TRANSPORTATION SECURITY: PROTECTING PASSENGERS AND FREIGHT

HEARING

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

APRIL 6, 2016

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

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TRANSPORTATION SECURITY: PROTECTING PASSENGERS AND FREIGHT

WEDNESDAY, APRIL 6, 2016

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

The Committee met, pursuant to notice, at 10:03 a.m. in room SR–253, Russell Senate Office Building, Hon. John Thune, Chairman of the Committee, presiding.

Present: Senators Thune [presiding], Wicker, Blunt, Ayotte, Fischer, Moran, Heller, Gardner, Daines, Johnson, Nelson, Schatz, Cantwell, McCaskill, Klobuchar, Blumenthal, Markey, Booker, Manchin, and Peters.

OPENING STATEMENT OF HON. JOHN THUNE, U.S. SENATOR FROM SOUTH DAKOTA

The CHAIRMAN. Let's get this hearing underway. We'll be joined momentarily by Senator Nelson, who is en route. But let me start by welcoming Administrator Neffenger here today.

Thank you so much for making time for us.

On March 22, terrorists associated with ISIS detonated three bombs in Brussels, two at an airport and one in a busy metro car. Thirty-five people, including four Americans, were killed in this cowardly attack. The victims of these attacks remain in our thoughts and prayers. The threat from ISIS, Al Qaeda, and their sympathizers is real, and we must ensure that sound policies are in place to enhance security and prevent these deadly attacks.

This hearing will focus on the efforts of the Transportation Security Administration to secure surface transportation modes. In light of the attacks in Brussels, however, we will also address the related challenge of safeguarding the areas of airports outside passenger screening checkpoints.

Administrator Neffenger, I understand that you were, by chance, in the Brussels airport at the time of the attacks, and I hope that you will share your thoughts on the horrific events there and how we can prevent and prepare for similar threats. I understand your written testimony focuses on rail transit and pipeline security, but I hope that you will also share with us additional information on how we can improve airport security.

The TSA must learn from past attacks and also look forward to new and emerging threats. Sadly, it is clear that terrorists associated with Al Qaeda and ISIS have identified passenger rail and transit systems as soft targets. It is critical that we not neglect

these vital parts of our transportation system as we look for ways to improve security.

Understandably, these open systems cannot be secured in the same way as our aviation network. Nevertheless, some of the techniques we utilize in the aviation network apply to surface assets, as well as areas of the airport on the street side of the checkpoint.

While our best tool in combating terrorist attacks continues to be good intelligence, TSA has adopted a multi-layer process to identify threats and mitigate security concerns. Former Administrator John Pistole strongly promoted the risk-based allocation of TSA's resources. I look forward to hearing from the Administrator today about his views on the risk-based analysis of threats. TSA cannot and should not be at every bus stop or every train station. The agency must leverage its relationships with state and local officials and address the most significant threats with its limited resources.

Visible security efforts can also make a difference. Explosives detection canines and police presence can deter both terrorist threats and criminal activity. TSA's support of these programs is invaluable. I'd like to hear more about how these teams are allocated among airports and other transportation systems.

TSA is also charged with protecting freight transportation networks, including ports, freight railroads, and pipeline infrastructure. These critical infrastructure networks are crucial components of our nation's economy. TSA receives high marks from railroad and pipeline operators who work with the agency to identify and mitigate threats. Public-private security partnerships between the agency and operators have been valuable in hardening these networks.

On the aviation front, Ranking Member Nelson and I have been leading oversight of the Commerce Committee of problems some airports have had in successfully managing security credentials. This oversight led the Committee to approve bipartisan legislation, Senate Bill 2361, the Airport Security Enhancement and Oversight Act, to tighten vetting of airport workers so that those with ties to terrorists and histories of serious criminal activity and behavior do not access sensitive airport areas.

Unfortunately, in the current system, such individuals are not always captured. Some of the perpetrators in the deadly attacks in Brussels were previously known to authorities as criminals, and U.S. terrorism experts believe that ISIS is recruiting criminals to join its ranks in Europe.

As we work to address the threat of an aviation insider helping terrorists, criminals who break laws for financial gain and those with histories of violence are a good place to start. Ensuring that airport workers with security credentials are trustworthy is especially important, considering that an ISIS affiliate is believed to have killed 224 people on a Russian passenger plane leaving Egypt with, experts suspect, the help of an airport employee.

The Committee has also approved legislation, H.R. 2843, the TSA PreCheck Expansion Act, which would help expand participation in the TSA PreCheck application program by developing private sector partnerships and capabilities to vet and enroll more individuals. As a result, more vetted passengers would receive expedited airport screening, which would get passengers through security

checkpoints more quickly and ensure that they do not pose the kind of easy target that ISIS suicide bombers exploited at the Brussels airport. I believe both of these important measures can and should advance in the full Senate this week.

Administrator Neffenger, thank you for being here today. We need strong leadership and decisive action to address this terrorist threat. You are faced with a great challenge of getting it right every time, when a terrorist just needs one opportunity. I look forward to hearing from you about how TSA is working to meet that challenge.

With that, I'd like to recognize our Ranking Member, Senator Nelson, for his opening statement.

STATEMENT OF HON. BILL NELSON,
U.S. SENATOR FROM FLORIDA

Senator NELSON. Thank you, Mr. Chairman.

In the last 10 years, right after 9/11, 1,900 attacks were carried out against transit systems around the world, resulting in 4,000 deaths and 14,000 injuries. In aviation, almost 15 years after 9/11, terrorists are still finding those vulnerabilities which the Chairman has noted.

We have two types of vulnerabilities before us. We have the vulnerability of the perimeter of the airport, which was addressed in legislation passed last year sponsored by the two members at the front of the dais; that allows an Egyptian airport employee to sneak in a bomb. Same thing with the gun running scheme in Atlanta 2 years ago, that, unbelievably, over 3 months, 153 firearms were smuggled onto 17 flights, and that was in December, the last quarter of 2014. We addressed that in this committee in the Airport Security Enhancement and Oversight Act of 2015. Hopefully, that is going to be attached to the FAA bill.

But now we have this additional security problem, and that is where passengers are bunched up in a soft area, like the queued-up lines going through TSA, like the crowded lines at an airport check-in counter, like the lines in a bus or train station, where people are all huddled up trying to get through the security.

In 2016, less than 2 percent of TSA's total budget and full time employees are dedicated to protecting surface transportation networks, the bus, the trains, et cetera. And while we have yet to suffer a recent attack on a mass transit system in the U.S., Brussels is just another reminder of what they did in the transit station there.

TSA can take immediate action by completing the recommendations of the 9/11 Commission, which were enacted into law in 2007. And, additionally, we have an opportunity to improve the law coming up in this current FAA bill with regard to the soft targets outside of the security perimeter. So it's time to reexamine our transportation security strategy and refocus our efforts.

Mr. Administrator, we thank you for being here today, and we look forward to it.

The CHAIRMAN. Thank you, Senator Nelson.

Administrator Neffenger, thanks again for being here, and we look forward to hearing your opening remarks, and then we'll look forward to asking some questions. So please proceed.

**STATEMENT OF HON. PETER NEFFENGER, ADMINISTRATOR,
TRANSPORTATION SECURITY ADMINISTRATION,
U.S. DEPARTMENT OF HOMELAND SECURITY**

Mr. NEFFENGER. Thank you. Good morning, Chairman Thune, Ranking Member Nelson, and distinguished members of the Committee. Thank you for the opportunity to appear before you today to discuss TSA's critical mission to ensure security of our Nation's transportation systems.

First, let me add my condolences and those of all of the professionals at TSA to the victims of the Brussels attacks. As you noted, Mr. Chairman, I was at the Brussels airport on the day of the bombings. I was there for meetings with a number of my European counterparts. We arrived right as the bombs detonated. And I will tell you, being there on that day, seeing the devastation, and seeing the chaos of the airport environment and the evil behind it was a stark reminder of the importance of the work that we do at TSA every day to protect travelers.

I've been on the job now for 9 months. When I arrived, I was confronted with the disturbing results of the Inspector General's covert testing, and I found an organization in crisis. But what I also found was an organization of nearly 60,000 dedicated professionals who are committed to our national security mission.

It was immediately clear to me that while we needed to tackle what was wrong, the ingredients and the commitment were there to build and evolve what was right. We've come a long way in a short time. We've determined the root causes of the testing failures. We have retrained our entire work force. We have established the first ever full time TSA Academy, and we've begun a deep examination of processes and practices across the agency.

Of course, there are challenges we must continue to address, both immediate and longer term, but I can assure you and the public that we serve that we are focused on our counterterrorism mission and are committed to delivering excellence in every aspect of what we do. As an integral member of a much larger counterterrorism network, TSA employs a range of capabilities to understand and track threats to transportation; continuously vet travelers and credentialed employees; and to deter, detect, and disrupt potential enemies.

At our checkpoints, for example, we screen an average of 2 million passengers each day at nearly 440 airports. To improve, we are investing heavily in our work force. All of our people are being trained with a better understanding of why we do what we do and the nature of the threats that we face. And we have shifted our focus to security effectiveness and have instituted comprehensive training at that new TSA Academy at the Federal Law Enforcement Training Center in Georgia, an academy that has already helped to build a connection to our mission, enhance morale, and ensure our employees better understand their role in fighting terrorism.

But recent attacks remind us that terrorist organizations remain committed to attacking the global transportation system. At present, we have no specific credible intelligence of any plot to conduct a similar attack in the United States, but we must remain vigilant. These events highlight the important work we do with

international partners to mitigate risks at last point of departure airports, to inspect and assess compliance with international standards, and to build international capacity in securing passenger and cargo flights bound to the United States.

The attacks in Brussels further highlight the imperative to address security beyond airport checkpoints. That's where our shared responsibility with partners makes a difference. We work with Federal, state, local, and tribal partners to provide law enforcement presence throughout airports and surface transportation hubs across the nation.

The resources of countless agencies deliver thousands of officers who help to secure our national transportation network. TSA's Law Enforcement Officer Reimbursement Program provides approximately $45 million each year to law enforcement agencies for enhanced law enforcement presence. TSA also deploys Visible Intermodal Prevention and Response, or VIPR, teams of integrated TSA and local law enforcement specialists to patrol public areas to provide a visible deterrent and response capability.

We are also focused on the insider threat posed by employees with access to transportation facilities and infrastructure. And in collaboration with stakeholders, including the Aviation Security Advisory Committee, we have taken a number of actions to enhance security, including requiring enhanced criminal history records checks of aviation workers, piloting the FBI's Rap Back capability which provides continuous criminal background checks, and conducting a nationwide vulnerability assessment airport by airport to create an expectation that every employee could be stopped and inspected every day.

Securing surface transportation systems is a complex undertaking that requires extensive collaboration among transportation operators. We support these owners and operators in threat awareness, information sharing, the identification of vulnerabilities, development of security programs to address risks, exercises to assess and improve readiness, and the implementation of those security programs. They, in turn, invest millions of their own funds to maintain and enhance system security.

Recent attacks remind us that the threat to transportation is very real and that our work to ensure freedom and protect our Nation is never done. While challenges remain, I can confidently and without reservation tell you that we at TSA are on the job and intensely focused on protecting the public.

I will end with a note about the summer travel. The good news is a strong economy means more people than ever are traveling. This economic health, however, places enormous pressure on our transportation systems. In my written testimony and our communications with this committee, we've identified the immediate steps we are taking to hire, train, and field additional frontline workforce and to collaborate with airlines and airports to address the expected high volume of travel this summer.

Two key points: Travelers' security comes first, and we cannot compromise on protecting travelers. Second, the expected volume means there will be longer waits during peak periods, and travelers need to be prepared. We will continue to identify ways to immediately improve efficiency without compromising security.

Thank you again for your continued support and advocacy for TSA and for the men and women on TSA's front lines. I look forward to your questions.

[The prepared statement of Mr. Neffenger follows:]

PREPARED STATEMENT OF PETER NEFFENGER, ADMINISTRATOR, TRANSPORTATION SECURITY ADMINISTRATION, U.S. DEPARTMENT OF HOMELAND SECURITY

Good morning, Chairman Thune, Ranking Member Nelson, and distinguished Members of the Committee. I appreciate the opportunity to appear before you today to discuss my vision for the Transportation Security Administration's (TSA) role in surface transportation security.

The surface transportation network, consisting of mass transit systems, passenger and freight railroads, highways, motor carrier operators, pipelines, and maritime facilities, is immense. The New York Metropolitan Transportation Authority (NY MTA) alone transports over 11 million passengers daily—and represents just one of the more than 6,800 U.S. public transit agencies for which TSA has oversight. Securing surface transportation systems in a society that depends upon the free movement of people and commerce is a complex undertaking and one that requires extensive collaboration with surface transportation operators. I have personally witnessed the complex nature of the surface transportation network. Recently, I visited the Conrail facility in Oak Island, NJ, the New Jersey Transit system, the VIA Metropolitan Transit system in San Antonio, TX and the Metropolitan Atlanta Regional Transportation Authority system in Atlanta, GA.

Recent terror attacks on mass transit and passenger rail carriers in France and Belgium provide a compelling reminder of the need to remain vigilant. While there is no specific, credible terrorist threat to the U.S. passenger rail system, the August 2015 incident in France and the recent Brussels attacks underscore the need to continue to build upon our surface transportation successes through stakeholder communication, coordination, and collaboration. Surface transportation systems are, by nature, open systems. In the face of a decentralized, diffuse, complex, and evolving terrorist threat, TSA responds in a nimble fashion, employing cooperative and collaborative relationships with key stakeholders to develop best practices, share information, and execute security measures to strengthen and enhance the security of surface transportation networks.

Unlike the aviation mode of transportation, direct responsibility to secure surface transportation systems falls primarily on the system owners and operators. TSA's role in surface transportation security is focused on program oversight, system assessments, operator compliance with voluntary industry standards, collaborative law enforcement and security operations, and regulations. TSA could not accomplish its essential counterterrorism security mission without our partners voluntarily adopting security improvements and sharing best practices. Security and emergency response planning is not new to our surface stakeholders; they have been working under Department of Transportation (DOT) and U.S. Coast Guard (USCG) programs and regulations for many years. Although DOT's regulations relate primarily to safety, many safety activities and programs also benefit security and help to reduce risk. In the surface environment, TSA has built upon these standards to improve security programs with minimal regulations.

Federal, State, Local, and Private Capabilities and Operations

The Nation's surface transportation systems affect the daily life of many Americans. Tens of thousands of individual companies and agencies operate within the five modes of the surface transportation landscape. More than 500 individual freight railroads operate on nearly 140,000 miles of track carrying essential goods. Eight million large capacity commercial trucks and almost 4,000 commercial bus companies travel on the four million miles of roadway in the United States and on more than 600,000 highway bridges and through 350 tunnels greater than 300 feet in length. As previously noted, in the mass transit and passenger rail mode, more than 6,800 transit agencies represent a wide range of systems from very small bus-only systems in rural areas to very large multi-modal systems in urban areas. Surface transportation operators carry approximately 750 million intercity bus passengers and 10 billion passenger trips on mass transit each year. The pipeline industry consists of approximately 3,000 private companies who own and operate more than 2.5 million miles of pipelines transporting natural gas, refined petroleum products, and other commercial products that are critical to the economy and the security of the United States.

Securing this vast network requires a group effort. TSA oversees the development and implementation of risk-based security initiatives for surface transportation in coordination with our security partners.

TSA, on behalf of the Department of Homeland Security (DHS), is a co-Sector Specific Agency alongside DOT and USCG for the transportation sector. DOT and TSA work together to integrate safety and security priorities. As part of the DHS-led Critical Infrastructure Partnership Advisory Council (CIPAC) framework, TSA, DOT and the USCG co-chair Government Coordinating Councils to facilitate information sharing and coordinate on activities including security assessments, training and exercises. Additionally, TSA leverages its core competencies in credentialing, explosives detection, and intermodal security to support the USCG as lead agency for maritime security.

TSA is directly responsible for security at our Nation's airports through our checkpoint operations, personnel, and technology. However, direct responsibility for securing surface transportation systems falls on the owners and operators of those systems. TSA's role is to support these owners and operators in the identification of risk, develop security programs to address that risk, and help the owners and operators implement those security programs.

TSA's spending on surface transportation realizes a massive return on its budgetary investment. TSA's funding resources and personnel directly support ongoing security programs by committed security partners who, in turn, spend millions of their own funds to secure critical infrastructure, provide uniformed law enforcement and specialty security teams, and conduct operational activities and deterrence efforts. Industry's efforts are fueled by the resources that TSA's funding provides. We have invested our resources to help our security partners identify vulnerabilities and risk in their agencies. Surface transportation entities know their facilities and their operational challenges and with their knowledge and our assistance, they are able to more accurately direct their own resources in addition to the hundreds of millions of dollars in Federal security grant funding, to reduce the risk of a terrorist attack. I will go into greater detail on the resources and programs that TSA provides later in this testimony, but some highlights include facilitating security exercises that identify vulnerabilities that can then be addressed before an actual event occurs; developing security training programs for surface transportation employees; engaging with industry in the development of security policy and programs such as best practices and security guidelines, which inform and influence industry on how and where to spend their security dollars; providing thorough security system and program assessments to identify areas that need attention, and working with those systems to address those deficient areas to raise their security baselines; developing the framework for awarding security grant funds, which have totaled over $2.3 billion since Fiscal Year (FY) 2006; augmenting local operational deterrence capabilities with Federal teams and support; and sharing actionable information in a timely fashion, including guidance on ways in which industry can enhance their security posture in response to potential threats. TSA has achieved these successes by spending approximately 3 percent of its budget on surface transportation security. These programs demonstrate the collaborative effort among Federal, state, local, and private entities to secure surface transportation systems and assets.

TSA works with state, local, and industry partners to assess risk, reduce vulnerabilities, and improve security through collaborative efforts. Collaboration between TSA and industry occurs through daily interaction and engagement, as well as through formal structures including the DHS-led CIPAC framework, Sector Coordinating Councils, and other industry-centric organizations such as the Mass Transit Policing and Security Peer Advisory Group. TSA, security agencies, and the corporate leadership of industry and municipal operator stakeholders jointly pursue policies to secure surface systems, including implementation of exercises and training, physical and cyber hardening measures, and operational deterrence activities.

Regional Alliance Including Local, State, and Federal Efforts (RAILSAFE)

TSA coordinates with Amtrak and NY MTA to support RAILSAFE operations, in which Amtrak police and law enforcement officers from Federal, state, local, rail, and transit agencies deploy at passenger rail and transit stations and along the railroad rights-of-way to exercise counterterrorism and incident-response capabilities. This coordinated effort involves activities such as heightened station and right-of-way patrols, increased security presence onboard trains, explosives detection canine sweeps, random passenger bag inspections, and counter-surveillance. RAILSAFE operations are conducted several times a year to deter terrorist activity through unpredictable security activities. On average, more than 40 states and Canada, and over 200 agencies participate in RAILSAFE operations. The most recent RAILSAFE

operation was conducted on March 11, 2016, with more than 1,100 officers across 180 agencies representing 41 states and Canada participating.

Exercises and Training

TSA has developed several training and exercise programs to assist industry operators in directing their resources and efforts towards effectively reducing risk. With the support of Congress, TSA developed the Intermodal Security Training and Exercise Program (I–STEP). TSA facilitates I–STEP exercises across all surface modes to help transportation entities test and evaluate their security plans, including prevention and preparedness capabilities, ability to respond to threats, and cooperation with first responders from other entities. TSA uses a risk-informed process to select the entities that receive I–STEP exercises and updates I–STEP scenarios as new threats emerge to ensure industry partners are prepared to exercise the most appropriate countermeasures. Since FY 2008, TSA has conducted over 105 I–STEP exercises throughout 40 High Threat Urban Areas (HTUAs), including eight conducted so far this fiscal year, such as motorcoach exercises in Los Angeles and Myrtle Beach; mass transit exercises in Houston and San Antonio; and maritime exercises in New York City and Washington, D.C. Additionally, TSA conducted an I–STEP exercise in Philadelphia in August 2015 to help that region prepare for the Papal visit.

In FY 2015, TSA developed and began utilizing the Exercise Information System (EXIS) tool, which examines a surface transportation operator's implementation of security measures in the areas of prevention, protection, mitigation, response, and recovery. EXIS helps transportation operators identify areas of strength in an operator's security program, as well as those areas that need attention where they can then focus or redirect resources, such as security grant funding. TSA also is able to provide operators with several resources that can improve capability in areas such as training, public awareness campaigns, and best practices that other systems have implemented to address security concerns. Since program inception, TSA has facilitated 16 EXIS exercises with stakeholders in HTUAs.

TSA disseminates training materials and information to stakeholders through several avenues. Through the Security Measures and Resources Toolbox (SMARToolbox) and other security and public awareness training materials, TSA provides surface transportation professionals relevant insights into security practices used by peers throughout the industry and mode-specific recommendations for enhancing an entity's security posture. TSA developed the Surface Compliance Analysis Network (SCAN) to analyze daily incidents reported to the Transportation Security Operations Center to identify security-related trends or patterns. TSA disseminates SCAN trend reports to affected entities, as well as to the broader industry for situational awareness. SCAN reports have been able to identify incidents that when taken individually may not seem like an issue or threat, but when compiled over time and analyzed locally, regionally, and nationally, present activities that may be pre-operational activity aimed at detecting the response methods and/or capabilities of surface transportation systems. The number of similar incidents reported in relatively short periods of time indicates the intent of a perpetrator(s) to disrupt operations and potentially cause damage and injuries. These SCAN trend reports provide insight into those potential threats and operations.

TSA's First Observer™ security domain awareness program delivers web-based training to surface transportation professionals, encouraging frontline workers to "Observe, Assess and Report" suspicious activities. Approximately 100,000 individuals have been trained on the First Observer™ Program. Operators have credited First Observer™ Program training in their ability to disrupt a potential Greyhound bus hijacking situation in February 2011. Also in February 2011, a concerned Conway employee followed principles he received from the Program's training to alert authorities about inconsistencies regarding chemicals shipped and their intended use, which led to the arrest of an individual who was then charged with attempting to bomb nuclear power plants and dams along the West Coast, as well as the home of former President George W. Bush.

TSA strongly encourages the use of the *If You See Something, Say Something*™ public awareness campaign—which the NY MTA created using DHS security grant funding—to make the traveling public the "eyes and ears" of the transportation systems. Similarly, TSA's *Not On My Watch* program is directed at the surface transportation community and designed to make employees of surface transportation systems part of awareness programs intended to safeguard national transportation systems against terrorism and other threats. TSA also works with industry to identify emerging security training needs, develop new training modules, and refresh existing training.

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In September 2014, TSA began a program to provide senior-level transportation security officials with a detailed exposure to TSA's surface security programs and policies. Once a quarter, a senior executive from a transportation entity is invited to spend four to six weeks at TSA to gain firsthand experience in TSA's counterterrorism and risk reduction efforts and foster beneficial relationships between TSA and industry stakeholders. Participants in the program have included Amtrak, the Washington Metropolitan Area Transit Authority, NY MTA, and the Bay Area Rapid Transit District. Executives from these agencies were given a broad exposure to TSA operations in the surface and aviation modes, and left with a better appreciation for the scope and breadth of the services TSA provides for all modes of transportation. The program also allows TSA to use the senior executives as sounding boards for potential security programs and policies, to ensure that our initiatives not only address their greatest security concerns, but are feasible from an operational perspective at the local levels of transportation.

Sector-Specific Programs, Assessments, and Inspections

TSA performs regulatory inspections on railroad operations, and voluntary assessments of systems and operations within all of the surface transportation modes to ensure operator compliance with security regulations and adoption of voluntary security practices. TSA deploys 260 Transportation Security Inspectors for Surface (TSI–S) to assess and inspect the security posture of surface entities.

TSA and its partners in the freight rail industry have significantly reduced the vulnerability of rail security-sensitive and Toxic Inhalation Hazard (TIH) materials transported through populous areas by reducing urban dwell time. The national rate of observed attendance for TIH shipments is greater than 91 percent, with a regulatory compliance rate above 99 percent.

In 2006, TSA established the Baseline Assessment for Security Enhancement (BASE) program, through which TSA Inspectors conduct a thorough security program assessment of mass transit and passenger rail agencies as well as over-the-road bus operators. These inspectors help local transit systems develop a "path forward" to remediate vulnerabilities identified in the vulnerability assessments, and identify resources that TSA or other areas of the Federal Government can provide to help transit systems raise their security baseline. The results of these assessments are analyzed to influence TSA policy and development of voluntary guidelines to ensure that our voluntary policies and programs are addressing the most critical vulnerabilities from a security perspective. TSA performs these voluntary BASE assessments with emphasis on the 100 largest mass transit and passenger railroad systems measured by passenger volume, which account for over 95 percent of all users of public transportation. TSA has conducted over 430 assessments on mass transit and passenger rail systems since 2006. In FY 2015, TSA Inspectors completed 117 BASE assessments on mass transit and passenger rail agencies, of which 13 resulted in Gold Standard Awards for those entities achieving overall security program management excellence. In 2012, TSA expanded the BASE program to the highway and motor carrier mode and has since conducted over 400 reviews of highway and motor carrier operators, with 98 reviews conducted in FY 2015. On average, approximately 150 reviews are conducted on mass transit and highway and motor carrier operators each year, with numerous reviews in various stages of completion for FY 2016.

TSA also regularly engages transit and passenger rail partners through the Transit Policing and Security Peer Advisory Group (PAG), which represents 24 of the largest public transportation systems in the United States, Canada, and the United Kingdom, and through regular monthly and as-needed industry-wide information sharing calls, such as calls conducted after the attacks in Paris and Brussels. Our participation in forums such as the annual Mass Transit and Passenger Rail Security and Emergency Management Roundtable, and our continuing work with the PAG enable us to understand the security needs of our domestic and international security partners to collaboratively develop programs and resources to meet critical needs. We use the PAG as a sounding board, in an advisory capacity, as we develop surface transportation policies, guidelines, and best practices. Through our work with the PAG and the Roundtables, we have restructured how security grant funds are awarded to high-risk transportation entities, ensuring that the funding priorities address the current threat and risks that our transportation providers face. We also developed a list of nationally critical infrastructure assets in order to better direct Federal and local resources to implement security measures to protect those assets. Since FY 2006, over $565 million in Transit Security Grant Program funding has been awarded for security projects specifically to harden these critical assets. We have also been able to enhance and refine the ways and timeframes in which we share threat and intelligence information, through mechanisms such as Security

Awareness Messages, and regular as-needed industry information sharing and intelligence conference calls. TSA also hosts classified briefings for cleared industry stakeholders when warranted.

TSA has established a productive public-private partnership with the pipeline industry to secure the transport of natural gas, petroleum, and other products. TSA conducts both physical and corporate security reviews (CSR) within the pipeline sector, with over 400 physical security reviews of critical facilities of the highest risk pipeline systems completed since 2008 and over 140 corporate security reviews of high-risk systems since 2002. TSA completed six CSRs in FY 2015; four have been completed in FY 2016 with an additional four scheduled for completion by the end of the fiscal year. The Implementing Recommendations of the 9/11 Commission Act of 2007 (110–53) required TSA to develop and implement a plan for inspecting the critical facilities of the top 100 pipeline systems in the Nation. TSA conducted these required inspections between 2008 and 2011 through the Critical Facility Inspection program and is now focused on regular recurring reviews through TSA's Critical Facility Security Review (CFSR) program. TSA completed 46 CFSRs in FY 2015; 21 have been completed in FY 2016 with 16 more expected to be completed by the end of the fiscal year.

TSA has developed pipeline security guidance with the assistance of pipeline system owners and operators, pipeline industry trade association representatives, and government partners. Widespread implementation of this guidance by the pipeline industry has enhanced critical infrastructure security throughout the country. TSA is currently working with stakeholders to update these guidelines. There has been an increase in the quality of the company corporate security programs reviewed during CSRs, as the guidance has served as a template for establishing a corporate security program including a Corporate Security Plan. For pipeline critical facilities reviewed during CFSRs, there has been an increase in the number of facilities conducting security drills and exercises, an increase in coordination with local law enforcement agencies, and an increase in the number of facilities conducting security vulnerability assessments, all of which are recommended practices in the Guidelines.

The United States imports more petroleum from Canada than any other nation, much of it through pipelines. TSA has worked closely with Canadian security counterparts to develop an effective capability to secure the U.S.-Canadian pipeline network. TSA and the Canadian National Energy Board coordinate closely on pipeline security matters to include the exchange of information on assessment procedures, exercises, and security incidents. Since 2005, TSA and Natural Resources Canada have cosponsored the International Pipeline Security Forum, an annual two-day conference that enhances the security domain awareness of hazardous liquid and natural gas pipeline operators and provides opportunities for discussion of major domestic and international pipeline security issues. The Forum enhances government and industry pipeline security domain awareness, increases information sharing including industry threat information, provides opportunities for discussion of major domestic and international pipeline security issues, and improves effectiveness of TSA stakeholder outreach efforts promoting agency pipeline security initiatives including physical and cyber security, security exercises, and other best practices. It presents a unique opportunity for TSA to directly engage with a large number of hazardous liquids and natural gas pipeline industry personnel as well as key government and law enforcement partners. Approximately 160 attendees, including pipeline system owners and operators, pipeline related trade associations, representatives and officials from the U.S. and Canadian governments, and members of the security, intelligence and law enforcement communities from the U.S., Canada, and abroad, participate in the Pipeline Security Forum.

Beginning in 2004, and also with Congressional support and authorization, TSA expanded the National Explosives Detection Canine Team Program to include mass transit/passenger rail systems and ferries. Currently, 172 surface and intermodal canine teams are deployed to high-risk systems.

TSA and the USCG jointly administer the Transportation Worker Identification Credential (TWIC) program, which provides a uniform, industry-wide, biometric, tamper-resistant credential issued following successful completion of a TSA-conducted security threat assessment (STA). Following successful completion of the STA and payment of relevant fees, eligible maritime workers are provided a tamper-resistant biometric credential that permits unescorted access to secure areas of port facilities and vessels regulated by the USCG. These security benefits are most fully realized when the credential is used in conjunction with readers that can provide electronic verification.

TSA is responsible for enrollment, STAs, systems operations and maintenance related to TWICs, and inspections to ensure TWICs used for access are valid and of-

fered by the person to whom the credential was issued. The USCG is responsible for establishing and enforcing access control standards including requirements for TWIC readers at regulated facilities and vessels. Since deployment of the TWIC program in 2007, TSA has conducted comprehensive STAs and issued TWICs to over 3.5 million workers while identifying and preventing approximately 50,000 TWIC applicants who did not meet the required security standards from receiving a TWIC. In 2014, TSA implemented TWIC "OneVisit," which allows workers to be able to enroll for a TWIC and have their TWIC issued to them via mail without returning to the enrollment center. This was a significant accomplishment to alleviate the burden to industry and workers while maintaining security of the biometric credential.

Securing Surface through Grants

TSA provides the Federal Emergency Management Agency (FEMA) with subject matter expertise to assist in the development of the Notice of Funding Opportunities for Surface Transportation Security Grant Programs. These FEMA grants support surface transportation risk mitigation by applying Federal funding to critical security projects with the greatest security effects. Between FY 2006 and 2015, over $2.3 billion in transportation security grant funding was awarded to freight railroad carriers and operators, over-the-road bus operators, the trucking community, and public mass transit owners and operators, including Amtrak, and their dedicated law enforcement providers. One-hundred million dollars was appropriated in FY 2016 for mass transit, passenger rail, and motor coach security grants, which are currently in the application process. Applications are due April 25, 2016, and DHS expects to announce final award allocations on June 29, 2016.

TSA reviews the grant program framework and makes recommendations to FEMA, ensuring funding priorities are based on identified or potential threat and vulnerabilities identified through TSA assessment programs such as the BASE program, together with consideration of potential consequences. For instance, in 2007, TSA's review of the industry scores in the training category of the BASE assessments indicated a potential vulnerability, and TSA addressed the vulnerability by modifying the Transit Security Grant Program (TSGP) to prioritize frontline employee training. In FY 2011, TSA's review of BASE scores and discussions with industry revealed that vulnerabilities at nationally critical infrastructure assets were not being addressed at all, or as quickly as they could be. TSA worked with FEMA to overhaul the TSGP framework to prioritize these assets ("Top Transit Asset List") for funding through a wholly competitive process. As a result over $565 million has been awarded to protect these assets, resulting in over 80 percent of them being considered secure from a preventative standpoint.

As a result of information gained from TSA activities, DHS is able to direct grant funds to activities that have the highest efficacy in reducing the greatest risk, such as critical infrastructure vulnerability remediation, equipment purchases, anti-terrorism teams, mobile screening teams, explosives detection canine teams, training, drills and exercises, and public awareness campaigns. For example, the NY MTA has received $17 million in public awareness funding that helped create the *If You See Something, Say Something*™ campaign, which was credited with preventing a potential terrorist event in Times Square in New York City. Over $276 million in grant funds have been used to hire over 520 specialty transit law enforcement officers in the forms of K–9 teams, mobile explosives detection screening teams, and Anti-Terrorism Teams. Transit systems in major cities including New York City, Washington, D.C., Chicago, and Los Angeles use these grant-funded teams and patrols not only to conduct regular operations, but also to provide extra local security and deterrence in response to attacks across the world, including the recent attack in Brussels.

Visible Intermodal Prevention and Response (VIPR) Teams

Visible Intermodal Prevention and Response (VIPR) operations promote confidence in and protect the Nation's transportation systems through targeted deployment of integrated TSA assets, utilizing screening and law enforcement capabilities in coordinated activities to augment security of any mode of transportation. VIPR teams consist of Federal Air Marshals, Behavior Detection Officers, Transportation Security Specialists-Explosives, Transportation Security Inspectors and canine teams who work closely with Federal, state, and local law enforcement partners and stakeholders in the aviation and surface transportation sectors. TSA VIPR Teams are deployed at the request of and in coordination with stakeholder partners. Deployments are coordinated with other Federal, state, and local law enforcement and industry security partners throughout the United States to augment the visible presence of these law enforcement stakeholders who exercise primary jurisdiction in responding to transportation security needs. Following the recent terrorist attacks

in Brussels, Belgium, the capability was invaluable to the surface transportation sector in providing a visible deterrent, as well as an armed response capability.

Since the November 2013 shooting at the Los Angeles International Airport in which a Transportation Security Officer was killed, TSA has deployed VIPR teams 60 percent of the time in the aviation mode and 40 percent in surface modes. In FY 2015, TSA VIPR teams conducted 12,024 operations, including 7,257 (60 percent) in aviation mode venues and 4,757 (40 percent) in surface mode venues. The VIPR program has a nationwide footprint, with the 31 VIPR teams based in 20 Office of Law Enforcement/Federal Air Marshal Service field offices.

The VIPR program has updated its concept of operations to establish and implement a framework for risk-based assessment of potential deployment locations, allow for flexibility based upon the most current intelligence and threat, provide scheduling parameters to enhance risk mitigation, and further enable measurement of performance and effectiveness. The VIPR program is an excellent example of collaboration among Federal, state, local, and industry partners, leveraging existing resources to provide enhanced detection capabilities and a visible deterrent to terrorist activity.

Cybersecurity

TSA supports DHS cybersecurity efforts based on the National Institute of Standards and Technology cybersecurity framework, including within surface modes. The cybersecurity framework is designed to provide a foundation industry can implement to sustain robust cybersecurity programs, and TSA shares information and resources with industry to support adoption of the framework. TSA also provides a cybersecurity toolkit designed to offer the surface transportation industry an array of available no cost resources, recommendations, and practices. Additionally, within the pipeline sector, TSA is coordinating a voluntary cyber-assessment program with the Federal Energy Regulatory Commission to conduct cybersecurity assessments of pipeline entities. TSA works closely with the pipeline industry to identify and reduce cybersecurity vulnerabilities, including through classified briefings to increase awareness of the threat. TSA's efforts in cybersecurity are critical to securing surface transportation modes from cyber intrusions.

Implementing Recommendations of the 9/11 Commission Act of 2007

TSA has worked diligently to implement the requirements of the Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110–53). Under my leadership, TSA has prioritized the few remaining outstanding requirements of the Act. These mandates include the issuance of regulations relating to security training (Sections 1408, 1517, and 1534) and security planning and vulnerability assessments (Sections 1405, 1512, 1531), as well as establishment of a program to complete name-based background and immigration checks for public transportation and railroad employees (Sections 1411 and 1520). TSA is making significant progress on all of these rulemakings and continues to dedicate substantial time and resources towards this effort. TSA will continue its prioritization of these rules notwithstanding the complexity and time consuming nature of the rulemaking process.

Conclusion

TSA is dedicated to securing the Nation's transportation systems from terrorist activities and attacks. Through its voluntary programs and minimal regulations, TSA mitigates security challenges faced by an open-by-nature surface transportation system in collaboration with our industry and government partners. I am focused on improving surface transportation security through the development and implementation of intelligence-driven, risk-based policies and plans, and I appreciate the Committee's support of TSA's goals. Thank you for the opportunity to discuss these important issues.

The CHAIRMAN. Thank you, Administrator Neffenger. As you mentioned—and, of course, you were there—the Brussels attack was directed at aviation infrastructure, but it wasn't just an attack on that. It was also the metro car, as we mentioned, between stations which killed 13 people and injured a lot more. Rail and transit are very open systems, much like the non-sterile areas of airports, and could easily be perceived as soft targets.

How have you communicated with surface transportation operators about the potential for a Brussels-like attack on a U.S. transportation system, and do you believe that transit systems and pas-

senger railroads, in particular, are prepared for an attack like the tragic events in Brussels?

Mr. NEFFENGER. Mr. Chairman, thank you for that question. That's a question that's been on everyone's minds, certainly since the Brussels attacks. But I will tell you it has been on our minds for a long time, and it's one of the fundamental questions that we've asked ourselves across the surface transportation world for quite a number of years.

I will tell you that there's a—it starts, really, with good intelligence. And, as you know from the briefing that we gave this committee earlier this month, there's an extensive network of intelligence professionals focused on the transportation threats on all modes of transportation. So it really begins with an assessment of what we think the current threats are, who the potential groups are that would deliver those threats, and, more importantly, who the individuals are that might be moving through the system that might provide a particular threat.

The next step, of course, is to identify the vulnerabilities across the system, and we've worked very closely with our partners across the systems. I've spent quite a bit of time over the 9 months I've been on board meeting with police chiefs, transit professionals, transit authority directors to look at the types of systems that we have in place.

I've been very encouraged by what I've seen. There is an extensive network of law enforcement professionals and security professionals arrayed across the system that really leverage the investment that we make from TSA to establish a very high level of security standards across the system, an awareness of what's going on. There's a great deal of shared intelligence and a lot of sharing of best practices, and we help facilitate many of the groups and teams that get together to do that.

So while any open system is by definition at risk, I think that there is a great deal being done to ensure that we reduce that risk and we understand how that risk might present itself.

The CHAIRMAN. Just as a follow up to that, less than 2 percent of the president's budget request for TSA was directed to the security of surface transportation. I know we all understand that the threats to the aviation sector are very real. But as a follow up, do you believe in terms of the resource allocation that the TSA is doing enough to ensure the security of passengers on our railroads and transit systems?

Mr. NEFFENGER. I think that we've been able to, as I said, leverage thousands of professionals across the country, and you have some superb local and state law enforcement entities that are doing work in that sector, whether it's the Amtrak Police, the New York City Transit Police, the New Jersey Transit Police, and so forth. There are more than I can mention. So we've done that.

I think that if you're asking an operator if he would put more resources to use, yes, I would. And what I would do is I would put them to use in support of those entities that are doing really good efforts out there. We coordinate with them, we integrate our teams with their teams, and we work to increase our ability to understand what might be happening out there, understanding the

threats and the vulnerabilities, and then share that information in a way that allows us to deploy our resources most effectively.

The CHAIRMAN. Yesterday, Homeland Security Secretary Johnson endorsed a new proposal by Senate Democrats to double the number of Visible Intermodal Prevention and Response, or VIPR, teams nationwide from 30 to 60. By contrast, the president's Fiscal Year 2016 budget request called for the elimination of two VIPR teams and 23 related positions. In your written testimony, you note that TSA's VIPR program, which operates in both aviation and surface transportation venues, has updated its concept of operations to focus on risk-based deployments.

The question is: Have the events of the last two months since the budget was released convinced the administration that doubling of the VIPR program is needed to address current threats?

Mr. NEFFENGER. Well, I appreciate the attention that Congress is giving to TSA resources, and I will tell you this, Mr. Chairman. If I were to receive more VIPR teams, I would be able to put them to use, and I would put them to use across the transportation system. I would be able to deploy them more effectively with our partners in the surface world and would deploy them to more public areas of our aviation environment.

The CHAIRMAN. Let me just ask one last question here. In the past year and a half, we have seen repeated abuses of airport SIDA badges that grant airport workers access to the secure areas of the airport. These are badges that are used by airport and airline workers to bypass TSA screening checkpoints and, in this case, facilitate criminal activities like gun and drug smuggling. These incidents have raised a lot of questions about whether our airports are vulnerable to an insider threat.

As I mentioned earlier, in response, along with our committee members, Senators Nelson, Ayotte, Cantwell, Johnson, and Klobuchar, we have introduced the Airport Security Enhancement and Oversight Act to help counter some of these aviation insider threats by improving the vetting, credentialing, and inspections of airport workers. Do you think it's important to update and expand the criminal background checks and random inspections of airport workers that have access to the secure areas of an airport?

Mr. NEFFENGER. Mr. Chairman, thanks for that question. As you know, that's been a big concern over the time that I've been here and as I came in. It was on the heels of the incident in Atlanta and some other concerns. As you noted in your opening statement, we've had some of those same concerns with respect to the attacks overseas.

So I'm very pleased and happy that Congress has given us the support that they have. So I think you're right to focus on that. The additional access—I know this committee, in particular, was very supportive of our access to additional TIDE categories. That's made a huge difference for us in terms of recurrent vetting. I'd like to see us fully implement the FBI Rap Back program before the end of this Fiscal Year so that we can do continuous recurrent criminal vetting, and I think anything we can do to tighten the oversight of the insider population to verify their trusted status, I think, is worth doing.

The CHAIRMAN. Thank you.

Senator Nelson?

Senator NELSON. Mr. Chairman, I want to take the opportunity, particularly, to tell our Democratic members of the Committee that, apparently, we just received word that there has been an agreement on the tax issue, and, therefore, if that is true, when we get to the floor in just 35 minutes, it looks like we're going to be able to proceed without that controversy that previously we had known about. So we ought to be able to get on to the bill.

I want to just piggy back on a couple of the points raised by the Chairman. The gun running scheme showed tremendous vulnerability, especially in 300 airports in the country, and lo and behold, only two up to that point, only two, had a perimeter security where they had reduced to a handful the number of entry points and had the adequate checking of the badges to make sure the airport employee was who they said they were, as well as checking in machines the stuff that they brought in, things that were not done in Atlanta that allowed over 100 guns to be transported into the airport. Then the employee goes up into the sterile area, into the men's restroom, and transfers the weapons to a passenger who has come through security.

Atlanta has now complied, so that's Atlanta, Miami, Orlando. What about the rest of the 297 airports nationwide?

Mr. NEFFENGER. Senator, I had exactly the same question. It was a wake-up call for Atlanta, and, as you noted, they've put a lot of measures in place, both the private sector——

Senator NELSON. But what about the other 297?

Mr. NEFFENGER. So earlier this year, I ordered a detailed vulnerability assessment across the entire system for those other airports that you mentioned. The results of that assessment are coming in this month. The purpose of that assessment was to answer that very specific question: First and foremost, what have you done, but what's the nature of your insider population? Who are the employers? What are they doing?

Senator NELSON. Right. That's the question. What's the answer?

Mr. NEFFENGER. The answer is that there has been a lot of movement in terms of reducing security access points across the system. There's been a lot of movement to greatly enhance the oversight of that insider population, both by TSA as well as by the employers.

Senator NELSON. A lot of movement. Such as?

Mr. NEFFENGER. Well, what I'm going to have to provide to you in the report is—once we evaluate all of these that are in, then that's going to drive us to add requirements into the aviation security, airport security plans, for each of those airports to take the best practices that we're finding from Miami, from Orlando, from Atlanta and to drive those into the other airports across the country. I was concerned that we hadn't had a lot of specifics on that.

Senator NELSON. Mr. Administrator, the best practices are obvious. You have to check the airport employees. So is your testimony today that nothing has been done?

Mr. NEFFENGER. No, sir. That's not my testimony. We have done quite a bit. We are checking. TSA itself has increased the number of inspections of employees by fivefold just in the past 5 months, and we do that ourselves, which is consistent——

Senator NELSON. But you don't have enough resources.

Mr. NEFFENGER. And then the airports themselves——

Senator NELSON. You've got to get the airports to do it.

Mr. NEFFENGER. And they are doing that, airport by airport.

Senator NELSON. Well, then give us the report.

Mr. NEFFENGER. That's coming your way, sir, because we're evaluating—I wanted to give you good specifics from the vulnerability assessments that we conducted so that I could give you specific answers airport by airport to exactly the question you're asking. And those are all due—this week is the deadline for getting those in, and we'll compile that report, and we'll get it to the Committee so that you have it.

Senator NELSON. Why couldn't that have been done in time to report to this committee, since that was such an obvious question that you were going to be asked?

Mr. NEFFENGER. Well, I think the answer I would have to that is that I didn't have, I felt, adequate specifics to satisfy this committee on the specific measures taken. So that's why we went back, and I ordered a very specific vulnerability assessment airport by airport. It was done on a very short timeframe. It was done in conjunction with the recommendations from the Aviation Security Advisory Committee, and it was done in a way that ensured that I could give very specific answers and, more importantly, provide very specific direction with respect to the requirements that we're going to put in place.

That said, we have greatly enhanced the oversight, and airports have greatly enhanced their oversight already. So it's not as if nothing has been done. I just wanted to know exactly what it has been so that we can ensure consistency across the entire system.

Senator NELSON. Mr. Administrator, you have a sterile—sterling reputation. It's not sterile. It's sterling. You have a sterling reputation. But that's an insufficient answer to a problem that has been begging now for two years. And the only person who's going to get the airports off their duff to limit the access into their airports is going to be you and your administration.

Mr. NEFFENGER. Yes, sir.

Senator NELSON. And I realize that you can say you have a specific jurisdiction of requiring security checks on who's going on the plane, but what about the stuff that may be going on the plane, which is getting at the same thing? And, therefore, you've got to go a different perimeter.

Mr. NEFFENGER. And we do that. I'm sorry if I've given the impression that nothing is happening. That's not at all true. We have greatly enhanced our oversight of cargo screening facilities, of the catering facilities. So there are a number of measures—quite a few measures that have been put in place. I'll provide a specific outline of those for the record.

[The information referred to follows:]

TSA CATERING SECURITY MEASURES

- Catering security measures require inspection of catering carts, materials, and supplies, either prior to being loaded on the aircraft, or prior to be loaded on a sterile delivery vehicle that will service the aircraft.
- At non-U.S. locations, these TSA catering measures are layered on top of measures required by the host government. At certain higher risk locations, TSA requires a more stringent inspection of all catering carts, materials, and supplies, which must be continuously monitored from the time they are assembled for a particular flight until they are loaded onboard the aircraft.
- Any individual performing a TSA-required catering security measure must be either a direct employee or an authorized representative of the air carrier, and cannot be an employee of the catering company.
- Any individual performing any TSA-required catering security measure for a U.S. air carrier must have an airport Security Identification Display Area (SIDA) ID at a U.S. locations, or a Security Restricted Area (SRA) ID at a non-U.S. location. This requirement ensures the individual has received a stringent background check. Additionally, each individual's name must be compared to the most recent No Fly and Selectee Lists.
- Any individual performing any TSA-required catering security measure for a foreign air carrier must have a 10-year employment history check, with the most recent 5 years of employment verified by the foreign air carrier.
- TSA issued a change to the Aircraft Operator Standard Security Program (AOSSP) in August 2015. This change added additional measures that cover provisioning of aircraft with beverages and supplies that come from airline storage areas rather than catering faculties.
- TSA issued an Information Circular (IC) in May of 2016 advising all air carriers to implement increased monitoring and oversight of personnel conducting catering security measures to ensure they comply with proper procedure.

TRANSPORTATION SECURITY ADMINISTRATION

**Air Cargo 101 Briefing
Senate Commerce, Science, and Transportation
Committee**

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Global Air Cargo Environment

The Passenger Air Cargo Environment

Shippers　　Indirect Air Carriers　　Air Carriers

The All Cargo Environment

- The primary international all-cargo carriers to the U.S. include
  - *Integrated* and *express package carriers* such as: FEDEX, UPS
    - Handle direct "retail" shippers as well as consolidated cargo from freight forwarders
  - Heavy weight air cargo operators whose primary focus is freight forwarders such as: Polar, Atlas and Lufthansa Cargo
    - Many fly almost exclusively under lease agreements with other foreign airlines

Air Cargo Summary Data – FEB 2016

All U.S. Carriers Cargo Revenue Tons Emplaned** (in thousands)

Year	Month	Region				International***	Total
		Domestic	Atlantic	Latin America	Pacific		
2016	January	984.415	152.042	53.227	166.951	121.021	1,387.656
2016	February	845.019	155.237	48.873	136.902	109.916	1,295.947
2016 YTD		1,739.434	307.279	102.099	303.853	230.937	2,683.603
%Chg over 2015 YTD		-1.21%	-6.49%	-8.74%	-22.28%	2.16%	-4.78%

This monthly freight summary includes both freight and mail carried by U.S. airlines in all service classes (scheduled and non-scheduled).
*A cargo revenue ton-mile is one ton of revenue cargo (freight or mail) carried for one mile.
** A revenue ton enplaned is one ton of revenue cargo (freight or mail) loaded on an aircraft for one flight identified by the flight number.
*** International traffic reported by carriers that do not have Atlantic, Pacific, or Latin America entities.

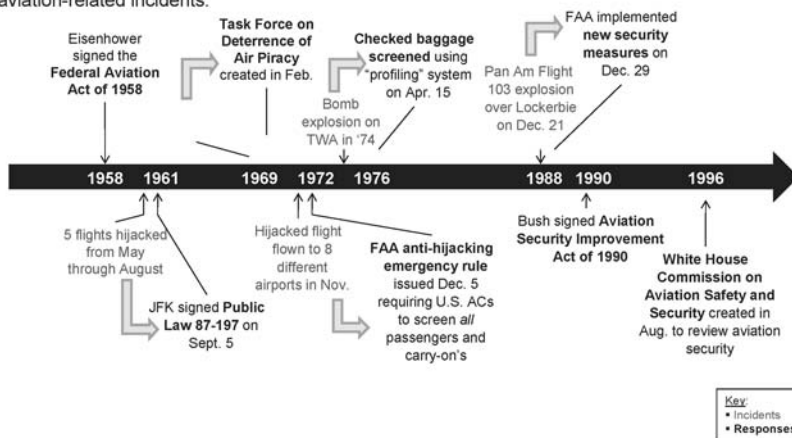SOURCE: Bureau of Transportation Statistics T100 Segment data

All Foreign Carriers Cargo Revenue Tons Emplaned** (in thousands)

Year	Month	Region				International***	Total
		Domestic	Atlantic	Latin America	Pacific		
2016	January	0	0	0	0	393.203	393.203
2016	February	0	0	0	0	353.801	353.801
2016 YTD		0	0	0	0	747.004	747.004
%Chg over 2015 YTD		N/A	N/A	N/A	N/A	-13.80%	-13.80%

A Brief History of Pre-9/11 Aviation Security

Between 1950 and 2001, domestic aviation security regulations were created in response to aviation-related incidents.

Eisenhower signed the **Federal Aviation Act of 1958**

Task Force on Deterrence of Air Piracy created in Feb.

Bomb explosion on TWA in '74

Checked baggage screened using "profiling" system on Apr. 15

Pan Am Flight 103 explosion over Lockerbie on Dec. 21

FAA implemented **new security measures** on Dec. 29

1958   1961   1969   1972   1976   1988   1990   1996

5 flights hijacked from May through August

JFK signed **Public Law 87-197** on Sept. 5

Hijacked flight flown to 8 different airports in Nov.

FAA anti-hijacking emergency rule issued Dec. 5 requiring U.S. ACs to screen *all* passengers and carry-on's

Bush signed **Aviation Security Improvement Act of 1990**

White House Commission on Aviation Safety and Security created in Aug. to review aviation security

Key:
• Incidents
▪ Responses

Aviation Security Post-9/11

September 11, 2001 caused fundamental changes in aviation security policies and procedures throughout the world, most notably the establishment of TSA, an agency dedicated to securing all modes of transportation within the U.S.

——————— Aviation and Transportation Act ———————

- Became law on November 19, 2001
- Established Transportation Security Administration within the Department of Transportation (DOT) for the security of all modes of transportation within U.S.
- Three original mandates:
  - Secure all modes of transportation
  - Recruit, assess, hire, train, and deploy Security Officers for 450 commercial airports from Guam to Alaska in 12 months
  - Screen 100% of all checked luggage for explosives by December 31, 2002

——————— Homeland Security Act of 2002 ———————

- Created the Department of Homeland Security (DHS), unifying the nation's response to threats to the homeland
- Moved TSA from the DOT to DHS in March 2003
- Mission: *To protect the nation's transportation systems to ensure freedom of movement for people and commerce*

100% Screening Mandate

- The Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act) required 100% screening of all cargo on passenger aircraft by August 3, 2010.
- Level of security commensurate with checked baggage
  - Baggage screened at piece level
  - No funding for industry
  - Methods of screening include: x-ray systems, explosives detection systems, explosives trace detection, explosives detection canine teams, and physical search
  - 9/11 Act authorized TSA to enable other parties to screen air cargo
- TSA established a program to accomplish the screening mandate for cargo originating at U.S. locations
  - Interim Final Rule published Sept 2009 and Final Rule published August 2011
  - Certified Cargo Screening Program (CCSP)
  - TSA-approved screening technologies for use by industry
  - Industry achieved 100% domestic screening by August 1, 2010

9/11 Act	50 %	75 %	100 %
August 2007	February 2009	May 2010	August 2010

Code of Federal Regulations

OSPIE Policy must develop policy language that fits within the regulatory framework set out in the Code of Federal Regulations (C.F.R.).

- Air cargo is concerned primarily with 49 C.F.R.

Part of 49 C.F.R.	Title	Applicability
1520	SSI	All
1540	Civil Aviation Security	U.S. Aircraft Operators, Foreign Air Carriers
1542	Airport Security	U.S. Aircraft Operators, Foreign Air Carriers
1544	Aircraft Operator Security	U.S. Aircraft Operators
1546	Foreign Air Carrier Security	Foreign Air Carriers
1548	Indirect Air Carrier Security	Indirect Air Carriers
1549	Certified Cargo Screening Program	Shippers, Independent Cargo Screening Facilities (ICSFs), Indirect Air Carriers who screen cargo

Regulatory Framework

United States Constitution
United States Code

- US Constitution is the Supreme Law of the Land
- All general and permanent laws become part of the US Code

C.F.R.
Rulemaking

- In rulemaking, an agency issues a Notice of Proposed Rule Making (NPRM) for a direct final rule (DFR) or an interim final rule (IFR) followed by a final rule (FR)
- Rulemaking is governed by the Administrative Procedure Act (APA)
- A regulation is codified in the CFR

SSPs

- Standard Security Programs (SSPs) provide specific procedures and requirements as outlined in the CFR
  - SSPs are SSI and not available to the public
- Policy team draws on expertise from various parts of TSA (OSO, OCC, etc.) to create SSPs to regulate air cargo entities (air carriers, IACs, etc.)

APs   **Amendments**   **AMOCs**
SDs/EAs

- Alternate Procedures (APs), Security Directives (SDs), and Alternative Measures of Compliance (AMOCs) are supplemental addendums to SSPs that either supersede certain requirements or are in addition to SSP requirements
  - Blanket documents or specific to one entity

Security Program Overview

	Within the U.S.	From the U.S. to a non-U.S. location	From a non-U.S. location serving as the last point of departure to the U.S.	From a non-U.S. location to a non-U.S. location	From a non-U.S. location to a non-U.S. location when overflying the U.S.
AOSSP	✓	✓	✓	✓	✓
MSP	✓	✓	✓	✗	✓
FACAOSSP*	✓	✓	✓	✓	✓
ACISP	✓	✓	✓	✗	✓
IACSSP**	✓	✓	✗	✗	✗
CCSP	✓	✓	✗	✗	✗

* Only Chapters 1, 2, and 8 of the FACAOSSP apply from non-U.S. to non-U.S. locations
* * The IACSSP applies to IAC operations involving cargo that the IAC or its authorized representative tenders within the U.S. for domestic or international air transportation on aircraft operating under a TSA-approved or accepted security program

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Current Security Directives

TSA issues Security Directives and Emergency Amendments (SD/EAs) to regulated entities when addressing a specific threat to civil aviation.

The Oct. 29, 2010 attack on UPS and FedEx aircraft destined for the U.S. changed the air cargo landscape; the threat against passenger and all-cargo aircraft inbound is equal. In response, TSA issued a series of SD and EAs that:

- Established methods to determine high risk cargo and instituted enhanced screening requirements to be conducted upon cargo identified as high risk.
- Specified requirements for handling and screening international mail

Indirect Air Carrier (IAC) Overview

What is an Indirect Air Carrier and why do we regulate them?

An IAC is any person or entity within the United States that is not an air carrier, that undertakes to engage indirectly in air transportation of property and uses for all or any part of such transportation the services of a passenger air carrier.

- Congress established the Indirect Air Carrier Standard Security Program (IACSSP), which prescribes aviation security rules governing each indirect air carrier engaged indirectly in the air transportation of property on aircraft, per 49 Code of CFR part 1548.
- There are three types of IACs – IACs no amendments, IACs with a 001 and/or 002 amendment:
  - IAC – IAC entities who can accept and tender unscreened cargo.
  - 001 – IAC entities who can accept and tender screened cargo.
  - 002 – IAC CCSF entities who can screen cargo.
- Principle Security Inspectors (PSIs) certify new IACs and revalidate existing IACs remotely on an annual basis. OSO Transportation Security Inspectors (TSIs) conduct routine assessments of IACs to ensure compliance with the IACSSP.

Certified Cargo Screening Program Overview

What is a Certified Cargo Screening Facility and why do we regulate them?

Certified Cargo Screening Facilities (CCSFs) are facilities which screen cargo prior to uplift in accordance with TSA regulations. CCSFs are regulated by the Certified Cargo Standard Security Program (CCSSP).

- In November 2009, TSA issued the Interim Final Rule (IFR) as a temporary regulation to implement the cargo screening requirements established in the 2007 9/11 Act. The IFR established the Certified Cargo Screening Program (CCSP) per 49 CFR 1549. Subsequently an order was established to regulate all CCSFs, including shippers, IACs, and Independent Cargo Screening Facilities (ICSFs). The Final Rule (FR) was issued in August 2011 and became effective September 2011. In January 2012, the Certified Cargo Standard Security Program Order was converted into a standard security program (CCSSP).
- The implementation of the CCSSP protects against acts of criminal violence and air piracy and to prevent or deter the introduction of any unauthorized explosive, incendiary, and other destructive substance or item onboard an aircraft.
- CCSPs are regulated by Principle Security Inspectors (PSIs) and OSO Transportation Security Inspectors (TSIs) . PSIs certify new CCSFs and revalidate existing CCSFs operations through in-person site visits every 36 months. TSIs perform the same function as they do for the IAC program.

Known Shipper Management System (KSMS)

- IACs and ACs are required to submit their shipper's information to TSA either one at a time, via a batch list, or via the Web Services interface. TSA vets the shipper's information against KSMS' database of verified shippers and returns one of four statuses to the user:

  - **Known**: The shipper is approved and the IAC/AC can tender their cargo to a passenger air carrier.

  - **Awaiting Industry Action**: The shipper's information is similar to information contained in TSA's list but is not a high confidence match. KSMS provides the probable reason for this status. The IAC/AC should review their information and update or appeal if necessary.

  - **Rejected**: The shipper's information does not match any of the records in TSA's list. The IAC/AC should review their information and update or appeal if necessary.

  - **Does Not Qualify**: The IAC/AC has submitted an invalid shipper to KSMS. The shipper is possibly out of business, is an IAC, or the IAC/AC has submitted a P.O. Box as an address.

Screening Technology - Overview

- ScreeningTechnology focuses on equipment and procedures related to the screening of air cargo on passenger airplanes. Its primary function relates to TSA's Approved Cargo Screening Technology List (ACSTL), which is created and maintained by Office of Security Capabilities (OSC) to define which technologies and equipment models may be used to screen cargo.

  - **Approved Technology** – TSA has tested the technology in the OSC lab and determined specific models (hardware and software) to be approved for use in Air Cargo Screening. This designation expires after three years.

  - **Qualified Technology** – TSA has tested the technology after it has been installed and tested in the field at a screening facility. As long as TSA approves the general technology type, this designation does not expire.

- The ACSTL offers technical guidance to two segments of industry:

  - **Technology Vendors** – OSC manages this relationship and creates technical specifications that guide the manufacture of screening technology.

  - **Air Cargo Industry** – Air Cargo manages this relationship, communicating requirements to companies that screen cargo for transport. Detection Technology is responsible for influencing OSC's testing and specifications to meet industry needs for compliance.

Screening Technology – Approved Tech.

Physical Search
Most labor intensive method, but highly effective

X-Ray/AT X-Ray
Offers visibility to interior of cargo

Electronic Metal Detection (EMD)
Detects metals

Explosives Trace Detection (ETD)
Detects trace particles of explosives

Explosives Detection System (EDS)
Uses X-Ray tubes and detectors to create cross-sectional images of cargo
Applies algorithms and software to determine whether cargo is characteristic of explosives

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International Inbound Approach

- TSA's approach to the congressional mandate mitigates challenges presented by the international air cargo environment, while promoting international inbound air cargo security

- The following are elements of TSA's international inbound approach:

    - Changes to **Standard Security Programs** (AOSSP/MSP) for passenger air carriers transporting cargo into the U.S. to include increased requirements for cargo acceptance, handling, and screening

    - **Recognition of commensurate National Cargo Security Programs** that will allow inbound air carriers departing from countries with programs commensurate with those of the U.S. to follow the cargo security requirements of those countries in lieu of TSA's security programs

    - **Air Cargo Advanced Screening (ACAS)** provides additional means to identify elevated risk cargo to ensure that the appropriate security measures are applied prior to air transport

    - **Harmonization** and strengthening of security standards through collaboration with international organizations (e.g. ICAO) and direct engagement with partner countries through bilateral and multilateral agreements

Harmonization

Baseline risk targeting of inbound cargo

Recognition of country security programs

Standard Security Programs

NCSP Recognition Process: Overview

- Host Government guiding statutes, regulations, policies, and programs are received

- Desk-top review of components is conducted:
  - Facility Security (e.g., access control)
  - Personnel Security (e.g., background checks)
  - Training (e.g., scope, frequency)
  - Screening (e.g., technology, procedures)
  - Chain of Custody (e.g., methods for moving and protecting screened goods)
  - Compliance and Oversight (e.g., verification, inspections)

- Where all-cargo air carriers are involved, additional data review includes:
  - Crew vetting procedures
  - Passenger screening procedures
  - Aircraft search procedures

- Site validation is conducted
  - Involves meetings with Appropriate Authorities, visits to Regulated Agents and Known Consignors, and observations of procedures

- Result is "Recognition" or "Recommendations"

NCSP Recognized Countries

TSA has established NCSP commensurate recognition countries, including:

- 28 EU Member States

- Switzerland

- Canada

- Israel

- Australia

- New Zealand

- Japan

- Republic of Korea

- South Africa

- Iceland

ACAS Overview

- In response to an attempted terrorist attack in October 2010, TSA/CBP enhanced air cargo supply chain security and implemented programs to jointly target air cargo shipments inbound to the United States through the Air Cargo Advance Screening (ACAS) pilot initiative.

  - TSA/CBP work jointly at the National Targeting Center – Cargo (NTC-C) to identify and mitigate high-risk air cargo vulnerabilities and threats for the entire cargo supply chain.
  - The focus of ACAS is to identify the 'bomb in a box'.

- Advance Cargo Information (ACI) initiatives such as ACAS, emphasize the importance of the future of risk-based, effective and flexible supply chain security.

ACAS Overview Cont.

- Like Secure Flight, but for international in-bound air cargo

  - Baseline security controls, to include screening , still occur.

  - Added layer of security which is intended to identify high-risk cargo and require mitigating measures.

  - Selectee screening.

  - Do not load (like a "no fly").

- Rules-based targeting

  - The majority of shipments are cleared through automation and the rest are reviewed by a TSA TSS/TSI or a CBP Officer.

- Utilizes hybrid TSA authority and CBP authority

  - CBP authority is utilized to require the pre-departure filing from the ACAS pilot participants; rulemaking underway to mandate pre-loading advance cargo information (a.k.a. PLACI).

  - TSA authority is utilized for the screening requirements.

K9SP Recognition Overview

- The National Explosives Detection Canine Security Program (K9SP) recognition process is a formal method for evaluating and recognizing canine programs for use in aviation security to include screening of air cargo, passengers and other individuals, checked baggage, and accessible property.
- K9SP recognition provides benefits to both partner countries and industry:
  - Recognizes the similarities in the utilization of explosive detection dog teams as deployed in aviation security programs among countries.
  - Enables air carriers in recognized countries to utilize explosives detection dogs as a primary screening method.
  - Serves as a force multiplier which can provide an extra security layer during periods of heightened alerts.
- TSA has granted recognition of the EU Member States' K9SPs.

International Mail Update

- The United States Postal Service (USPS) estimates that 90% of all international mail into the U.S. is carried on commercial passenger aircraft

- TSA security programs require regulated entities to implement increased screening procedures for all cargo consisting of international mail

- TSA has been working closely with the Postal Services and government stakeholders to explore options for screening U.S. Mail for transport on passenger aircraft.

Mr. NEFFENGER. But it's oversight of the caterers, the catering facilities, and the way in which they inspect the catering carts. It's oversight of the cargo, the way in which that cargo is inspected, the multiple steps by which we're now inspecting cargo that wasn't done before, the amount of security perimeter checks that are being done that weren't done before, the reduction in the security perimeter entrances into each of those airports that are covered by airport security plans. So a lot has been done.

What I was referring to was I wanted to give a very specific detail of that to you airport by airport, and I went back and asked for much more detail so that I could outline it specifically and then move that into the required security plans in an official and directed way.

Senator NELSON. All right. I'll just close, Mr. Chairman, by saying this. It's pretty simple. You lessen the number of entry points like Atlanta had, over 100, down to a handful, and you check the employees going through. You can't do that just as TSA. You've got to get the airports to do that, and that's the report that we want to see in our oversight capacity.

Mr. NEFFENGER. Yes, sir.

Senator NELSON. How many airports of the 300 following the lead of Miami, which did it 10 years ago, have done this, to watch so that something like Egypt and the Russian airliner doesn't happen here?

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Nelson. I couldn't agree more, and I think it points out the need for Senate Bill 2361, which I hope we can move. But as you can tell, this is an issue; we screen passengers getting on planes, but there are so many examples now of airport workers with badges that are committing criminal acts, and this is an area that I think we've just got to shore up. So thank you, Senator Nelson.

Senator Ayotte?

STATEMENT OF HON. KELLY AYOTTE, U.S. SENATOR FROM NEW HAMPSHIRE

Senator AYOTTE. Thank you, Chairman, and I, too, want to add that I hope that with the FAA reauthorization on the floor that we will get the Airport Security Enhancement and Oversight Act perhaps added to that, because I think it makes a lot of sense to do that in light of some of the concerns that we have in this committee and the broad support in this committee for that bill.

But I wanted to follow up on this issue as well, on the angle of—we know that one of the things that came to light that was of deep concern as we thought about the airport workforce was that there were 73 individuals that the Inspector General had identified with reported—some ties to terrorism or issues of concern. And as a result of that, we learned that, in fact, TSA was not getting access to the real-time information from the Terrorist Identities Datamart Environment, or TIDE, data to help inform your vetting of these employees that were having access to the airport.

So I wanted to get an update on where we are in terms of you getting access to the information that you need, not only, as Senator Nelson has identified, the materials that are being brought, to

make sure people are inspected, but what information you have access to that you know about these individuals who have access at the airport that your average person doesn't have, obviously.

Mr. NEFFENGER. Well, Senator, thank you for the question. As I noted earlier, this committee was very supportive in asking for that access, and I'm pleased to report that we now have access to all of the categories that we need to ensure that we're vetting people continuously against those TIDE categories. That's allowed us to more effectively screen the credentialed population on a daily basis.

Senator AYOTTE. And so that's going smoothly?

Mr. NEFFENGER. It is, yes, ma'am.

Senator AYOTTE. Very good. I'm glad to hear that. I wanted to ask about a bill that Congress passed in December of 2014. I also serve on the Homeland Security Committee, and this bill was one that I supported, the Transportation Security Acquisition Reform Act. This is legislation that required TSA to implement best practices and improve transparency with regard to technology acquisition programs, because there have been a number of difficulties, challenges, and failed programs that haven't come to fruition that prompted Congress to pass this bill.

So I wanted to get an update on where you were in terms of greater accountability on TSA's acquisition practices as well today.

Mr. NEFFENGER. Well, that was a particular interest of mine as well when I came in, and I had dealt with acquisition reform in the Coast Guard before coming to TSA. So I wanted to pay particular attention to the way in which we conducted acquisition. One of the first things I did when I came on board last July was to ask the Defense Acquisition University to come in and do a top to bottom review of our acquisition programs and the way in which we conduct them and to look, particularly, for any gaps or process improvements that we could make.

They've just provided that report to me. It took them about four and a half months or so to do that. I'm very pleased with that report. We're now comparing those requirements against the requirements of the Acquisition Reform Act, and we're making process improvements as we go.

What I'd like to do is—I've got a report that we're compiling now for the Committee that will show the steps that we can take, I think, that will dramatically improve our accountability, our oversight, as well as the ability to actually field capability when we need it.

Senator AYOTTE. Right. I mean, obviously, that's the key because a lot of the work before wasn't fielding capability and——

Mr. NEFFENGER. Yes, and that's my big concern.

Senator AYOTTE.—and of spending dollars with no result. And so I would love for us to receive that report so that we can understand where we stand with it and what further action that we can support you on to really improve the acquisition process, because that's critical as you think about your mission and making sure that we have everything functioning with our security system.

I also wanted to just ask about the Managed Inclusion issue. As I understand it—and I'm pleased that this has happened—you've discontinued Managed Inclusion 2——

Mr. NEFFENGER. Yes, I have.

Senator AYOTTE.—which is, I think, very smart and logical in light of the purpose of your agency and security concerns. I just wanted to follow up that the app that was being used that certainly came under some criticism was an app that—I understand this app essentially was—some reports that it was $1.4 million for using it. So I'm assuming you don't need this app anymore now that you've discontinued the Managed Inclusion 2. ' Mr. Neffenger: We are not using that app.

Senator AYOTTE. Was that one of those which would be an example where maybe we shouldn't have purchased that? It seems like a waste of dollars to me.

Mr. NEFFENGER. Well, I've looked at that, and it wasn't—there was a lot more involved in that contract. It apparently was an IBM contract from 2013, and that covered—that $1.4 million apparently covered quite a few components or things. So the actual app was significantly less costly than that, somewhere in the thousands. Nonetheless——

Senator AYOTTE. We didn't need it.

Mr. NEFFENGER. Nonetheless, it is not an app we're using anymore, and what I will tell you is that I have great concern over the way in which we are spending our contracting dollars, the way in which we are spending our acquisition money. That's why I did a complete review of the acquisition program. I think we can build more controls and more process improvements into it so that I can get capability out there that is at the lowest cost to the taxpayer but actually produces things that we really need.

Senator AYOTTE. Well, good. I appreciate your focus on this, because to me, this is critical as we think about the things we do need to do at our airports that require resources and so not to waste resources on things we don't need.

Mr. NEFFENGER. I couldn't agree more.

Senator AYOTTE. So I appreciate it. Thank you.

The CHAIRMAN. Thank you, Senator Ayotte.

Senator Cantwell?

STATEMENT OF HON. MARIA CANTWELL, U.S. SENATOR FROM WASHINGTON

Senator CANTWELL. Thank you, Mr. Chairman.

Mr. Neffenger, it's good to see you again. Many of us participated in a closed door briefing that you gave us prior to the Brussels attack, and I thought it was a pretty poignant briefing. I think that even post-Brussels, it probably is important, Mr. Chairman, to do another one of those maybe in conjunction with Homeland Security or separate as the focus on aviation needs to continue.

I wanted to ask you, Mr. Neffenger—you know, I come from a border state, and a lot of traffic moves between the U.S. and Canada, and we've always held the position that we have to have incredible security. In fact, one of our border agents caught the millennial bomber as he was on his way to come to the United States to either blow up LAX or whatever his mission was. But a Customs border person caught that individual.

So we're very well aware of security, but we're also very poignantly aware of efficiency. We need both. We need both in our system, and we know that as a border state because of the amount

of slowdown. So my point is that Sea-Tac is the fastest growing hub in the country and has experienced growth rates of 7 percent in 2014, and 13 percent in 2015. We've had this map of planning for Sea-Tac which was to handle 19 million passengers, and last year, we had 42 million passengers. So we had a plan for 19, and we just had 42, so we have a problem at Sea-Tac.

My first question to you is, one, will you allow for localized regional training? Because part of the issue is with this new requirement of TSA officer training systems where people are going to— I'm not——

Mr. NEFFENGER. To FLETC down at Glynco in Georgia.

Senator CANTWELL. In Georgia. But you've allowed other airports to do regional training. Will you allow—— because we're about to hit spring and summer, and we have cruise ships that greatly impact the flow in the Northwest. Will you allow for localized training so that those individuals can be trained?

Second, what information sharing do you think that we now need to do? You know that we were successful in getting the Cantwell-Collins bill, which is to move Customs border security to overseas airports, and that allowed us to do that pre——

Mr. NEFFENGER. Preclearance, right.

Senator CANTWELL.—the checking of those passengers over there. I'm fully supportive of that, and we're so glad we got that into the Customs bill. But now what else do we need to do? Are you for the machine reading-sharing, helping those airport facilities have better machine capabilities? What lists should we share? Do you—I would assume, having a past role in the Coast Guard—the Coast Guard's dogs have played a significant role in protecting our ferry system. Do you think that we should be making a larger investment in that? So that's a lot to answer.

I really do have concerns about this app. I really think that you need a coalition of constant input on how to get efficiency. You know, paying this much for an app that we shouldn't have—but if you'll focus on those first questions.

Mr. NEFFENGER. Yes, ma'am. So with respect to the training, we are going to do local training. The idea behind——

Senator CANTWELL. At Sea-Tac?

Mr. NEFFENGER. At Sea-Tac, yes, ma'am. So we'll address that. But we have to mitigate what is going to be a very challenging summer season by pushing as many new hires as we can into the system, directing them to the airports of greatest need—Sea-Tac is one of those—and then ensuring that we're working as much as we can with the local airports and the airlines that service those airports to identify the most efficient means of moving it through. That has to do with working with the airlines to understand their travel plan, their flight loading——

Senator CANTWELL. Well, thank you for that commitment. That is very important to Sea-Tac.

Mr. NEFFENGER. So we're going to do that as we build capacity in the training center so that we don't have to do this in the future. Second, with respect to Seattle, I'll be out there, as a matter of fact, next week. I'm going to be meeting with the airport director and then local officials as well to look at the issues and just see how

well this is going. So I've been trying to do this with each of the major airports around the country.

With respect to other resources that we might need, it really falls into the category of people, training, and technology. I'm very interested in the way we do acquisition, because I need to evolve my technology faster than the threat is evolving, and I think that there are things that we can do to ensure that happens.

Training—I want to continue to build the TSA Academy out so that I can effectively train people to do what they do. And on the people side, I think we——

Senator CANTWELL. And are you for—just because I only have 20 seconds. Are you for more list sharing and machine sharing with our overseas partners?

Mr. NEFFENGER. Yes, ma'am, I am.

Senator CANTWELL. Thank you.

This is something, Mr. Chairman, I think the Committee needs to spend a lot of time on. So thank you.

The CHAIRMAN. Thank you, Senator Cantwell. Good points.

Senator McCaskill?

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

Senator McCASKILL. Thank you. We have spent an awful lot of time and money and energy focusing on the security of our aviation and airports, and I am not critical of that whatsoever. But there remains, I believe, a gaping hole in our security which has to do with foreign repair stations.

I don't think most Americans realize—and, by the way, I've been talking about this since 2007—Congress wanted FAA, wanted TSA to create security rules applicable to foreign repair stations. It took 10 years, but we got a rule in 2014. There's shared jurisdiction here. FAA is supposed to be certifying the safety of the foreign repair stations. You are supposed to be certifying and overseeing the security of the foreign repair stations.

I don't think most Americans know that almost every domestic plane they're in is cared for, repaired, overhauled in foreign repair stations, including foreign repair stations in countries that are listed by the State Department as countries that can be a haven for terrorists. Now, I don't understand—since we have been talking about this since 2007, since I came to the Senate, chaired a hearing on this in 2007—that the rule that you issued didn't even require background checks of people who work at foreign repair stations. There's no perimeter security at foreign repair stations. There's no alcohol and drug testing at foreign repair stations.

So we've got one standard for machinists and others who work on airplanes in the United States, but if you want to take those jobs overseas, then all of a sudden, it is like a sieve. I am grateful that there has not been an incident, but I can't imagine why your agency has not—— and I know you've not been there, but I can't imagine why in this rule there would not be background checks of people working in countries like Egypt on airplanes that are flying American passengers around the world.

Mr. NEFFENGER. Well, Senator, I recently spoke to the Aircraft Repair Association. They had one of their meetings here in the last

couple of months. And we talked about the rule, and we talked about what we do. Just so you know, all of those people hold FAA credentials, which means they're automatically vetted by us every day through terrorist screening data bases, and we vet them against the criminal data bases as well. So we vet them against the combined terrorist screening database that looks at all of the people of interest and concern around the world, and we vet them against the criminal data base.

Senator MCCASKILL. Before they're hired? Right now, when you're hired as a mechanic on domestic American airlines, and you're working on a plane in Egypt, you have a background check before you get on the premises?

Mr. NEFFENGER. I can't speak to what exactly every individual employer does. I can tell you that if you get a credential from the FAA or if you apply for a credential from the FAA, we're going to screen you before you can get that credential, and we'll determine whether or not you can be issued that credential. So in my opinion, that is the last step before you're actually hired, before you can actually work on an aircraft that belongs to a U.S. flight carrier.

Senator MCCASKILL. Well, I would be thrilled to be proven wrong on this. But it is my impression that you can get into these facilities and get near airplanes without a background check right now. Who is inspecting these facilities? Who is actually physically going to the Philippines and to Egypt and——

Mr. NEFFENGER. TSA does. We have our aviation inspector cadre, and they make regular and periodic rounds to each of these locations to ensure that they're complying with the standards.

Senator MCCASKILL. Well, I would love to see that schedule, because I know if you had a repair station in the United States, there was an FAA person almost onsite 24/7.

Mr. NEFFENGER. That's right, and FAA also does the same.

Senator MCCASKILL. And when I did this hearing before, most of this was being done by phone. They were not physically going to the facilities. So if that has changed, I would be really thrilled to hear that. I would love to know how often we're inspecting, and I would also like to know—because at the point in time that we looked at this before, there was no effort even made on perimeter security at these facilities in these other countries.

You know, Americans are pretty upset about jobs going overseas. I understand this is a global economy and we can't put a gun to companies' heads and say, "You must keep jobs in America." On the other hand, if we have certain standards for safety and security for our flying public, and the responsibility lies with your agency and the FAA to make sure that the standards are just as rigorous—you know, without a foreign agreement being in the way, they need to be just as rigorous in the locations where people are working on these airplanes on foreign soil. My sense is that that has not been the case.

So if you've got information that will reassure me in that regard as to inspections, the ability of somebody to get on the premises and near airplanes, the ability to actually work hands-on in an airplane, and if you can reassure me of the thoroughness of that—10 years to make the rule was not a confidence builder for me. So I

would like to be reassured that we are in a better place than we were when we started down this road when I arrived in the Senate.

Mr. NEFFENGER. So let me get you a fuller answer to those questions.

Senator MCCASKILL. That would be terrific. Thank you very much.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator McCaskill.

Senator Heller?

STATEMENT OF HON. DEAN HELLER,
U.S. SENATOR FROM NEVADA

Senator HELLER. Mr. Chairman, thank you to you and the ranking member for holding this hearing today, and I want to thank the Administrator also for being here and answering our questions.

I want to go back to this allocation of personnel and ask you a couple of questions. The first question I have is: When was the last time that you flew into the Las Vegas airport?

Mr. NEFFENGER. It has not been since I've been administrator.

Senator HELLER. Recent, though, within the last couple of years?

Mr. NEFFENGER. Within the last year.

Senator HELLER. Would you agree with me that it's one of the fastest growing and busiest airports in the world?

Mr. NEFFENGER. It is a very fast growing airport, and you've seen some huge growth in passenger volume.

Senator HELLER. We have. We had 3.4 million passengers go through McCarran in February of this year. In fact, it was almost a 9 percent growth from February, previously, 2015, and we anticipate that we're going to continue to see this growth. Can you explain to me why TSA reduced the number of agents at that airport by 110?

Mr. NEFFENGER. Well, you know, I got that report, and we've actually increased the allocation there. So I'm not sure how that information got presented. But I went back and checked, because I was concerned by the same number, and what I found is that we've actually increased the staffing allocation. We've not reduced the numbers there. We've had some attrition there that we have to backfill, and sometimes it takes us a while to get people hired in.

But let me get you the exact numbers. I think if I laid it out, I think I can see why that report was there. But it was really that—you know, we have higher attrition rates in some locations than I'd like to see, and sometimes it takes time to backfill those positions. But I don't believe we've actually reduced the numbers there. But let me get you what I show for numbers and see if it's the same.

Senator HELLER. If I can ask another question, it was promised that it would maintain 10 canine units at that airport. Today, there's only one. I think there's one that's actually borrowed. But can you explain to me why there's a lack of the canine units that were promised to that airport?

Mr. NEFFENGER. Well, we have an allocation staffing model that we have for canines. I can't meet all of the staffing that I'd like to see. I've said before this committee and others of Congress that I

will take more canine teams because I can put them to use. I think it's one of the most effective technologies we have out there.

Where I use them most effectively right now—and Las Vegas is one of these locations—is to very effectively move passengers through the screening environment. It's one of the best tools we have for moving people efficiently through the lines. It's what we're trying to do at all of the large airports.

Let me look specifically at Las Vegas with respect to the team. I don't have the numbers right off the top of my head. I'd like to get back to you with whatever rationale we're using currently to deploy teams there.

Senator HELLER. I just want to make sure it was not a hollow promise, the 10 canine units.

Mr. NEFFENGER. From my perspective, I'd like—as I said, I'd like to grow the canine capability across the system, because I think it's a hugely effective tool, both for detection, but deterrence as well.

Senator HELLER. So if I'm hearing correctly that you would—I can go back to the administrators of that particular airport and say that those 110 TSA personnel will be backfilled or for whatever reason?

Mr. NEFFENGER. That is my understanding. But I'll verify that——

Senator HELLER. And that they will receive the 10 canine units.

Mr. NEFFENGER. As I have them available, yes, sir. The challenge right now is the availability—is the number of——

Senator HELLER. What would you anticipate would be a timeline to get 10 new canines?

Mr. NEFFENGER. Well, what we're doing right now—we currently have—there are about 1,000 total canines operating across the country. About 670 or so of those are deployed to local law enforcement. So that means there are about a little over 300 teams that the TSA has itself. Of those—when I came on board last July, we had only 112 trained to do passenger screening. We're converting the rest of those dogs to passenger screening.

We should be up to about 270 or so by the end of this fiscal year of converted dogs. These are dogs that can both do regular cargo screening and then do the passenger screening. I'd like to get all 320 teams converted by the end of the year. That will give me the ability to start moving teams back into locations that don't currently have them, that are without them.

Senator HELLER. What do the majority of those teams do? Do they sniff for drugs, or do they sniff for——

Mr. NEFFENGER. They're explosive sniffing canines, and they're trained to sniff for a large range of explosives. It takes about 10 months to train a dog team. But once they're trained, they're incredibly effective in what they do. If you've noticed them in the airports, they move up and down the passenger lines, and they sniff for vapor, and then they trace the vapor back to its source.

Senator HELLER. Yes. Thank you for being here.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Heller. There are not many places that you can get direct flights from Sioux Falls, South Dakota, but one of them is to Vegas. So my constituents were adding to that number coming into and out of your airport this year.

Yes?

Senator MCCASKILL. Would you give me 1 second to put something on the record that clarifies the previous testimony, because I'm going to go vote. It's my understanding from talking to my staff that has researched this that the only certification at the foreign repair stations are supervisors and people who have authority to move the aircraft, which is only a fraction of the people that are working on these aircraft at foreign repair stations.

My belief is—and you correct me after this hearing if I'm wrong, and we'll correct the record. My belief is the vast majority of the people working on these airplanes in foreign repair stations have not had a background check.

Mr. NEFFENGER. I'll follow up with you, Senator.

Senator MCCASKILL. Thank you, Administrator.

The CHAIRMAN. Senator Gardner?

STATEMENT OF HON. CORY GARDNER,
U.S. SENATOR FROM COLORADO

Senator GARDNER. Thank you, Mr. Chairman. Thank you both, Mr. Chairman and Senator Nelson, for holding this hearing today.

Thank you, Administrator Neffenger, for your time and testimony today and the service that you provide to our country. I wanted to just ask a couple of questions. I understand you were in Denver recently at the international airport.

Mr. NEFFENGER. I was.

Senator GARDNER. A couple of weeks ago, we received a letter from Denver International Airport—my office did—and it talks about the attacks in Brussels and underscoring the need to address the location of the TSA screening checkpoints at Denver International Airport. I think most people have had an opportunity to have a final departure from—a destination of Denver or have a layover in Denver and understand that this is the fifth busiest airport in the country, the 18th busiest in the world. So this is a significant concern that they are sharing on the screening checkpoints in the great hall at DIA.

And, Mr. Chairman, I would ask that I be able to submit this letter for the record.

The CHAIRMAN. Without objection.

Senator GARDNER. Thank you, Mr. Chairman.

[The information referred to follows:]

DENVER INTERNATIONAL AIRPORT
Denver, CO, March 25, 2016

Hon. CORY GARDNER,
United States Senate,
Washington, DC.

Dear Sen. Gardner,

I am writing to you in the wake of the latest terrorist attack, which, once again, targeted an airport. It served as a sobering reminder of the threats we face. The attack in Brussels has underscored the need to address the location of TSA screening checkpoints in our Great Hall at Denver International Airport, the fifth busiest airport in America.

Relocating the checkpoints to reduce the exposure of travelers and personnel is this airport's highest priority. TSA—from the local Federal Security Director to Administrator Neffenger—shares this same resolve. We have been working on plans for our Great Hall for some time. The primary motivation for that project is reloca-

tion of our security screening areas. I am writing to you today to ask for your help in obtaining Federal funding for this initiative, and I welcome the opportunity to discuss DEN's unique situation.

We have space where our ticket lobbies are currently located to accommodate screening. Doing so would significantly reduce the exposure of waiting travelers and TSA personnel. We will need to compress our airline ticket counters (into 2/3 of the 6th floor area), relocate the TSA operations (into the remaining 1/3), and make major modifications to our baggage system to address the relocated baggage ingestion points. A more efficient checked baggage screening operation for TSA will need to be created by consolidating nine baggage reconciliation areas into two.

Concurrently, TSA has begun its Innovative Task Force Initiative to create a new screening experience that improves the passenger experience and the security margin. This innovative and collaborative approach provides an opportunity to bridge the future of checkpoint screening. We are taking the first steps in a public-private partnership that can redefine for our Nation how we protect the American people from threats to aviation. We have begun planning with TSA to have our airport security improvements serve as TSA's initial prototype for this new approach. TSA Administrator Neffenger has committed his support and we are moving forward to make Denver the national prototype.

He views Denver as a *carte blanche* opportunity to develop a screening process that is more effective, while offering a better passenger experience. He is excited to partner with us to develop a process that uses his team more effectively to focus on risk, to implement new technology to speed up the process, and to improve the passenger interaction. The new prototype created in Denver would be a model to be emulated across the country.

This request comes at a time when we are growing; fielding gate requests from airlines that are requiring us to expand faster than we planned. At the same time, DEN is now 21years old and an aging facility. Our capital is being used to replace chillers, runway pavement segments, failing escalators while simultaneously expanding our concourses, and soon Pena Boulevard. We are not without competing needs for capital and that is what makes Federal funding of the passenger and baggage screening relocation so necessary.

We are asking for your help to protect what we have, while allowing us to grow. I know we ask a lot of you, but I have never asked you for anything more important than this.

We will be scheduling time with your staff (and of course you if you are available) in the next few weeks to discuss this further. Hopefully, we will be able to jointly develop a strategy to get this important task accomplished. In the meantime, thank you for continued support of us and our mission.

Sincerely,

KIM DAY,
Chief Executive Officer.

Senator GARDNER. I just wanted to talk to you a little bit about the Innovation Task Force initiative that's aimed at crafting a modernized passenger screening process with the goal of improving service and the passenger experience. Last week—I believe it was last week—it toured Denver International Airport and talked about partnering perhaps with the TSA to serve—and Denver International Airport as a prototype—to modernize security screening.

Earlier this week, I had the opportunity to tour the facility as well with the management leadership of Denver International Airport to learn about the details of the proposal. Could you provide a little bit more information on TSA's plans with Denver International Airport?

Mr. NEFFENGER. Senator, thanks for that question, and we're very excited at what we can potentially do there. We're seeing, as you know, huge travel volumes right now, and at some point, we reach capacity, no matter what we do, with the current system. So while we have to address today's problem right now—and we're working hard to mitigate it, using passenger screening canines and pushing staff and saving overtime hours and the like—I'm convinced that we need to find a more efficient means of moving peo-

ple through screening, both to reduce the pressure outside the checkpoints as well as to improve the efficiency, while not changing the effectiveness of the program.

So when Kim Day, the airport director, approached TSA and said, "We'd like to move the passenger screening checkpoints from the main hall floor up to what used to be the ticket counter area," it looked like it presented an opportunity to address that. So that initial conversation turned into an opportunity to rethink the security environment of the airport and, for lack of a better term, think curb-to-gate—what can we do?

It's as simple as just putting automated conveyor belts and RFID tags into the bins that you use so that you can more effectively track carry-on baggage coming through the system and more efficiently move the baggage into the screen—it's astonishing how slow the line becomes just because someone has to push their stuff down the conveyor belt—presenting multiple stations at which you can stand to put your stuff into a bin so that you're not just standing behind the guy who wore the combat boots today and you're waiting forever to take your time. So that's one aspect of it. So there's an evolution that has to happen. I mean, we're not going to get to sort of the checkpoint of the future right away. But we have an opportunity, I think, there.

So what we did is we worked with the Denver airport to bring in the airline partners at that airport so all of the airlines that service that airport are members of this team. We brought in the manufacturers' teams, as well as even the FAA and then local authorities, to put together what we call the Innovation Task Force to really do a whiteboard on how you would recreate the screening environment to reduce friction to the traveler and improve efficiency and effectiveness of the system. So in its biggest sense, that's what the idea is, recognizing that there are incremental steps to getting there. But it gives us an opportunity to try some things, and Denver has been very forward-leaning in terms of their willingness to pilot some new ideas.

Senator GARDNER. Thank you. And what steps could Congress take to assist with the implementation of the Innovative Task Force initiative both at DIA and across the country?

Mr. NEFFENGER. Well, this committee will get a report on what we're doing there, and that's part of the plan, to outline the status. There may be some opportunity to create some authorities for public-private partnerships that we don't currently have, for the ability to do spiral test and development of new technologies so that you can feel the technology before you go through the long, drawn-out acquisition process and to reduce the potential cost penalty on the other end to do that.

So I think that there are some things that we will be presenting to you as we learn more about how we might go forward that could provide some opportunity to open up some pilot legislation that would allow us to try something different there that may, in fact, allow us to transform more of the system, as we're addressing what is the real problem right now.

Senator GARDNER. Thank you. And I think in the visit that I was able to take last week to see this entire empty floor space that they have as part of the redevelopment of the hotel right next to the air-

port—I think it presents an incredible sort of blank slate of opportunity to innovate, to test, to create sort of this laboratory of security that we need, really, at a major airport, a major U.S. airport, to find the kinds of techniques, technologies, and security innovations to really move us forward over the next decade and beyond as we see more passengers move through the system.

Mr. NEFFENGER. Well, I agree, and it's a wonderful opportunity, and it solves some very real security problems in Denver, and it points to how we could solve those elsewhere as well. So we're very excited about that, and we see it as an opportunity to do something very different.

Senator GARDNER. Administrator, thank you very much for your time.

Thanks, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Gardner.

Senator Peters?

STATEMENT OF HON. GARY PETERS, U.S. SENATOR FROM MICHIGAN

Senator PETERS. Thank you, Mr. Chairman.

Administrator, thank you for your testimony here as well, and thank you for the work that you do each and every day to keep us safe. My question follows up on a comment that you made, but something that was troubling to me when I had an opportunity to tour one of our large airports in the state of Michigan as a potential vulnerability.

We've talked a great deal about screening airport employees, making sure they have security checks, screening what they may be bringing in. But a concern is that there is an awful lot of material that goes into the airport, into the sterile area, for the catering services, the restaurants, the newspaper stores—to have a stack of newspapers and put a weapon in between a stack of newspapers or whatever it may be. My understanding is there is little or no screening of that happening, and yet there's a great deal of material going in.

You mentioned that you are stepping up some of your catering security service protocols, I believe, in some earlier comments you made during this hearing. Could you give me a sense of what is done now, and why have we not done more, given the fact that that's a lot of stuff coming in? An employee could screen clear and then be waiting for a packet of newspapers to come with contraband in the middle of it, whatever that contraband may be.

Mr. NEFFENGER. There has actually been a lot going on for quite some time. The stepping-up piece was adding additional layers of that. But all of those items, all of that stuff that comes into an airport, all the things you see in the stores in the airport are all examined in some manner at some point before they enter the sterile area of the airport.

What I can do is give you some specifics, exactly how—you know, how do you inspect newspapers, magazines, water bottles, and the like, in addition to the catering and the things that find their way onto the aircraft directly. What we've added in the past 9 months or so is additional times at which that's done and additional randomness associated with how that's done so that somebody can't

get through a predicted layer of screening only to find a way around it later on.

So what I wanted to do was add a significant amount of random unpredictability into the system so that at any given moment at any given part of a day, if you're an employee and you're handling something, or you have things that you're bringing in, that we create an expectation that somebody's going to stop and take a look at what you have. So we've done that both with TSA personnel as well as with airport security personnel and other folks.

Senator PETERS. So you've implemented that now for material that's coming in?

Mr. NEFFENGER. Right. And we actually have been doing that for some number of months now. But that is an ongoing, and that will stay ongoing, because we find it to be a useful additional measure of uncertainty that you introduce into the system that will help us to deter, detect, and disrupt anybody who would attempt to do what they did in Atlanta or other places.

Senator PETERS. And the report that you're in the process of drafting now—you will address that specifically and whether or not it is robust enough in your report?

Mr. NEFFENGER. Yes, sir, we will.

Senator PETERS. And your report does—obviously, more inspection also has a resource implication, and that may be something we have to look at here in Congress.

Mr. NEFFENGER. Yes, sir.

Senator PETERS. I appreciate that. I've heard from airports in my state that they want to have an opportunity to comment on some proposed TSA security regulations or directives before they're implemented. It has been their experience, at least from what they're telling me, that there's a disconnect between TSA officials crafting regulation and then the airports that actually have to implement or at least assist you in implementing a lot of these regulations.

They either think that the TSA has taken a one-size-fits-all approach without regard to different levels of security threats that are experienced at different airports and different sized airports, or they believe that certain security regulations or directives have the effect of assigning TSA responsibilities to airports without providing any additional funding to those airports, which can be a burden for them.

To what extent are airports currently able to comment on proposed security regulations or directives, and how is that feedback taken by your agency, and can we do a better job in the future so I don't hear this from my airport managers?

Mr. NEFFENGER. I'm going to say yes to all your questions.

Senator PETERS. Good. That's good.

Mr. NEFFENGER. Because I do think that we can do a better job. I think we have done a better job recently, and I'll speak to one example of that. But I think that's a valid complaint. I think it's very easy for any government agency to get so focused on its mission it forgets some of the impact that the discussions have.

So I like this idea of full collaboration. This is a system. My job is to ensure that the system operates consistently and in a coordinated fashion. But some of the best information about security is held by the people who are running the system every day. That's

the airports, it's the airlines, it's the people who operate in and around those airports. It's all those things that come together into an airport environment.

So I'd be very interested in expanding our collaboration. The Aviation Security Advisory Committee is a good entry point for me on that. They gave me a lot of that criticism when I first came on board, and I think it was—from my perspective, I take it well, because that's what I'm here to do. I see myself as the ultimate public service agency. We're probably the face of public service for the government.

So long story short, when I discussed with Senator Nelson the work that we're doing to do the vulnerability assessments, we actually worked very collaboratively with the airports and the airport associations that represent the airports to craft that directive in a way that was implementable, that was understandable, and we actually took a lot of their advice in terms of how we did that. In fact, the first attempt I put out came back at me, and we adjusted accordingly.

So I think we've made good progress. I think there's a lot more we can do. It's a constant challenge to make sure that you're including and involving, but that's the approach that I like to take.

Senator PETERS. Well, I appreciate that, and I appreciate your efforts on that. Thank you so much for your time.

The CHAIRMAN. Thank you, Senator Peters.

Senator Daines?

STATEMENT OF HON. STEVE DAINES,
U.S. SENATOR FROM MONTANA

Senator DAINES. Thank you, Chairman Thune.

And thank you, Administrator Neffenger, for testifying today. It's a pleasure to see you again, as always.

Mr. NEFFENGER. Good to see you.

Senator DAINES. Unfortunately, you've not had a quiet nine months on the job. Terrorist attacks in Brussels and Paris, I think, clearly highlight the vulnerabilities at home. Transportation systems will remain a target, and we must remain vigilant. So thank you for what you're doing to secure our Nation.

I know many ideas are being discussed to modify TSA's practices, to extend perimeters, increase canine presence, amongst other proposals. Ultimately, TSA needs to deploy resources in a fashion that will maximize our nation's security. It also includes protecting rural access points to transportation networks. Speaking as somebody from Montana, I want to talk a little about rural access points.

The Screening Partnership Program is an effective way for TSA to leverage its limited resources, especially at some of our smaller airports. In fact, out of the 21 participating airports nationally, nine are actually in Montana. As a voluntary program, how does TSA handle airports that may want to opt back to TSA screening?

Mr. NEFFENGER. Well, you know, they have that option, if they'd like to. If an airport is currently under the Screening Partnership Program with a private contractor and they wish to come back to Federal screening, from my perspective, we have to work with

them to ensure that that happens. And we try to ensure a smooth handoff from contractor to TSA.

Senator DAINES. Yes, and I appreciate that commitment. I have an e-mail from the Montana Department of Transportation. At the Butte airport, they formally requested to go back to TSA screening. And the response we got back from TSA was that passenger screening would cease at Butte. Reverse screening would be conducted upon arrival at Salt Lake. So I think they were questioning how would eliminating screening at a commercial airport actually increase the safety of the national airspace.

Mr. NEFFENGER. So let me look at that, and I apologize for not having that information in front of me.

Senator DAINES. And I think they're starting to get some verbal commitments now, because they pushed back strong on that recommendation. But I want to get your commitment to ensure that whether they're TSA or SPP, we can always maintain the level of security at these rural airports.

Mr. Neffenger, in 2013, the Inspector General reported that the nearly $900 million spent on screening of passengers by observation techniques, the SPOT program, was unsuccessful. I recognize this was before your time on the job, and, again, I'm grateful that you're in this job and working to secure our Nation as well as spend our dollars efficiently.

Last month, the GAO reported cost-saving opportunities in the canine program. Three days ago, we read about TSA spending over $300,000 on a randomizer iPad to tell passengers which lane to stand in, left or right. How is TSA reforming to be good stewards and gain the taxpayers' trust?

Mr. NEFFENGER. Those are good questions and the exact questions I've been asking since I came on board. With respect to that randomizer app, that was part of a larger contract so that not all of that was spent on a randomizer. But, nonetheless, it points to some need for oversight.

So a couple of things we've done. One of the first things I did after coming on board was to look at our acquisition program, and I brought in an outside independent agency, the Defense Acquisition University, just to look top to bottom and tell me if they saw any gaps, and process improvements that we needed, and so forth. My concern is best capability at lowest price and then best value to the taxpayer.

So that's one of the things we're doing, and we're working very hard on improving our oversight, our controls, and the like. And I'm looking across every contract that we have to ensure that the contract is appropriate, that the money is going to what we think it is, that it's actually providing the capability that we're asking for. So I think that's very important, because it's about making sure that we take the limited resources we have and get some results for it.

Senator DAINES. Thanks for that very granular review that you're leading the efforts on. It's appreciated.

As you know, our security is as strong as our weakest link. Enhancements at rural airports strengthen security of the entire national airspace. You know, the bad guys are going to find the weak places to come in. At your confirmation hearing, I asked about the

AIT scanners that were to be installed in 2012, and Montana airports are still without them. In response, you committed to evaluate plans to deploy the scanners. This is a specific question to Montana, but, again, we're as good as our weakest link.

Do you know what the status is of procuring this necessary security equipment for airports in Montana that don't have them?

Mr. NEFFENGER. This is a problem, as you know, across the system. We don't have advanced imaging machines at all in the small airports that I'd like to see them in. So from my perspective, I'd like to see them deployed 100 percent across the system. It's really a funding issue at this point.

So the first thing I had to do was look at where we were on funding, what our current procurement schedule was, and what the deployment schedule was for those. That includes upgrading to the current software technology on board and making sure that they meet our standards.

So we put together a technology plan. It's a 5-year plan for getting those on board. If I could accelerate that plan, depending upon how we can redeploy our resources—part of the reason for doing the acquisition study was to determine whether we had funding internally that we could reallocate to a greater need such as AIT machines.

Senator DAINES. There are two, specifically, and they're two important communities in our state. One is Helena, which is our state capital, that airport. They've been waiting for 4 years for the deployment of the technology.

The second is Great Falls. Let me highlight the importance of Great Falls. The Malmstrom Air Force Base is in Great Falls. That is where we control one-third of the nation's ICBMs. We make sure a lot of our security processes are hardened for obvious reasons.

But those would be two airports that have been waiting for 4 years, our state's capital as well as Great Falls, again, the front door entrance to our ICBM capabilities here for the country. So I'd appreciate it if you'd look at that and let us know how that looks.

Mr. NEFFENGER. Yes, sir. Will do.

Senator DAINES. OK. Thank you very much.

The CHAIRMAN. Thank you, Senator Daines.

Senator Nelson, I think, has another question, and then we may have a couple of members returning from the vote on the floor.

So, Senator Nelson?

Senator NELSON. Mr. Administrator, some real promise is being made by government scientists at NIST. They're working on a new detection system that mimics a dog's nose, dogs being so effective in this attempt that is the bottom line for your agency. So what do you see as the possible future of the use of such systems that mimic a dog's nose?

Mr. NEFFENGER. If they can be effective, I think it would be wonderful. I know that they're a long way from deploying a system like that. We're aware of that. In fact, we have some of our folks working with those scientists to see what's the nature of its capability. So I think what it shows us is that we have to be thinking about the future of screening, because you have to continually evolve the technology that we have.

So I'm a big fan of that, and I think we need to do that, and then wherever possible, pilot it in limited controlled situations to determine whether it actually works in the real-world environment. So I'm intrigued by it. I think there's some potential there. If it works, it could perhaps significantly augment our capability that we currently have.

Senator NELSON. Do you know any of the data and the science behind this device?

Mr. NEFFENGER. I know a little bit of it, but not enough to not get myself in trouble if I try to speak about it publicly. But I can promise you a deeper dye for the record on that.

[The information referred to follows:]

The NIST dog's nose project was an effort to enhance explosives trace detection (ETD) capabilities by emulating the air flow in a dog's nose thereby potentially improving sensitivity in ETDs. This was an exploratory scientific study and not an effort to develop an improved ETD for TSA operational use. In short, the NIST researchers did a 3D x-ray scan of a dog's nose then built a 3–D printed model of the canine nose so that they could model and test the air flow through the canine nose.

Senator NELSON. We'll ask the Administrator at NIST as well.

Mr. NEFFENGER. OK.

The CHAIRMAN. Over and out? All right. Well, we don't have any further questions. Unless somebody breaks through the door momentarily, I think we may be off the hook.

But, Admiral, thank you for your time and for your responsiveness. We will have some questions for the record that we'll follow up with and ask that members who do want to submit questions for the record do that within 2 weeks and that you be as responsive as you can in getting back on those.

Mr. NEFFENGER. Yes, sir.

The CHAIRMAN. We'll look forward to continuing the discussion. These are issues, of course, that are of great importance to our country, our national security, our homeland security. You have an enormous responsibility, but we want to support you in every way that we can and make sure that we get the job done right. So thank you for being here today.

With that, this hearing is adjourned.

[Whereupon, at 11:18 a.m., the hearing was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF HON. RICHARD BLUMENTHAL,
U.S. SENATOR FROM CONNECTICUT

I thank the Committee for having this important hearing.

Many members of this committee have raised grave concerns about the terror attacks in Brussels on March 22. Those horrendous events took place at the Brussels airport—which has been widely covered—but also at a Brussels subway station. In light of these attacks, I want to note several things.

First, it is critical we remember the importance of our surface transportation system in the context of any discussion on security. The Commission investigating 9/11 urged us to vigilantly protect the "neglected parts of our transportation security system" like and rail and transit—just as much as we protect aviation. Our country's public transportation and passenger rail systems are used by tens of millions of people every day. They carry nearly five times as many people per day as our airlines do. Penn Station in New York City handles half a million passengers a day—making it busier than all three New York City regional airports combined, and the busiest transportation hub in our country. It is imperative that we ensure that rail and transit systems are safe and secure for all who rely on them. That much is clear after major attacks in London, Madrid, Moscow and now Brussels. We need to ensure we're protecting our surface transportation network—and that includes freight and ports—as vigorously as our skies.

Second, it is clear we need to work to shore up any "soft" targets. This is clearly a vulnerability that existed in Brussels, and to the extent such targets exist here at home we need to do everything we can to ensure our homeland security and transportation officials and first responders have the resources necessary to plan for and prevent such terrorism from being carried out in a similar way on our shores. I'm proud to have joined several of my colleagues to advance such a measure in the pending FAA legislation—providing airports with more resources to make us safer.

Finally, it is also evident that providing security here and abroad is an ongoing and evolving process. We must be on the lookout and work vigorously to detect and deter threats to every transportation mode. As we learn more about the Brussels attacks, I look forward to working with my colleagues to find any other solutions toward protecting passengers and freight.

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RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. DEB FISCHER TO
HON. PETER NEFFENGER

Question 1. As you may know, my SAFE PIPES Act, which passed the Senate unanimously earlier last month, included provisions to require GAO to assess and report on TSA's pipeline security programs. In 2007, officials thwarted an attempt to attack aviation fuel pipelines at JFK International Airport in New York. Do you have staff in the field, and how often does TSA connect with companies to review security plans?

Answer. Yes, onsite field reviews are conducted on pipelines by Transportation Security Administration (TSA) personnel. Additionally, TSA maintains field personnel assigned as Transportation Security Inspectors and to Visible Intermodal Protection and Response teams.

Employing a risk-based approach, TSA has reviewed the security plans of the operators of all of the Nation's most critical pipeline systems through its Corporate Security Review (CSR) program. Each Fiscal Year, TSA's goal is to conduct ten CSRs on pipeline companies operating multiple critical systems to review their corporate security plans. Additionally, facility security measures and plans are reviewed as part of TSA's Critical Facility Security Review (CFSR) effort. TSA's goal is to conduct 40 CFSRs each Fiscal Year.

Question 2. Do you believe TSA should dedicate more resources towards pipeline security as opposed to other modes?

Answer. TSA constantly evaluates the threats and vulnerabilities of all transportation modes. TSA believes that pipeline and the other surface modes are appropriately funded.

Question 3. As a follow up, in your testimony you mentioned strong coordination between the pipeline industry and TSA on security measures (page 11). What events or initiatives do you believe have led to stronger collaboration with pipeline operators? How could similar approaches be applied to other transportation entities, such as ports or railroads?

Answer. TSA has undertaken a number of initiatives in the pipeline mode that have led to a highly effective public-private partnership. Close coordination with the Pipeline Sector Coordinating Council, information sharing activities such as monthly pipeline stakeholder conference calls and the International Pipeline Security Forum, and full engagement with industry representatives in developing the Pipeline Security Guidelines are some of the initiatives resulting from effective collaboration between TSA and pipeline operators.

TSA conducts similar industry engagement activities for the other transportation modes tailored to the needs of that industry. For example, each mode has a Sector Coordinating Council, conducts monthly information sharing teleconferences, disseminates Security Awareness Messages, participates in Intermodal Security Training and Exercise Program (I–STEP) table-top exercises and I–STEP regional surface transportation workshops.

Question 4. As you mentioned in your testimony, TSA is in the process of updating security guidelines for pipeline owners and operators (page 12). When do you expect the guidance to be completed? What kind of updates do you expect to see?

Answer. The review and update process for the TSA Pipeline Security Guidelines has been initiated. The revision effort will be accomplished with the full participation of TSA's government partners, pipeline industry owners and operators, pipeline trade associations, and other interested parties. TSA's goal is to complete the update to the Guidelines by the end of the calendar year 2016.

The primary area of revision will likely be to the cybersecurity section of the Guidelines. The focus of this part of the revision will be to ensure the provisions of the Pipeline Security Guidelines are consistent with the National Institute of Standards and Technology Framework for Improving Critical Infrastructure Cybersecurity. Additional revisions are possible in the listing of facility physical security measures.

Question 5. Admiral Neffenger, what is the message you would like to send to the American flying public and mass transit riders in the aftermath of the horrific Brussels terror attacks? Would you also share with us some of the additional work that TSA is doing to strengthen security on our public and commercial transportation systems?

Answer. The attacks in Brussels remind us that terrorists remain intent on attacking transportation systems. Although there is no credible intelligence of any plot to conduct similar attacks here in the United States, the Transportation Security Administration (TSA) is working diligently to make travel as safe and secure as possible. With an unprecedentedly high volume summer travel period around the corner, TSA will continue to deploy measures to enhance the security on the public sides of airports.

Following the attack, TSA immediately deployed additional security at airports in the United States, and at various rail and transit stations throughout the country. These efforts included enhanced Visible Intermodal Prevention and Response (VIPR) teams' presence in and around checkpoints and public areas nationwide, and working closely with state and local law enforcement, airport and transit authorities, and the aviation industry in order to augment security measures nationwide.

In addition, TSA has implemented more safety and security efforts following the November 1, 2013 shooting at Los Angeles International Airport, including: mandated active shooter training and required practical training exercises for all TSA employees; installation of duress alarms at checkpoints where gaps were identified; adoption of standards for law enforcement officer presence at checkpoints and ticket counters during peak travel times for airports that do not presently employ a fixed post plan; established minimum recommended standards for airport operators to conduct bi-annual active shooter training and exercises; and explicitly incorporated maximum response times in all Airport Security Programs utilizing flexible response options.

Additionally, while there is no specific, credible terrorist threat to the U.S. passenger rail or public transportation systems, the recent Brussels attacks underscore the need to continue to build upon our surface transportation successes through stakeholder communication, coordination, and collaboration. Within public transpor-

tation systems, TSA engages with state and local partners to identify ways to assess risk, reduce vulnerabilities, and improve security efforts through the Baseline Assessment for Security Enhancement program. These assessments are emphasized on the Nation's 100 largest mass transit and passenger railroad systems measured by passenger volume, which account for over 95 percent of all users of public transportation.

Since Fiscal Year (FY) 2008, TSA has conducted over 105 security exercises within all surface modes through the Intermodal Security Training and Exercise Program (I–STEP), including eight conducted so far this Fiscal Year. TSA facilitates I–STEP exercises across public and commercial transportation systems to help entities test and evaluate their security plans, including prevention and preparedness capabilities, ability to respond to threats, and cooperation with first responders from other entities.

Between FY 2006 and FY 2015, over $2.3 billion in transportation security grant funding was awarded to freight railroad carriers and operators, over-the-road bus operators, the trucking community, and public mass transit owners and operators, including Amtrak. These grants were awarded to assist entities and their dedicated law enforcement providers in enhancing security through operational activities such as counterterrorism teams, mobile screening teams, explosive detection canine teams, training, drills and exercises and public awareness campaigns.

Question 6. I understand that some transportation facilities would like to use TWIC as part of their security plans. What do you think about the voluntary use of TWIC for other modes of transportation, such as pipelines, for facility security plans?

Answer. Since the introduction of the Transportation Worker Identification Credential (TWIC), TSA has had suggestions from transportation stakeholders that TWIC could serve as a trusted and valuable security credential well beyond its statutory maritime origins. In recent months some within the surface transportation industries such as pipeline companies and explosive manufacturers, have renewed their interest in having employees undergo the vetting associated with the TWIC program.

However, absent a statutory mandate for specified workers to undergo a security threat assessment, the Transportation Security Administration (TSA) and employers face limitations on requiring such workers to undergo TSA vetting. From an institutional standpoint, TSA would welcome the vetting of more professionals in the transportation system. Just as the TSA Pre✓® program has done for aviation travelers, vetting additional transportation workers would increase the level of confidence and decrease TSA's concern about insider threats. TSA continues to discuss these issues with stakeholders, and will do whatever it can to meet the best security needs of stakeholders and the Nation.

Question 7. During your confirmation hearing last year, you mentioned that evolving threats to our transportation systems is one of the top three challenges facing the TSA today. Given the fact that DHS IG John Roth, has previously expressed concern with TSA's ability to meet these challenges as a result of deficiencies in workforce integrity and management oversight, how have you in the last year, tackled existing weaknesses in TSA's security mission in order to address these evolving security threats?

Answer. TSA's intelligence and information analysis and dissemination has been an integral driver in the development of employable countermeasures to evolving security threats. This information-driven focus on mission is a primary centerpiece of TSA's response to the covert testing failures as well as TSA's response to 2015 and 2016 attacks against aviation in Egypt, Somalia, and, most recently, Brussels. TSA's focus on mission activities include retraining the entire workforce, correcting security processes and procedures, improving technology capabilities, and analyzing systemic issues to ensure past deficiencies are not repeated while remaining agile enough to quickly identify and address new security gaps as they develop.

Question 8. How has the TSA assessed the threats and adapted accordingly, especially in response to recent events in Brussels?

Answer. The Transportation Security Administration (TSA) has analyzed the terrorist network, tactics, and techniques used in the recent attacks in Brussels. In analyzing the terrorist networks involved to improve attack detection and warning, TSA's Office of Intelligence and Analysis (OIA) has developed advanced analytical capabilities that have proven very effective in identifying networks of individuals linked to terrorist operations. OIA has also played a pivotal role in alerting the intelligence and security community to emerging aviation events through the monitoring of its social media software to provide real-time situational awareness of events. In countering the myriad threats, TSA's intelligence, information analysis,

and dissemination has been an integral driver in the development of employable countermeasures. This is not limited to only detecting insider threat actors but also disseminating vital information on how attacks (successful and failed) were conducted so TSA operations can deploy the most impactful counterterrorism and security capabilities. Of particular importance, in light of the recent insider gun-smuggling incident in Atlanta and the possible insider assistance in the downing of the MetroJet in Egypt, are TSA's efforts to counter the insider threat posed by employees with privileged access to transportation facilities and infrastructure. Working in collaboration with stakeholders, including the Aviation Security Advisory Committee, TSA has taken a number of actions to enhance security by reducing the insider threat: requiring more frequent criminal history records checks of aviation workers; piloting the Federal Bureau of Investigation's (FBI) Next Generation of Identification (NGI) Rap-Back Service (which provides continuous vetting of aviation workers through a fingerprint-based database); and conducting a nationwide vulnerability assessment; airport-by-airport, to create an expectation that every employee could be stopped and inspected.

In addition to these actions, TSA works with federal, state, local and tribal partners to provide a law enforcement presence throughout airports and surface transportation hubs across the nation, deploying Visible Intermodal Prevention and Response (VIPR) teams. These teams use TSA assets in coordination with local law enforcement and stakeholders to patrol public areas and to provide a visible deterrent and response capability.

TSA's intelligence-driven security operations also assist to improve the security of international inbound travel. TSA's Office of Global Strategies works with international partners to assess and mitigate threats to passenger and cargo flights at last point of departure airports bound for the United States. TSA also promotes continued information sharing and aligning of security standards with its international counterparts as it relates to global threats to aviation.

Question 9. TSA serves as the principle force in making sure travelers and their luggage are properly screened prior to embarking, and that passengers travel from point A to point B safely. What are some of the current screening methods in the vetting process for TSA employees that ensure that those responsible for maintaining security, are in fact, not a security risk themselves?

Answer. The Transportation Security Administration (TSA) Personnel Security Section conducts Enter on Duty Determinations prior to beginning work and Final Fitness Determinations for continued employment on all populations. All of the actions directed in the Secretary's 10-Point Plan are currently on-schedule or completed. TSA corrected numerous immediate problems revealed by the covert testing. TSA established a more aggressive training plan and retrained the entire workforce with focused Mission Essentials. TSA has completed two rounds of Mission Essentials and is currently executing Mission Essentials III, which will last through the summer. TSA also implemented rapid improvement events for its screening equipment to include development of improved detection algorithms. All standard operating procedures were rewritten to reduce and focus checkpoint operations, and the Administrator's Intent was released to ensure the organization's main effort remains its transportation security mission.

TSA's Enter on Duty and Fitness Determinations are an initial review of the applicant's credit, fingerprint record, and electronic Questionnaire for Investigation Processing and other required elements. A favorable determination of these factors affords a risk based decision allowing the Federal employee/applicant to commence work before the required background investigation is completed.

Title 49 of the U.S. Code establishes vetting criteria under which any one of 28 convictions automatically disqualifies an applicant hiring. In addition, Department of Homeland Security, Chief Security Officer Memorandum dated March 10, 2009, states that applicants who have one or both of the following will not be offered employment: (1) Cumulative "bad debt" over $7,500, or (2) Any amount of outstanding debt associated with a Federal, State, or local tax lien, delinquent student loans, delinquent child support payments, or unsatisfied court judgment(s). Individuals receiving an unfavorable determination are notified of such, provided the details of the finding, and afforded the opportunity to respond to the decision.

TSA has implemented a recurrent vetting program for all employees, which includes conducting fingerprint-based criminal history record checks on an annual basis to detect criminal activity that may not have been self-reported or disclosed as well as recurrent checks against the Terrorist Watch List. TSA also has initiated the Federal Bureau of Investigation's (FBI) Next Generation of Identification (NGI) Rap-Back Services pilot program at two major airports and with one major airline, whereby aviation workers are continuously vetted through a fingerprint-based database.

TSA's Final Adjudication is the resolution of the completed background investigation conducted by the Office of Personnel Management (OPM). Using Federal and OPM standards for employment suitability, fitness, and security clearance eligibility, a favorable adjudication would allow continued employment and access to classified information.

Question 10. Following the terrorist attack at Brussels Airport, how is TSA mitigating the security vulnerability associated with long lines of passengers waiting to be screened at security checkpoints?

Answer. First and foremost, the Transportation Security Administration (TSA) has made it a priority to deploy measures to mitigate passenger volume at checkpoints while maintaining our security effectiveness. TSA has established four lines of effort focused on maximizing workforce resources: hiring and training to full staffing levels; partnering with key stakeholders; and expanding TSA Pre✓® enrollment in order to mitigate operational impacts over the summer travel period. Specific efforts include: conserving and strategically distributing overtime budgets; utilizing additional overtime funding to support peak operations; seeking Congressional concurrence to reallocate funding from within TSA to support additional staffing; aligning and managing staffing to passenger volume; optimizing canine resources; and hiring and training at an aggressive pace to ensure that increased staffing levels are reached and maintained for the summer travel period.

During times of heavy passenger volume, TSA has additional measures in place to screen passengers waiting in the queue. For example, canine teams are able to screen passengers in the queue for explosives. Additionally, Behavior Detection Officers are trained to observe passengers for suspicious behaviors in line and throughout the public areas of airports. If these behaviors are observed, law enforcement is notified for resolution.

Further, following the Brussels attacks, TSA enhanced its Visible Intermodal Prevention and Response presence in and around checkpoints and public areas nationwide. TSA works closely with state and local law enforcement, airport authorities, and the aviation industry in order to augment these types of security measures.

Question 11. Florida is a gateway to the U.S. for visitors from all over the world and one of America's favorite destinations for family vacations. Many of these travelers are first time flyers and currently our airports are experiencing double digit growth. It seems like the staffing levels are not keeping up with our growth—our security lines are backing up and creating havoc in our airports. Aside from the current staffing model, what other resources and technology is your agency looking to leverage to better manage passenger processing and wait times to better address efficiency for passengers while at the same time mitigating national security threats? Has TSA solicited input from airports and airlines on ways to increase the efficiency of the screening process, again, to better address efficiency for passengers while at the same time mitigating national security threats?

Answer. The Transportation Security Administration (TSA) is working with airline and airport stakeholders to address the wait time issue without sacrificing security effectiveness. On April 8, TSA hosted the Chief Operating Officers from the top seven airlines (United, Delta, American, Southwest, Alaska, JetBlue, and Hawaiian) to collaboratively understand the threat and TSA volume initiatives, and to develop a joint mitigation plan for summer volume. Additionally, TSA is collaborating with airports and airlines to support non-security screening operations, such as returning bins to the front of waiting lines, and other non-security related tasks. TSA has formed Optimization Teams and closely partnered with airlines, airport authorities, and industry to deliver these types of innovative measures. TSA is working with the aviation industry to develop airport-specific actions plans for the Nation's busiest airports.

TSA understands that travel is an important economic driver in the State of Florida, and we have taken action to mitigate summer volume issues as much as possible. For example, Miami International Airport (MIA) is receiving approximately 50 additional new employees, which they hope to have in place by July. MIA has been authorized to conduct local training to more quickly onboard the new employees. TSA has also increased the amount of overtime available to employees at MIA to more fully staff checkpoints during peak travel times.

Additionally, TSA continues to implement four lines of effort focused on maximizing workforce resources: hiring and training to maximum staffing levels, partnering with key stakeholders, and expanding TSA Pre✓® enrollment in order to mitigate operational impacts over the summer travel period. Specific efforts include: conserving and strategically distributing overtime budgets, utilizing additional overtime funding to support peak operations, seeking Congressional concurrence to reallocate funding from within TSA to support additional screener re-

sources, aligning and managing staffing to passenger volume, optimizing canine resources, and hiring and training at an aggressive pace to ensure that full staffing levels are reached and maintained for the summer travel period.

For the longer term, TSA is also evaluating the current technologies available and identifying viable solutions, such as automated bin return systems, multi-station divesting, and other technologies, which may increase checkpoint effectiveness and efficiency. TSA looks forward to working with industry partners to strengthen security, increase operational efficiency, and improve the passenger experience.

Question 12. Rather than sending all new hires to the Federal Law Enforcement Training Center (FLETC) in Georgia, does TSA plan to permit local training of Transportation Security Officers at their assigned airports during the busy summer travel season?

Answer. The Transportation Security Administration (TSA) remains committed to the centralized delivery of training for all newly hired Transportation Security Officers (TSOs) at the TSA Academy, located at the Federal Law Enforcement Training Center in Georgia, as a long-term strategic objective. However, TSA recognizes that the record passenger volume anticipated for the upcoming peak summer travel period requires some flexibility. Therefore, TSA has authorized a limited number of local new hire training classes for those airports with the greatest need for additional staff. Simultaneously, TSA will continue to deliver its new hire training at the TSA Academy to ensure that the maximum numbers of new hire TSOs are trained. The airports conducting local new hire training are:

- Denver International Airport
- LaGuardia International Airport
- Detroit Wayne County International Airport
- Seattle-Tacoma International Airport
- Boston Logan International Airport
- Chicago-O'Hare International Airport
- Miami International Airport
- Honolulu International Airport
- JFK International Airport
- Las Vegas International Airport
- Chicago-Midway International Airport
- Los Angeles International Airport
- Newark-Liberty International Airport
- Guam International Airport
- Kona International Airport
- Kahului Airport
- Lihue International Airport
- John Wayne (Santa Ana) Airport
- Burbank International Airport

In some cases, new hire classes have been consolidated for neighboring airports (for example, Los Angeles and Burbank candidates are attending the same new hire classes). TSA expects to have these classes complete with 768 locally trained new hire employees in place by the end of June.

Question 13. As you know, the Aviation and Transportation Security Act of 2001 required that airports invest in explosive detections system (EDS) security equipment, with the understanding that TSA would provide reimbursement for airports that complied. While the specific circumstances vary, in each instance the airports shouldered the financial burden with the expectation they would be reimbursed for up to 90 or 95 percent of the allowable costs. More than fifteen years later, airports across the country remain burdened by the debt incurred from these purchases, and as a result are unable to invest in other important projects. Follow up. In the FY 2016 Omnibus Appropriations legislation, Congress included a provision directing TSA to develop a process to review and validate reimbursement claims from airports for in-line baggage screening systems installed prior to 2008 and to submit a plan, not later than 60 days after the date of enactment of the Act, for reimbursement of validated claims. What is the status of this plan? Follow up. It is my understanding that the Department's FY 2017 budget request did not include sufficient funding for creating a reimbursement plan. Why wasn't this funding request included? Follow up. Can you ensure that any future reimbursement plan will not negatively impact other national security priorities?

Answer. The Transportation Security Administration (TSA) is currently developing a reimbursement review and validation plan for the In-Line Baggage Systems constructed without a funding agreement with the government, as directed by legislation. If the plan is initiated, TSA estimates a time-frame of up to nine months from receipt of airport documentation to validate the project cost information and the claim for reasonable expectation of reimbursement. Future requests for funding for this plan will be made in concert with the development of annual budget requests.

In compliance with the requirements established in the 9/11 Act, TSA prioritizes limited available funding for TSA projects according to the strength of their contribution towards fulfilling the agency's mission to protect the Nation's transportation systems. Funding is allocated within this schedule based on the project's security and operational benefit, the reduction of risk, and the availability of funds. TSA has created a funding prioritization schedule for mission critical projects, while ensuring core functions and prior commitments are sufficiently funded as the primary driver.

Question 14. Due to a combination of factors, such as long hang-time and inefficient security screening thru-put, operational costs for air carriers at small airports in Montana and throughout the Nation are quite high. These high costs make it difficult for small airports to attract and retain air service, leading to an overall decline in accessibility and customer service. Given the existing issues of maintaining cost-effective air service and sufficient security screening, what efforts are being taken to account for the additional costs of implementing 100 percent employee screening, when resources at small airports are already spread thin?

Answer. Currently, the Transportation Security Administration (TSA) has not implemented a requirement for 100-percent employee screening at any airport, large or small. However, TSA has issued guidance to airports that employee screening protocols should put employees on notice that on any given day, any one of them may be subjected to an inspection.

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RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. AMY KLOBUCHAR TO HON. PETER NEFFENGER

Question 1. At the Minneapolis-St. Paul International Airport, the security line at peak travel times took an average of 45 minutes and people were missing their flights. The issues that contributed to this long wait time were multifaceted: an increase in travel volume, the consolidated lines at the North Terminal, and training of screeners and K–9 units. Given the increase in volume and the necessary increase in security protocols after the findings of the IG report, how is TSA adapting to ensure that passengers can safely and efficiently go through screening processes?

Answer. We have made significant changes to our operations at MSP, and we are seeing results. We filled two additional passenger screening canine team vacancies in March, bringing their total allocation to six teams. We have also adjusted our staffing levels during peak times, converted frontline Transportation Security Officers from part-time to full-time, authorized additional overtime, and appropriately limited the number of staff on annual leave during the peak travel season. We have also given the Federal Security Director the flexibility to use Behavior Detection Officers to perform other screening functions.

Nationwide, in concert with the Transportation Security Administration's (TSA) main focus on maintaining security effectiveness and resolving all alarms at the checkpoint, a wide variety of initiatives have been undertaken so that passengers can safely and efficiently transit the screening process. These initiatives include:

- Hiring and training additional Transportation Security Officers (TSO) at an aggressive pace to staff the Nation's busiest airports.
- Optimizing the use of overtime hours, so that more of the TSA's budgeted overtime for TSOs is available this summer. TSA will realign funds from within TSA in order to increase the resources available for summer overtime.
- Deploying Passenger Screening Canine (PSC) teams to support peak volumes. TSA is also converting some cargo screening teams to passenger screening, which will support expedited screening through the remainder of the year.
- Working with airports and airlines to increase throughput at passenger checkpoints by reducing the number and size of carry-on items.
- Partnering with airports and airlines to conduct flight scheduling optimization visits at the highest volume airports. This will allow checkpoint staffing schedules to be better aligned with airline flight schedules so that passenger volume

is distributed better over time. TSA is also collaborating with airports and air-lines to support non-security screening operations, such as returning bins to the front of waiting lines and other non-security related tasks.

Longer term efforts may include:

- Partnering with industry and the Department of Homeland Security (DHS) Science & Technology Directorate to develop innovative solutions to improve passenger flow, queue design, and increase security effectiveness.
- Broadening marketing and outreach efforts for TSA Pre✓®, to include:
- Media advertising, with a focus on top travel markets, hotels, rental cars, credit cards, in-flight magazines, in-flight Wi-Fi, and airport signage.
- Targeted messages to frequent travelers who are not yet enrolled in a Trusted Traveler program.
- Offering TSA Pre✓® through airline and other corporate rewards and benefits programs.
- Major corporate travel convention presence.
- Social media efforts.
- Additional corporate and airport mobile and long-term enrollment centers, including TSA-sponsored events.

Question 2. I understand that TSA is authorized to hire more part-time screeners, but there is a cap on full time screeners. I know the number of screeners at MSP has gone down over the last few years as travel volume has increased. How does the cap impact the TSA's ability to meet the current demands of airport security and why has there been a reduction in the number of screeners?

Answer. Minneapolis-St. Paul International Airport (MSP) is currently allocated 630 Full Time Equivalent (FTE) positions, and as part of the $34 million Congress recently approved TSA to reprogram, they have been approved for an additional 10 FTE to be used for increased overtime, or they can hire more Transportation Security Officers in place of the additional overtime.

The FTE limitation contained in the Fiscal Year (FY) 2016 appropriations bill does not affect the ability of the Transportation Security Administration (TSA) to hire Transportation Security Officers (TSO). The limitation of 45,000 FTE does not apply to screeners hired as part-time, and there is no restriction on part-time TSOs moving to full-time as those positions become available. Rather, the limitation comes from the amount of available resources—the FY 2016 appropriations bill provides funding sufficient for 42,525 TSOs, which was above the FY 2016 President's Request, and TSA gained Congressional approval to realign $34 million from other TSA funding to support additional screening hours to meet this year's unprecedented summer surge in passenger traffic.

TSA's budget for the past two years had proposed reductions in TSO FTE as savings accrued from the implementation of TSA Pre✓® and other risk-based expedited screening programs. These budgets relied on earlier projections that did not adequately anticipate the recent passenger growth.

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RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. RICHARD BLUMENTHAL TO HON. PETER NEFFENGER

Question 1. On March 22 in Brussels, the world was reminded of the essential, non-negotiable need to protect our airports, subways, and other critical infrastructure from cowardly, evil acts of destruction. Congress was fully aware of such threats in August 2007, when it passed landmark legislation requiring the Department of Homeland Security to take rigorous, robust action to stem the tide of terrorist threats to transportation on our shores—including our surface transportation network. These calls for action required TSA to complete a number of critical security mandates by August 2008. But now, almost eight years since the deadline for these efforts, TSA is nowhere near completion of the necessary actions.

The Implementing Recommendations Act of the 9/11 Commission Act of 2007 required TSA to take three important actions: (1) ensure all high-risk target railroads have strong, sufficient security plans; (2) ensure public transportation agencies, railroads and bus providers have training standards on security threats and conditions for frontline employees; and (3) ensure public transportation agencies and railroads conduct rigorous, name-based security background checks and immigration status checks on all frontline employees. Unfortunately, TSA has not met these statutory requirements.

I raised this issue last year at your nomination hearing, but TSA failed to provide definitive timelines. I raised this issue again in August after an averted terrorist catastrophe on a train in Europe, and TSA informed me that the proposed security-planning rule and the training rule were "in the final stages of regulatory development" and were on track to be published "by the end of Fiscal Year 2016." The vetting rule was given a projected time-frame after completion of the first two rules—which could be years from now. I received a follow-up response from your office last month, informing me that all three rules were further delayed: TSA had yet to formally collect information and data on how to develop a proposed security-planning rule; the proposed training rule would be published "in 2016"—which could be later than the Fiscal Year time-frame I was told in September; and the vetting and the background check rule remained "on a slower track." All of these timelines concern proposed rules—not even final rules.

Overall, it appears the responsibility for completing these rules will fall on the next administration. This is inexcusable. I recognize there are some collaborative, consensus-led efforts to achieve the goals of the 9/11 Act short of actual rules. But Congress required rules, and after a distressing, disheartening decade of foot dragging and delay, these rules are nowhere near done. Although many associate TSA with aviation, whereas these rules concern surface transportation, our passenger rail systems carry five times as many passengers as airlines, through a massive nationwide network. It is no less urgent—and no less within your agency's statutory mandate—that this critical infrastructure receive attention and protection immediately.

Why has TSA failed so dramatically in carrying out these requirements? When will TSA finally achieve the results Congress sought almost a decade ago?

Answer. Please be assured that I share your concern and have asked my staff for continued updates regarding our work with stakeholders to ensure the security of the Nation's surface transportation systems. As you noted, notice and comment rulemaking is a complex, time consuming process influenced by many factors, including those that are outside of the Transportation Security Administration's (TSA) control. Notwithstanding these challenges, TSA is making progress in meeting the outstanding 9/11 Act requirements and is currently on track to publish the security training Notice of Proposed Rulemaking (NPRM) before the end of the Fiscal Year. TSA also continues to prioritize the security plans and vulnerability assessments, proposed regulation and the security background and immigration checks for front-line employees, and has identified a path forward that will best position both rules to satisfy the stringent standards established by the Office of Management and Budget under Executive Order 12866.

In the interim, TSA has taken numerous actions to ensure that our transportation hubs have robust security measures in place to protect the public. Based on continued voluntary compliance by our stakeholders, we believe the security landscape for high-risk surface transportation providers is consistent with anticipated future regulatory requirements. These measures are outlined in detail below.

1. Leveraging grant funding and thorough assessments, TSA has ensured that high-risk railroads have strong, sufficient security plans.

The 9/11 Act included requirements for security enhancement grants that are applicable to high-risk public transportation agencies (including commuter railroads) and Amtrak (secs. 1406 and 1514). Under the 9/11 Act's requirements, applicants for funding under the Transit Security Grant Program (TSGP) are required to have a current security plan in order to be eligible to apply for TSGP funds. The act of applying for a grant serves as the transit system's way of attesting it has a current security plan, meaning a security plan that has been updated within the past three years. Additionally, the grant Notice of Funding Opportunity requires that projects for transit systems that are seeking funding must be linked back to vulnerabilities identified in their security plans; otherwise, the project will not be recommended for funding. Of the 114 eligible transit systems (non-ferry) in the TSGP including Amtrak, 103 (89 percent) have met these standards as they have applied for grants. The same requirements have been consistently applied to the other surface modal grant programs as required by the 9/11 Act (*see* sec. 1513 for railroads other than Amtrak and sec. 1532 for over-the-road bus security assistance).

Between Fiscal Year (FY) 2006 and FY 2015, almost $47 million was awarded through the TSGP and Amtrak grants specifically for security planning efforts and more than $2.2 million for security planning efforts through Intercity Bus Security Grant Program (IBSGP/OTRB). Between FY 2008 and FY 2011, $4.2 million was awarded through the Freight Rail Security Grant Program (FRSGP) for security planning efforts. The FRSGP has not been funded since FY 2011.

Our assessments indicate that this funding has resulted in a significant improvement in security planning efforts. Of the 114 eligible transit (non-ferry) systems eligible under the TSGP, there are 92 systems that have been assessed at least twice through TSA's Baseline Assessment for Security Enhancement (BASE) program. Security plans are one of the 17 Security Action Items (SAIs) that TSA assesses as part of the BASE. As part of the BASE review, a score is derived from a checklist. Each category is then scored and the BASE score is an average of all categories. The total aggregate scores for the 92 transit system security plans that have been assessed more than once have increased by 15 percentage points.

2. With TSA funding and sharing of best practices, TSA has ensured that public transportation agencies, railroads, and over-the-road bus providers have training standards on security threats and conditions for frontline employees.

TSA has ensured that public transportation agencies, railroads, and over-the-road bus providers have established training standards to enhance security awareness for frontline employees. For example, through funding and other support provided by TSA, the American Public Transportation Association (APTA) has promulgated standards for security awareness training for transit employees. Both the U.S. Department of Homeland Security and the U.S. Department of Transportation have funded courses that can be used to meet these standards. TSA maintains an open discussion with the management of freight railroads regarding the scope and content of security awareness training for frontline employees. In addition, TSA has provided training materials to railroads and allied industries on subjects such as recognition and identification of improvised explosive devices in the freight rail environment and how to detect and react to signs of potential sabotage on and about railroad infrastructure. TSA also provided guidance to the railroads in January of 2016 during meetings of the Rail Sector Coordinating Council about suggested training program content that would comply with the training program elements outlined in section 1517 of 9/11 Act. TSA's First Observer™ security domain awareness program delivers web-based training to highway professionals, including over-the-road bus operators, encouraging frontline workers to "Observe, Assess and Report" suspicious activities.

From FY 2006–FY 2015, almost $145 million was awarded through the TSGP and Amtrak grants specifically for security training and $5.5 million was awarded through the Intercity Bus Security Grant Program (IBSGP/OTRB). Similarly, from FY 2008–FY 2011, through the FRSGP, $7 million was awarded to support security training conducted by transit agencies. This funding included a grant awarded to short line railroads for the expressed purposes of developing interactive security training programs for frontline employees. Approximately 100,000 individuals have been trained on the First Observer™ Program.

Our assessments indicate that the above-referenced grant program has resulted in a significant improvement in security training. Of the 92 transit systems eligible under the TSGP that have been assessed at least twice as part of TSA's BASE program, 72 percent (66) have seen improvements in their training scores, or maintained their current level of achievement. Additionally, 67 have security training scores greater than 70 percent. The total average security training scores for TSGP-eligible systems assessed more than once have increased by 10 percentage points. Class I freight railroads and many of the Class II railroads have made modifications to their employee security awareness training programs consistent with requirements under the 9/11 Act.

TSA has also worked directly to improve the security of key transportation facilities and systems serving commuters in your congressional district. In addition to providing funding and other support to rail systems operated by surrounding jurisdictions that serve Connecticut commuters, both CTtransit and the Connecticut Department of Transportation (CT DOT) have been eligible for funding under the TSGP and have received the following allocations based on their requests:

- CTtransit: $720,500 since FY 2009
  - $483,500 for public awareness
  - $237,000 for CCTV on buses
- CT DOT: $29 million since FY 2006
  - $2.9 million for K–9 teams
  - $3.2 million for critical infrastructure protection
  - $6.7 million for public awareness
  - $0.5 million for security planning

○ $1.2 million for interoperable communications
○ $0.7 million for rail yard security
○ $13.8 million for fiber optic cable

In addition, TSA has conducted assessments specifically for systems providing service in Connecticut. Both CTtransit and the Metro-North Railroad Company have been assessed three times. Both systems have received Gold Standard awards for achieving overall scores greater than 90 percent during their last assessments. Specific score information is protected as Sensitive Security Information (SSI). TSA can provide this information under separate cover upon request.

3. TSA has developed standards for public transportation agencies and railroads to conduct rigorous, named-based security background checks and immigration status checks.

In cooperation with the relevant associations (the American Public Transportation Association and Association of American Railroads), TSA has developed standards for public transportation agencies and railroads to conduct named-based background checks. Promulgated in 2011, APTA's recommended practices for "conducting background investigations" reflect the requirements for the scope of background checks in section 1414 of the 9/11 Act, including redress. Of note, as publicly owned systems, transit systems are likely to have access to information for criminal history record checks of public employees that may not be available to the private industries covered by TSA's security threat assessment programs. In addition, since enactment of the 9/11 Act, the E-Verify system has become available to all employers as a free resource to validate citizenship information on their employees. Several states require use of E-Verify for all public employees and contractors, which would include employees of public transportation systems. BASE data indicates that the average score for conducting background investigations of employees and contractors has risen from 87 percent in FY 2010 to 94 percent in FY 2015.

TSA has consistently worked to enhance and maintain the security of surface transportation and will continue to do so while simultaneously moving forward with promulgation of the regulatory requirements imposed under the 9/11 Act.

Question 2. In 2008, with fuel prices soaring, airlines began imposing new surcharges and "ancillary" fees to customers. The most notable of these fees is the "bag fee," in which airlines charge customers a $25 or $50 to bring their bag with them—on top of the fare. Not surprising, savvy customers balked at this nickel and diming and quickly realized they could avoid the airlines unscrupulous fees and fares by simply bringing their bag with them on the plane—just carrying it on.

It appears the airlines' anti-consumer effort could also undermine security. More passengers carrying on their bags means more bag screening, which leads to longer lines, more "soft" targets, greater stress on TSA personnel and equipment and resources. I filed an amendment in this committee in March to require GAO conduct a study of the impact of bag fees on aviation security—including the economic losses incurred by waiting in line and whether airlines are paying their fair share for these increased costs. I am pursuing that in the FAA bill as well. It may seem like a small issue, but airlines are making tens of billions from these fees—mostly tax-free—and it appears we the taxpayers are picking up the tab for the long lines they have caused.

Do you think the rise of baggage fees could have had an impact on longer lines and strain on TSA resources?

Answer. Looking at the last nine years of TSA data, the average ratio of checked bags per passenger declined from a high of 0.81 checked bags per passenger in 2007, prior to the institution of checked baggage fees, to a low of 0.65 checked bags per passenger in 2015. This equates to a 20 percent reduction in the amount of checked bags from 2007 to 2015. In 2015, TSA conducted a small scale study of Southwest Airlines passengers and legacy airline passengers. Data from this study indicated that Southwest Airlines passengers presented fewer carry-on items per person for screening than legacy airline passengers and had a correlating increase in the checked baggage ratio.

Question 3. Last year we saw a major, massive scandal in which it was revealed how easy it was for undercover TSA teams to get weapons past TSA screeners.

It was revealed that TSA airport screeners failed to find fake explosives and weapons in 67 out of 70 tests that were conducted by undercover Federal agents known as a Red Team—a failure rate of 95 percent.

What reforms have you carried out to ensure this never happens again?

Answer. The Transportation Security Administration (TSA) has implemented a number of near-term steps to address the issues raised by the covert testing, which

is aligned with the 10-Point Plan directed by Secretary Johnson. These steps include initiatives to ensure leadership accountability, improve alarm resolution, increase effectiveness and deterrence, increase threat testing to sharpen officer performance, strengthen operating procedures and technology, and enhance training. This included a root cause analysis that identified multiple areas for improvement, and TSA is mitigating those areas through program action plans. All of the actions directed in the Secretary's 10-Point Plan are currently on-schedule or completed.

Most importantly, TSA corrected numerous immediate problems revealed by the covert testing. TSA established a more aggressive training plan and retrained the entire workforce with focused Mission Essentials. TSA has completed two rounds of Mission Essentials and is currently executing Mission Essentials III, which will last through the summer. TSA also implemented rapid improvement events for its screening equipment to include development of improved detection algorithms. All standard operating procedures were rewritten to reduce and focus checkpoint operations, and the Administrator's Intent was released to ensure the organization's main effort remains its transportation security mission.

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