSD out of Detroit who has previous corporate experience involvement with the unions. We have great representation from the staff and from the field. I think things are going positive.

But they are still in the collective bargaining stages. I have high hopes that we will make the dates that I gave you just a few moments ago.

Mr. DAVIS. Thank you very much.

Thank you, Mr. Chairman.

Mr. ROGERS. I thank the gentleman.

The Chairman now recognizes my friend and colleague from Minnesota, Mr. Cravaack, for 5 minutes.

Mr. CRAVAACK. Thank you, Mr. Chairman. I appreciate the time.

Thank you, gentlemen, for being here today.

Mr. McLaughlin, thank you for coming back. I have a couple more questions. Last Monday, I asked you why DHS was proposing to cut the FFDO program, and you said, "I can't really discuss the topic because it is really outside my area at the TSA."

Now, I agree with you that the FFDO program should be separately managed. I actually agree with you on that. I would like to see it actually in the Department of Justice. But the fact is, right now the program is housed at TSA and under the Federal Air Marshals, which is under your purview.

So I will ask you again, why are you proposing to cut a program that you now say is your responsibility?

Mr. McLAUGHLIN. Thank you, sir. Just for clarification, my office is the Office of Security Operations, which has oversight for our operations on the ground across the country. The Federal Air Marshal Service is a separate directorate.

Mr. CRAVAACK. So you have nothing to do with them whatsoever?

Mr. McLAUGHLIN. I have no jurisdiction over the FFD program or over the Federal Air Marshals service.

Mr. CRAVAACK. Okay. That will be a conversation for a different panel then. So I appreciate that.

Let me ask you this question, though. I just got an earful from a constituent going through TSA. They took her bag from her, separated her from the bag, put it on a counter, and she had to stand over in a corner for 5 minutes. She finally had to grab a TSA and say: Why am I here? They said: Well, your bag is being searched. Why is my bag being searched? They refused to answer her questions.

Now, that is the type of—and then made her stand there some more, until finally she left again to go find a supervisor, someone with, she said, more stripes on their shoulder, and said: Why am I standing here?

Okay. So my question to you is: What is your instruction to your people? You know, before a police officer makes an arrest or pats a person down, they are telling them, you know, hey, patting you down for your safety, my safety, that kind of thing. Now, how do you respond to that?

Mr. McLAUGHLIN. First of all, I regret the experience that the customer had. At TSA, one of the things that we really do focus on with our officers is the advisements that they are to make before they engage in any security activity.

As I stated during my opening comment, one of the things that we are actively involved with this year is a specialized training that has been developed that focuses specifically on active listening skills, on empathy, on verbal communication skills that our officers can use. I think I testified to this on Monday, but I would say that some of the feedback that we are getting from officers is truly that it is helping them be better at that kind of soft skill, the interaction with customers as they come through.

So I certainly hope over the next 12 months as we roll—or I should say about 7 more months, 8 more months, as we roll this program out, that we will continue to see progress in that area.

Mr. CRAVAACK. How do we—I have another big question, but how do we empower a passenger if they feel that they have been treated unfairly? You know, because, basically, you surrender certain personal rights when you go through the TSA line. If a passenger feels that they have been treated unfairly, what do they do?

Mr. McLAUGHLIN. Passengers have a number of avenues available to them. I mean, my personal hope, as someone who wants to see people's travel facilitated at the checkpoint, is that if they have an experience that doesn't sit well with them, that they would immediately, as this individual did, engage a supervisor, and if that is not successful, a manager to try to resolve that situation in real time.

If that is not possible, of course we do have, either through our website or through an 800 number, the opportunity for the cus-

tomers to report their experience so that we can follow up. As a former FSD, I can tell you that we do actively follow up to ensure that our officers get better and better at engaging the public.

Mr. CRAVAACK. I would appreciate that, because I hate it when they call their Congressman. You know, if it gets to my level, it is like, wow, you know—

Mr. McLAUGHLIN. We would certainly rather—

Mr. CRAVAACK [continuing]. That person is pretty upset.

Mr. McLAUGHLIN. Yeah.

Mr. CRAVAACK. Yeah.

Okay. Well, if we could have—oh, the graph is up there. Okay.

According to what TSA provided to the committee, since 2005 the number of entry-level TSO band D and E, I believe they are called, has declined by 2,920 people. However, during the same time period, the number of managerial and supervisory and lead TSOs, bands F, G, H, and I, has increased by 2,051.

What is the reason for the huge shift from the entry-level, which, you know, boots on the ground, front-line troops, supposed to be, to the screeners in the management position? Can you tell me that?

Mr. McLAUGHLIN. Sure. First I would suggest, just from the graph, at the F band, that is a lead TSO, who I would suggest truly still represents that front-line workforce. They are actively engaged in screening processes as they go through their day.

As you look at the evolution—and I think your questions are actually tied together—one of the things that a new organization has to do is define that right level of leadership of supervision to ensure that the front-line workforce is properly engaged and motivated to be successful.

I can tell you that today at TSA and over the last couple years we have a very robust model that includes direct supervision ratios, both at the supervisor level and the management level, that, from my experience in private industry or else, is competitive with any other industry that I have been involved with.

Mr. CRAVAACK. Okay.

Well, I see my time has expired, and I will yield back for now.

Mr. ROGERS. I thank the gentleman.

The Chairman now recognizes my colleague from Louisiana, Mr. Richmond, for 5 minutes.

Mr. RICHMOND. I will pick up a little bit from where my colleague, Mr. Cravaack, left off. But is there signage or postings that informs passengers of a hotline or a 1-800 number that you can call when there is an issue?

Mr. McLAUGHLIN. Yeah, so we have signage all throughout the airport, in terms of what the procedures that we are going to conduct, you know, as the screening force, and also what customers are entitled to do and what their, sort of, rights are. We have a very active and robust website, TSA.gov, that folks can access as well.

Mr. RICHMOND. My experience is that, as I travel, that the longer the line is to get to the actual checkpoint, the more aggravated in every little thing that happens to them once they make it to that checkpoint, becomes more of a hassle because of either inadequate staffing or the fact that they have waited in line for 30 minutes just to get to the security checkpoint.

So is there a protocol on how long the wait should be, how many actual screeners you have at any particular time?

Mr. McLAUGHLIN. Certainly. We model our staff, our screening staff, the same way that I used to do it in the airline industry, which would be based on peak arrival curves of customers. As long as those curves that we expect show up when they are supposed to, we do very well at managing the line waits through—

Mr. RICHMOND. What happens when it doesn't? Do they have the flexibility to call, let's say, another gate, another terminal to say, hey, we are swamped over here, can you come help?

Mr. McLAUGHLIN. Absolutely. Again, as we evolve as an agency, and through the use of our coordination centers and other oversight, where we have multiple terminals, if we have an issue in one terminal, we on a daily basis move resources from one location to another to assist in that curve to get those folks processed.

I would tell you that over the course of this year, similar to past years, a full 99½ percent of all customers make it through TSA checkpoints in less than 20 minutes.

Mr. RICHMOND. Well, maybe I am just unfortunate at not being in that 99 percent sometimes.

But I will tell you some good news. That is, through my experience the other day traveling through the airport—and I normally don't dress up to travel through the airport; I certainly don't wear my Member pin. But I was stopped, and they went through my bags. The guy was—I was as aggravated as I could be when I got stopped. But he was so nice and explained so much, he actually made me feel bad for being upset when I didn't take the liquids out of my bag.

So whatever training you all are doing, I think it is working, because I will tell you, I left the gate laughing at the fact that I was aggravated and this young kid was just so nice and ignored my aggravation so well. So, the more we can do that, I think the better it is.

I thought we passed something out of here, an amendment, last year that said that we would start looking at the goal of reducing the need for people to remove their shoes and some of the other burdens that come through flying. How are we and where are we on that?

Mr. McLAUGHLIN. You are referring to some of our risk-based security initiatives, and these are things that we are very proud of at TSA.

As one example, our TSA PreCheck, I referred to it earlier, but so far some 600,000 customers have gone through TSA PreCheck. For those enrolled, what PreCheck allows you to do is leave your light outer garment on, leave your belt on, your shoes on, your laptop and your 3-1-1 liquids inside your bag. So it is a great experience.

For children 12 and under, last fall we changed a policy allowing them to leave their shoes on. We modified another procedure that results in a significant reduction in pat-downs for children.

Just as recently as last Monday, we have instituted in a pilot phase a very similar program to what we are doing with children, for individuals age 75 and older that we also—first of all, it will

allow them to leave their shoes on, and we expect will also result in a significant reduction in pat-downs.

Just last Monday, we rolled out—or we included active-duty U.S. military traveling through Reagan National Airport into the PreCheck population of people. If memory serves, in the week that we have done this, some, you know, a thousand people or so have traveled through. Again, as we learn lessons from that and we make sure that we have everything right, we look forward to rolling that program out Nation-wide as well.

Mr. RICHMOND. Thank you for your time.

Mr. Chairman, I yield back.

Mr. ROGERS. Thank you. I would say that I don't know if you fly through Atlanta, Mr. Richmond, but I do, and they have PreCheck there. It is wonderful.

Mr. RICHMOND. I just flew out of Miami this weekend, and they had PreCheck, but I was not a PreCheck person.

Mr. ROGERS. You need to talk to Administrator Pistole about fixing that.

Mr. RICHMOND. So the only thing that the assistant leader, Jim Clyburn, and I could do was watch everyone else go through the PreCheck line.

Mr. ROGERS. I bet if you all talk to Administrator Pistole, he will take care of that problem for you. It is a much more pleasant experience. It, frankly, is great for the passengers who don't qualify, because it gets us out of their line so they can go through more quickly.

All right. I wanted to ask a few more questions. We will do one more round.

Ms. JACKSON LEE. Did you forget me?

Mr. ROGERS. Oh, I am sorry. You have joined us. I recognize the Ranking Member.

Ms. JACKSON LEE. Thank you very much, Mr. Chairman. That is okay. Thank you for your courtesies again.

Let me just indicate that I think your duties and responsibilities, in light of this changing climate that we live in, this world of unknowns with respect to terrorism, continues to change—with technology, with PreCheck, so you are helping more citizens and others who meet those qualifications; with the various nuances that come with the new credentialing for our airplane personnel, first pilots, then of course the flight attendants, which is being discussed, flight deck officers—constantly changing in terms of the needs and the sophistication of TSO officers.

In addition, as I just mentioned, this whole issue of cabin security. There may be some extra responsibilities that will come about from some of these seemingly—incidents that are happening more often than they should.

So let me proceed with some questions. I would like to, Mr. Chairman, ask unanimous consent to place in the record a March 26, 2012, letter that I wrote to the Comptroller General regarding issues of staffing.

Mr. ROGERS. Without objection, so ordered.

Ms. JACKSON LEE. Thank you, Mr. Chairman.

[The information follows:]

LETTER FROM RANKING MEMBER SHEILA JACKSON LEE

MARCH 26, 2012.

The Honorable GENE L. DODARO,
Comptroller General, U.S. Accountability Office, 441 G Street, NW Washington, DC 20548.

DEAR MR. DODARO: We are willing to request an audit on the utilization of Advanced Imaging Technology by the Transportation Security Administration (TSA). The Government Accountability Office (GAO), at our request, most recently identified a number of issues with the utilization of Advanced Imaging Technology (AIT). Furthermore, GAO identified a plan for TSA actions to improve current AIT utilization across our airports. We remain interested in learning more about TSA efforts to address GAO's plan for improved utilization of AIT.

Following the attempted terrorist attack on December 25, 2009, and the security breaches at Newark and JFK airports in 2010, it became clear to the public and Congress that vulnerabilities at airports continue to exist and that improved security policies, procedures, and technology are required.

Following a preliminary review of the attempted attack on Christmas day, the President directed the Department to pursue "enhanced screening technologies, protocols, and procedures, especially in regard to aviation and other transportation sectors." Democratic Members of the committee repeatedly requested, in public and private settings, that DHS ensure that the President's mandate be carried out in a successful and efficient manner.

According to a TSA deployment plan, throughout January 2009 and December 2010, TSA deployed more than 400 AIT machines to airports across the Nation. The majority of AIT purchases were procured with the use of American Recovery and Reinvestment Act funds. Today, there are more than 640 AIT machines deployed across approximately 165 airports.¹ TSA has indicated that each machine costs around \$170,000.²

A conservative estimate would indicate that to date, the Federal Government has invested more than \$1 billion dollars in this technology, excluding software upgrades and staffing allocations. Therefore, we are keenly interested in the utilization concerns raised by your most recent report and would like to request a follow-up audit on TSA's efforts to address utilization challenges identified in your previous work.

If you have any questions, please contact Cherri Branson, Chief Counsel for Oversight.

Sincerely,

BENNIE G. THOMPSON,

Ranking Member, House Committee on Homeland Security.

SHEILA JACKSON LEE,

Ranking Member, Subcommittee on Transportation Security, House Committee on Homeland Security.

Ms. JACKSON LEE. Let me raise this question with both Mr. McLaughlin and Mr. Nicholson. Earlier this week, in response to GAO's recent findings on the low utilization of AIT at airports, I wrote to the Comptroller General requesting that further audits be conducted on the use of AIT machines. Some in Congress have expressed the desire to offset funding for other programs by reducing the funding for screeners by roughly \$40 million.

It is my understanding that the fiscal year 2013 staffing increase for TSOs in the President's budget is intended to annualize screeners supporting the use of AIT. What would be the consequences of failing to annualize those TSOs?

Then let me just add, I am not from this area, but I was in Orlando on some business dealing with the tragedy that occurred in Sanford, Florida. I did not have the opportunity to enjoy Orlando, but I did have to land in that airport. I take advantage, Mr. Chair-

¹Transportation Security Administration. March 22, 2012. <http://www.tsa.gov/approach/tech/ait/index.shtm>.

²Lord, Stephen. Testimony by the Government Accountability Office, GAO-10-484T, March 17, 2010. <http://www.gao.gov/assets/130/124207.pdf>. March 22, 2012.

man, of the AITs whenever I can. I was shocked at the distinctive distinction between the old software and the sophisticated software, or the new technology, if you will, which happens to be at Bush Intercontinental. I almost thought I was in a cartoon show, in terms of the distinction.

So this is a serious matter. Can both of you answer that question for me? Take into consideration, one of the busiest tourist points of destination in the United States doesn't have this sophisticated AIT. I said I would make the request, and I will be working with Congresswoman Brown on this issue.

Yes.

Mr. McLAUGHLIN. Let me start from the operational side and just speak to the AIT issue for a moment.

I have read your letter and fully support further audits. Since the 2011 time frame where the GAO audit was conducted, I am really pleased to say that our utilization of AITs has gone up significantly. So just under 50 percent of customers, at this point, are going through AITs on any daily basis.

In terms of the underutilized units that were reported in the GAO study, I can also confirm that that number has been reduced by some 200 percent. In fact, over a 2-month period from December into early February, just in that 2 months alone, we improved our utilization by some 45 percent just based on efforts that we are taking on within TSA to, again, improve our effectiveness and our efficiency, because we believe that tool is the most effective detection equipment that we have against both metallic and non-metallic threats.

With regard to the older generation versus the newer generation in terms of the L-3 versus the Rapiscan or the ATR and the non-ATR, we agree that ATR revolutionizes the quality of both that screening experience for the individual as well as the efficiency of the equipment. So we are working aggressively with Rapiscan to move forward with ATR with them, as we continue to move forward—

Ms. JACKSON LEE. Mr. McLaughlin—

Mr. McLAUGHLIN [continuing]. With other machines that have ATR.

Ms. JACKSON LEE [continuing]. I appreciate that. Get to the impact on security of these.

Mr. McLAUGHLIN. So, clearly, we believe the impact on security is significant. Again, we believe that these machines are the most effective tool we have against metallic and non-metallic threats.

The fact that we have increased our utilization substantially means that more and more customers are going through them. In fact, I would also tell you that we are just now at 1 percent of customers who refuse to use them; 99 percent use them. The more people that go through them, the less invasive the experience is—

Ms. JACKSON LEE. Right.

Mr. McLAUGHLIN [continuing]. For the majority of people that don't mean any harm, and the better detection we have for that very, very small—

Ms. JACKSON LEE. But the TSO officers complement that increasing utilization, right? They are an important aspect to that increasing utilization?

Mr. McLAUGHLIN. They are driving that utilization.

Ms. JACKSON LEE. Thank you very much.

Mr. Nicholson.

Admiral NICHOLSON. Yes, you are correct in your assumption; we are not asking for new positions for AIT in the fiscal year 2013 budget. In fiscal year 2012, when you get your appropriation, it generally funds a portion of the year, assuming that you wouldn't be able to hire and bring new people on for a full year. Fiscal year 2013 annualizes those folks that we are hiring and bringing on for a part of the year.

So, to not get that annualization would have a couple of different consequences. It could affect—we would have to attrit out people that we have brought on board and hired already, assuming that they would be annualized in fiscal year 2013 as they were supported in fiscal year 2012. If you took that approach, then you are either going to go back to underutilizing the AIT machines because you won't have the staff sufficient to operate them the entire day so you would operate them at a lower rate, or if you did choose to operate them, as Chris has said, the most effective technology that we have for that detection capability, then you would have to walk people away from other layers of security and other duties that you have established also.

Ms. JACKSON LEE. I am going to yield back, but let me just get a quick—just because you didn't finish the circle. So to use the resources that you are asking for to say, let's offset, we are in a tight budget year, in actuality it would hurt and undermine what you are trying to do in terms of ensuring the resources necessary that you have assessed, using real efficiency, for protecting the Nation's airports. These are not additions; these are to maintain this level of security.

Admiral NICHOLSON. Yes, ma'am. The decision that was taken on the resource and the capability last year, to be fully realized, would have to have the follow-on capability that the annualization provides in fiscal year 2013.

Ms. JACKSON LEE. I thank you, Mr. Nicholson.

I am going to yield back at this time, Mr. Chairman.

Mr. ROGERS. I thank the gentlelady.

Mr. McLaughlin, I understand you have a flight to catch. I wanted to let you know we appreciate you being here, and you are excused.

Mr. McLAUGHLIN. Thank you.

Mr. ROGERS. But I do want the other witnesses to know that now when we ask a question, you can't say, oh, that is his expertise, he just left.

Ms. JACKSON LEE. Mr. Chairman, may I—Mr. McLaughlin, I didn't mean to cut you off, but I wanted you to get to that circle. So thank you very much for your testimony.

Mr. ROGERS. Yes, thank you for being here.

Mr. Byrne, you talked a little while ago about attrition rates, and I was very pleased to hear you talk about the improvement in attrition rates and morale. But you talked globally. One of the things

that you didn't make reference to is at the more senior-level positions. We have had a terrible problem within the entire Department keeping senior folks. Have you seen improvement at that level as well?

General BYRNE. We don't see the attrition at the senior levels as a serious problem at TSA.

Mr. ROGERS. It was. So it is not down?

General BYRNE. At the current time, it is not.

Mr. ROGERS. Good.

General BYRNE. I believe that we have great stability at the mid-level and the senior level within the organization. As this organization continues to grow, I think that continuity is going to grow as we continue to develop our leaders and they move up in the ranks.

Mr. ROGERS. Great.

I want to point out to you that the next panel that we have talks about compensation and benefits of employees relative to the number of employees. As you will notice, from 2008, 2009, 2010, and 2011, we saw the compensation costs at a much higher level than—and you can look up on the panels. Can you see those from where you are sitting? I think you have copies.

General BYRNE. Not quite as clearly as I would like to.

Mr. ROGERS. Do you have a copy at your desk there?

Admiral NICHOLSON. Yes, sir.

Mr. ROGERS. But, anyway, can you account for that disparity?

Admiral NICHOLSON. Yes, sir, I think so.

One of the things that we did when we were talking about the challenges—and it gets to your question on attrition just before—is that the attrition that we had back in the 2005–2006 time line—and on a previous chart we talked about the D- and E-band TSOs. To give a little context for those not as familiar with the banding system, which is somewhat unique to TSA and the FAA and Federal Government, is—it is about—the D-band is about the GS–4, GS–5 level. That is what is normally associated with an entry-level, secretary-type of payment.

So our attrition was so substantial, in excess of 50 percent in fact, in the part-time employees that we had to restructure and create a career opportunity to get after the problem and extend benefits. So what we did and what you are seeing in those lines with respect to the compensation level is a reflection of a very deliberate on-budget attempt that we made to change the restructuring and the banding level of our TSOs.

Mr. ROGERS. Okay.

There is one more panel. Can you put this one up? I don't know how you are referring to it.

There it is. Again, you see the big disparity between the number of passengers and the costs for our screening. Can you take another shot at trying to help me understand why we are having that delta?

Admiral NICHOLSON. Yes, sir. There is a little bit of a fluctuation that it goes up and down, and there are so many moving parts to this. So I will give a shot at a couple of different angles to it.

When you go back to start at number 4 and you see the growth, if you were to assume that the staffing level was right for the pas-

senger volumes back in 2004, then when you got the growth in 2005 and 2006, staffing levels should have gone up markedly.

What happens is you have some flexibility within wait times into how you plan your wait times, and that will drive some of your staffing. If your wait times start to go up, what it drives you toward is opening lanes earlier than you might normally open. That comes with a fixed cost in terms of personnel to be able to do the security.

So, later on, as you see things like the impact on the baggage fee to passengers, as they start driving more things—you might have fewer passengers, but the electronics between 2008 and 2010 went up almost 7 percent a year. That is a whole additional screenshot that a TSO has to judge as they go through the carry-on baggage check. The clutter in the baggage from the baggage as you move up takes a longer period of time to resolve those bags.

So to keep your flow going, even though the passenger level might have dropped, the amount of time it took to clear an individual passenger, on average, went up.

Mr. ROGERS. Okay.

Let me change gears a little bit. There is a bipartisan concern—and I have talked with Administrator Pistole about this—with this committee about TSA’s deficiency when it comes to public relations. While I can appreciate the effort, TSA’s blog is not necessarily what many of us had in mind when it came to fixing this problem.

Here are a few examples of what I am talking about. On AIT, TSA’s blogger writes that it is one of the best tools we have to detect, “things that go boom.” In another posting, TSA’s blogger suggests, after reading the blog, one should be sure to, “lather, rinse, and repeat.” No. 3, there is another official posting called “TSA Says Yes to the Dress,” in which TSA instructs women on how they can bring their wedding dress through security.

Another posting reported on an incident at Norfolk Airport, where several items were detected under a sewn-in patch in a carry-on bag. TSA’s official blog says the incident, “sounds like the beginning of a joke.” “So this razor, a saw blade, and a garrote walk into a bar . . .”

You all see where I am going with this. I mean, TSA has enough image problems. I hope that you can give me some assurance that this is not acceptable in your view and that there is going to be some effort to remedy this.

Don’t all jump at one time. I know he left the room, so—

General BYRNE. Well, sir, two points.

Clearly, these were probably steps that were taken to put a humorous spin on things. Obviously, they have not been received very well. We will take that message back. We will work with our Public Affairs Office to ensure that the right message is getting out, a constructive message is getting out.

We have done a little bit of reorganization, just for your information. I spoke earlier about our Training and Workforce Engagement. We are basically splitting the responsibilities out so that our Public Affairs will be more direct involved with external relations, and then the TWE will be making sure the message gets out to our employees.

But we will very clearly go back and have a little better scrutiny on some of these issues that could be taken the wrong way in an effort to be humorous, where obviously it may not be in some people's eyes.

Mr. ROGERS. Great. Thank you.

The Chairman now recognizes Mr. Davis for his next set of questions.

Mr. DAVIS. Thank you very much, Mr. Chairman.

Mr. Nicholson, in March 2009, DHS launched a Department-wide efficiency review. What efficiencies and cost savings have been identified during this review?

Admiral NICHOLSON. Well, sir, I can talk to the efficiencies that we have found in TSA. One of them we have in our budget request for this year.

It is things like looking at our contracts that we have for large expenditures of funds. If you look at our IT contract overall, you see that it went down about \$30 million this year in our budget request. That is due to some efficiencies that we intend both in terms of contracting and better management of resources and better assessment of the data we have on the usability of the resource.

Another example might be in our technology equipment. As we negotiate our maintenance contracts and our purchase contracts, those pieces of equipment came with a 1-year warranty. So we didn't have to pick up the maintenance costs per unit until it had completed 1 year of operations. When we looked at the data, we found that our failure rate and problems in that second year of operations was very, very small. So we were effectively paying for a year of maintenance capability on a machine that had a very small failure rate in the second year. So we looked at that and got together with vendors and renegotiated the terms of the warranty for 2 years, and that saved us about \$17 million.

So things like that, plus additional controls on travel and purchasing, are where we are getting our efficiencies.

Mr. DAVIS. The Office of Security Operations uses what is known as a staffing allocation model to determine the number of screeners needed at airports. Is headquarters staffing also based on a formula that aims to match the mission with the size?

Admiral NICHOLSON. That is a bit trickier. It is trickier—to give an example, some folks look at acquisitions and purchases as lending itself toward numbers of transactions that you might have. So if you—and I think that is good if you have comparable agencies for transaction-based costing. But you could have one transaction that is a very complicated procurement that might occupy several people's time, and your data or your metric on a per-person would be very difficult to match up.

So, while we have various councils within the support service community to take a look and share best practices on that, a hard, fast metric on it that is comparable is difficult just because of the difference in business models that we use.

Probably a clearer example of that: The Customs and Border Protection does its human resources almost wholly in-house and has a very large infrastructure to do all the transactions and basic functioning in that support area. Conversely, TSA has outsourced and contracted much of that transaction work. So they may have

people doing the actual transactions that are lower-graded, so their grade level might look lower, where we have people that are managing contracts that have expertise in the area, and the grade level might be higher and a much smaller number of people.

Mr. DAVIS. Would you agree that, before reducing the number of front-line screeners and baggage checkers, that you might want to look at supervisory personnel and see how that stacks up or matches?

Admiral NICHOLSON. Yes, sir, that is something that we look at very carefully in the staffing model. So when you take a look at the supervisory ratios at the airports—and Mr. McLaughlin mentioned it earlier in his testimony—and you get the folks that are actually at the point of operations and you compare that number to people that you might think were more of a supervisor foreman rather than a hands-on foreman and then a manager on top of that, those numbers get to be less than 10,000 people working with a 40,000-person workforce.

Mr. DAVIS. Well, thank you very much.

Thank you, Mr. Chairman. I yield back.

Mr. ROGERS. I thank the gentleman.

The gentlelady from Texas is now recognized.

Ms. JACKSON LEE. Mr. Chairman, thank you very much.

Let me just say, I associate myself with the Chairman on that random list of non-humorous quotations. I would only say this: Unless you are talking about communications among fellow employees, where you are trying to be spirited in the relationship, I would almost ask Public Affairs to cease and desist on comedy with TSO to the general public. I think there are so many other places that can be comedic—Health and Human Services maybe, I am not sure. But I think the Federal Government errs more on the side of professionalism. When you are talking about security, it is not funny. So I would go a step further and just say that I like a good joke, but I would just join in that cease and desist.

Let me just throw this out for Mr. Byrne, even though it deals with personnel. I have always been concerned, as I indicated earlier, about rail and mass transit. So I am just wondering, are you using some of these TSOs—are you beginning to look at moving some to secure surface transportation? This question is just about personnel. Have there been any thoughts about transportation security inspectors going over in that direction? Any planning that is going on?

Mr. Byrne or anyone else that can answer that?

General BYRNE. I really can't address that. I do know that there are some occasions in our VIPR program where we are doing some checks and whatnot. The TSOs will be fully engaged with local law enforcement in support of those types of operations or those types of reviews.

I would have to defer and ask Mr. Nicholson if he knows anything further.

Ms. JACKSON LEE. Mr. Nicholson.

Thank you.

Admiral NICHOLSON. Yes, ma'am, Mr. Byrne is correct. We will draw from that workforce, both in terms of TSOs and in terms of inspectors, to try to put packages together for our VIPR teams, to

draw on the expertise that they have gained inspecting in those modes of transportation.

The other thing that we have is very ad hoc, maybe a couple of hours a month, that individual airports will do with mass transit agencies or a rail agency and so forth, just to keep their readiness up or keep a relationship going on. In the event that something were to occur to the transportation system, a natural disaster, that disrupted it and security became very important on auxiliary roads and different things and there was a concern that there may be additional damage, supporting that recovery type of operation or responding to intelligence or surge operations is done as a matter of routine.

That is outside of the more formal VIPR program, where we have the teams that deploy in packages in different regions.

Ms. JACKSON LEE. You are doing that in the context of the personnel you have now?

Admiral NICHOLSON. Yes, ma'am. We—

Ms. JACKSON LEE. I mean, you are sort of moving people and enhancing an effort or a team or your VIPR team, but within the context of who you have.

Admiral NICHOLSON. Yes, ma'am. We have 37 VIPR teams, 15 of which are dedicated to surface transportation. The other 22 are intermodal, so they operate in both aviation and rail and mass transit and what have you. The other are more regional and specific to the airport and the location.

Ms. JACKSON LEE. This could be a numbers game, too. GAO has asked TSA to enhance its ability to identify the appropriate number of screeners and personnel at airports. Is anyone working on that to determine what is appropriate at the different airports?

Admiral NICHOLSON. For the number of TSOs?

Ms. JACKSON LEE. Yes.

Admiral NICHOLSON. Yes, ma'am. We are very confident in our screener allocation model. We have been using that to do staffing and assignments of personnel since before 2005.

Originally, we found we had some challenges with it, that our experience wasn't exactly what we thought. So we would send optimization teams out, and we identified where we found that people weren't importing that data correctly so it was giving them an additional allowance where they shouldn't have. Conversely, we found that the model didn't accommodate some nuance of an individual airport, and we were able to modify those.

Ms. JACKSON LEE. I appreciate that. I think that is important. Maybe you can tell the administrator to keep the chairperson and myself really continuously updated as you make these—if you have success stories that you have analyzed, right down to the very number that allows the American people to be secure but also indicates your sophistication and your recognition of the importance of efficiency. I think those are reports that I would like to have.

Let me ask just a couple more questions. Thank you, Mr. Chairman.

Mr. Byrne, in the recently-released employee satisfaction survey, TSA ranked 232 out of 240 Federal agencies for best places to work. Now, I have traveled, as our Members have, on just a myriad of opportunities to go through airports, and want to say that I do

thank those professional employees, many of them ex-law enforcement, ex-military, college graduates now.

I wanted to make the point that, in terms of the increasing salaries, Mr. Nicholson, I think that since 2004 there is seniority, there is people that I have encouraged you all to move and improve on professional development. I assume that is part of what has occurred.

Can you just say “yes” to that? Is that part of what sees the salaries go up?

Admiral NICHOLSON. Yes, ma’am.

Ms. JACKSON LEE. All right. With respect to Mr. Byrne, I see people out, and one of the things that they say is that you all have no promotion strategy, and so people can stay in the TSO forever and ever. So I would be concerned about that.

I would also like to have a meeting with you to see what your diversity is in management. Because it seems that the minority TSOs stay where they are forever and ever without opportunities for advancement; women, as well. If that is the case, we really need to break that cycle.

So I would appreciate if you would answer the question about the 232.

If Mr. Nicholson would follow up and recognize that—or, I recognize that TSA is top-heavy and employs an excessive number of headquarters staff who are compensated at an overly generous rate. How do you respond to those criticisms?

Mr. Byrne first, please, on the ranking?

General BYRNE. As far as the workplace surveys, I agree with you completely. We want to improve our status there because we want to make the workplace a better place for our employees.

But I have to say up front, there are a lot of on-going actions inside of TSA to, in some cases, just better publicize some of the things we are doing, but to actually make a difference.

I will also tell you—and I think you hit the nail on the head when you talked about your experiences going to airports. I, like the Representative that spoke earlier, when I travel to an airport, I go incognito. But I talk to the TSOs. They have no idea that I am part of TSA. But I will tell you, when you talk to those TSOs, they are enthusiastic about what they are doing. They are enthusiastic about their mission. They know where they fit into the security of the United States.

The problem we have, in some cases, is we are straddled by the workplace conditions that we have—trying to find the break rooms that are close to where the screeners are working.

Granted, as Dave indicated earlier, we are doing things to increase the pay. That is an issue. Mr. Nicholson didn’t mention, and I think we should, is that we have probably one of the most successful pay-for-performance programs in our PASS program, where our TSOs have the opportunity to get bonuses based on their performance and how well they do their job.

We have just recently stood up—and I think this is very significant—a new directorate inside of TSA that is going to be headed by a peer of ours, another assistant administrator who was a previous deputy assistant for the Air Marshals. His function in life is to be in charge of training and workforce engagement.

As you go through those surveys, one thing that we continue to talk about that we need to do a better job of that comes up in the surveys is the leadership. I think we do an outstanding job in TSA of promoting people based on their technical skills. We have to ensure there is the link-up between that, ensuring they are trained, and there are qualified leaders.

Ms. JACKSON LEE. Why don't we continue, because I think I probably have more questions on this, with an opportunity to meet with you.

General BYRNE. I would look forward to specifically talking about the diversity issues that you talked about earlier—

Ms. JACKSON LEE. Yes.

General BYRNE [continuing]. Because I think we are making great progress there. We have some issues that we need to work with, as you indicated, on the promotions side. But I would look forward to meeting with you on that.

Ms. JACKSON LEE. I will right now have a quiet disagreement, but will look forward to information on those numbers as it relates to minority employees.

But, Mr. Nicholson, can you quickly just tell me about the top-heaviness and the load that we are carrying in corporate headquarters?

Admiral NICHOLSON. Yes, ma'am. I think sometimes there are different views because of the way we present our budget and how we do things.

So if you were to look at—we have an appropriation that is called the support appropriation. But within that support appropriation and the way our business model is, many of the numbers of people that you see in that support appropriation maybe will come to Washington, DC, once a year or maybe every couple of years. They are folks that are out in the field doing operational work, that if you were to look at another agency's budget, a more traditional salaries and expenses type of model, you would see those folks working as really performing operational work. All of our intelligence personnel, for example, even the intelligence people that we have at 31 airports around the United States, show up as a headquarters type of operation.

So you have that type of information, just by the nature of the presentation, that sometimes is misleading and makes it look bigger than it is.

Ms. JACKSON LEE. Well, let me thank you for that. Why don't we ask you to give us that back. I didn't see that in your testimony, but that is very helpful. I would like to see that further explained, if you would.

Mr. Chairman, I don't know if he could submit it in writing to the committee. I would like to get a copy so that I could see that a lot more clearly and be able to understand it better.

Admiral NICHOLSON. Yes, ma'am.

Ms. JACKSON LEE. So let me just conclude by thanking you and saying that I want to see you efficient, not so lean that we jeopardize the American people, but certainly efficient, certainly unprivatized, and working to ensure that you do the very best every day on behalf of the American people.

Mr. Chairman, thank you. I yield back.

Mr. ROGERS. I thank the gentlelady.

I have one last question, and that is this: Initially, when TSA proposed the use of the automated target recognition, the change in software, where instead of seeing the actual body you saw, like, a stickman or a gingerbread man, we were told that the software would reduce the number of airport screeners required to operate the AIT machines, advanced imaging technology machines. However, TSA now says the machines with ATR will require more screeners than previously anticipated.

Can you please explain to me how just by changing the image that is displayed on the screen we have to have more people instead of less? I would take it from anybody.

Admiral NICHOLSON. Yes, sir. It is the difference between reality of when we first fielded the AIT machines and what was presented in the budget in terms of an allowance to operate the machines.

The assumption in the budget was one of a rosy forecast that the ATR, or automated target recognition, would come very quickly in the process. We also built in an assumption that there may be a little bit more time taken at the outset as you roll it out, but once the public got used to divesting and going through the machines and once the TSOs got familiar with the machines, that would progress very quickly.

The latter happened. The public that uses it, flies frequently, gets it. The TSOs have become more efficient in processing people through.

We still have just under 250 machines that don't have ATR. That is in the process of being field-tested now. The reality of standing it up and fielding the machines to get the capability out there required an observation room. That position was over and above the five FTEs that we assigned to the machine. So what happened was, we allocated more people from existing resources to operate that.

So if you were to ask the question of, what is it going to take to operate the machines when you first field them, in some cases we had, you know, 10, 12, 11 people because of the nature of a very big airport, many shifts a day, 7 days a week. They were diverting half a dozen people just to be able to operate the AIT full-time. When you got the ATR, you could walk those people back to their original purpose.

So the budget number turned out to be right, as we looked at it. But the use of people from other layers of transportation took longer than we thought to get it fielded. We are still waiting for the qualification of the ATR on about 250 machines.

Mr. ROGERS. Great.

Do you have any more questions?

Ms. JACKSON LEE. Not at all, Mr. Chairman.

Mr. ROGERS. Mr. Davis, do you have any more questions?

Mr. DAVIS. No.

Mr. ROGERS. All right.

Well, thank you. Listen, I appreciate you all taking the time to be here and be helpful.

To be perfectly candid, I am a little disappointed we didn't get more clarity on the difference between the number of passengers and the cost. Mr. Nicholson and Mr. Byrne, you all have both made enormous sacrifices for our country; I appreciate your military serv-

ice. But I will also point out, as a rear admiral and a major general, if you had asked one of your officers to explain that cost differential, I don't think you would have been satisfied if they couldn't explain it.

So we are going to give you all some more questions in writing. I hope you all start thinking about the problem that we as Congress are going to have in dealing with this, because it is coming; we are going to be asked in this committee, working in an oversight role with DHS, how we can get by with less. One of the things we have to come to grips with is how we can deal with this disparity, that we have so many fewer people flying now but yet our costs are going up at a rate that is in the opposite direction.

So, as you all ponder that when you get back, I hope you will be able to give us some insight and we can find some way to bring these two things together. Because if we do have a situation where, like you mentioned earlier, the economy gets better, we are going to see that passenger rate go back up. We need to be prepared to be able to deal with that.

So, with that, thank you all for being here, and this hearing is adjourned.

[Whereupon, at 4:30 p.m., the subcommittee was adjourned.]

