U.S. DEPARTMENT OF HOMELAND SECURITY
TRANSPORTATION SECURITY ADMINISTRATION

STATEMENT OF DAVID M. STONE
ACTING ADMINISTRATOR

Before the

SUBCOMMITTEE ON AVIATION
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
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Good morning, Mr. Chairman, Senator Rockefeller, and Members of the Subcommittee. I am pleased to appear before the Subcommittee to discuss the Transportation Security Administration's (TSA) progress and plans for safeguarding air travel from terrorist threats. I want to thank the Subcommittee for its support of TSA, and I look forward to working with you in the coming months to further strengthen our system-of-systems approach to aviation security.

As you are well aware, in the months immediately after its creation, TSA trained and deployed passenger and baggage screeners at the nation's commercial airports, instituted 100 percent checked baggage screening, and established a Federal Flight Deck Officer (FFDO) program to train pilots who volunteer to carry firearms to defend aircraft flight decks. Since joining the Department of Homeland Security (DHS), TSA has worked under the guidance of the Border and Transportation Security Directorate (BTS) to expand the number of Federal Flight Deck Officers, expand the use of explosives detection canine teams, check names on master cockpit crew lists for international flights, enhance coordination and sharing of aviation security intelligence, issue security directives strengthening air cargo security, and much more. Identifying opportunities to share information, resources, and expertise, TSA has collaborated extensively with other BTS agencies and with other DHS components, such as the Science and Technology (S&T) Directorate and the Information Analysis and Infrastructure Protection (IAIP) Directorate, to carry out our vital transportation security mission.

Looking ahead to Fiscal Year (FY) 2005, TSA and our partners will continue to reinforce aviation security through innovation, technology, and enhanced performance. The President's FY 2005 Budget request proposed a level of $5.296 billion for TSA, $892 million more than the adjusted enacted level for FY 2004.

Our top aviation security priorities in FY 2005 include measuring and improving screening performance, developing advanced screening technology, and expanding the Federal Flight Deck Officer program. We will continue to develop and implement credentialing and background check programs, and in partnership with air carriers and

other stakeholders, implement the range of initiatives encompassed in our comprehensive Air Cargo Strategic Plan.

A significant portion of TSA's requested funding for FY 2005 would support and improve passenger and baggage screening operations at the nation's airports.
It is critical that we maintain a focused, dedicated, well-trained force of screeners at our nation's airports. Each month more than 40 firearms are intercepted at airport checkpoints by TSA screeners, telling us first, that we must continue to be diligent in our screening efforts, and second, that passengers are not voluntarily complying with the ban on bringing dangerous weapons onto aircraft. TSA is holding press conferences at many airports around the country to educate passengers about prohibited items.

Information and data on TSA's performance are critical to our ability to make strategic decisions, and TSA is implementing short- and long-term performance measures. This includes Passenger and Baggage Screening detection rates to assess effectiveness; Cost Per Passenger and Cost Per Bag to assess efficiency; and Customer Service Index elements of the Screening Performance Indices. This information will be used to assess the impact of higher passenger volume on the effectiveness of security operations and the public's level of satisfaction. Our Customer Satisfaction Index is based on feedback from passenger surveys at airports, polls, and traveler comments. TSA's score for all airports is 80 percent, indicating that overall, passengers are "more than satisfied" with their experience at passenger security checkpoints. Over 1.7 million passengers and 2 million bags are processed through airport checkpoints on a daily basis, yet average wait times are still low.

We will continue to place a strong emphasis on programs critical to maintaining high skill levels in the screening workforce. Under TSA's Short-Term Screening Improvement Plan, TSA has already made significant strides to implement enhanced training, deploy technology, reengineer policies and processes, increase support to the field, and increase covert testing.

TSA uses its Special Operations Program to provide ongoing and immediate feedback to screeners, their supervisors, and TSA leadership on screener performance. The Special Operations Program's overall objectives are to test the security systems at the airports and to introduce difficult, real-life threat items to the screener workforce. Once covert testing is completed at a checkpoint, Special Operations teams conduct post-test reviews with available screeners to reenact the test and provide training.

As part of the Short-Term Screening Improvement Plan, Special Operations teams have tested 103 airports between October 1, 2003, and March 1, 2004. Testing between October 1 and December 31, 2003, focused on increasing the number of airports tested for the first time, to establish a performance baseline. In January 2004, Special Operations teams began retesting airports to determine whether performance improved once the screening performance initiatives had been deployed. In January and February 2004, Special Operations teams retested 20 airports.

These overall covert checkpoint tests are also showing improvement in individual screener performance. Between September 2002 and March 1, 2004, TSA conducted 1,429 checkpoint tests at 206 airports.

To maintain high levels of screener proficiency, TSA's screening improvement plan places a strong emphasis on recurrent screener training and supervisory training. Over 700 inert Modular Bomb Set (MBS II) and weapons training kits have been deployed to every airport in the country as an integral part of TSA's recurrent training for screeners, enabling them to see and touch the components of improvised explosive devices and weapons. TSA is also developing protocols to help Federal Security Directors (FSDs) conduct their own airport level screening testing. To blend nationally and locally developed training, TSA has established the "Excellence in Screener Performance" video training series. The first two videos, "Hand Held Metal Detector/Pat Down Search" and "X-ray Operator" have been delivered to the field. Training videos on physical bag search and screening persons with disabilities are now in production. The third part of our recurrent training program is a series of web-based and computer-based screener training. "Advanced Supervisor" and X-ray tutor courses were delivered to the field this month and additional training products are in production.

From the standpoint of training delivery, our most significant accomplishment is the launching of our learning management system, the TSA Online Learning Center (OLC). The OLC makes available over 350 general training and development courses in addition to TSA specific training.

Recognizing the need to provide our front line supervisors with the tools they need to manage effectively the screener workforce, TSA has sent more than 3500 supervisors to introductory leadership training at the Graduate School, United States Department of Agriculture.

TSA's Threat Image Projection (TIP) program is an essential element of TSA's screening improvement plan. All checkpoint security lanes now are equipped with TRXs with the 2400-image TIP library, providing real-time data on screener performance. Data is available quickly at the local level and reported to headquarters for aggregated analysis and monitoring. Through deployment of TRX machines and activation of the expanded TIP image library, TSA is able to collect and analyze significant amounts of performance data that has not been previously available. TIP is an excellent tool for evaluating the skills of each individual screener so that we can focus directly on areas needing skill improvement. By regularly exposing screeners to a variety of threat object images, TIP provides continuous on-the-job training and immediate feedback.

Today TSA is right-sizing and stabilizing screening operations based on security requirements and opportunities for increasing efficiencies in business processes. As part of our workforce planning, we are evolving to a business model that vests more hiring authority at the local level with our FSDs to address airport staffing needs. The original methods we used in centralizing recruitment, assessment, hiring, and training of screeners

were necessary in the fast- paced environment to meet the original statutory deadlines. This centralized model is not the right fit for sustaining an existing workforce.

Although the Aviation and Transportation Security Act (ATSA), P.L. 107-71, mandated the federalization of airport security screening, it held open the possibility that airports could apply to have screening performed under contract. We are assessing the expansion of contract screening, and to help us make these decisions, a thorough evaluation of the 5 private pilot programs is underway, with results expected in April.

In FY 2005, TSA will continue the deployment of electronic explosive detection equipment at the nation's airports and look for efficiencies to improve passenger and baggage screening. The FY 2005 discretionary funding request for explosives detection systems (EDS) and explosives trace detection (ETD) equipment purchase and installation is $150 million, and $250 million would be provided through the Aviation Security Capital Fund, for a total resource level of $400 million. As directed in Vision 100—Century of Aviation Reauthorization Act (Vision 100), P.L. 108-176, the first $250 million of passenger security fees authorized by ATSA, will be deposited into the Aviation Security Capital Fund. Fund resources can be spent on projects to replace baggage conveyer systems related to aviation security, to reconfigure terminal baggage areas as needed to install EDS, to deploy EDS in airport terminals, and for other airport security capital improvement projects.

EDS/ETD equipment purchase and installation is the key to compliance with statutory requirements for full electronic screening of checked baggage. TSA purchases and installs this equipment through a variety of mechanisms, including congressionally authorized Letters of Intent (LOIs), which provide a partial reimbursement to airports for facility modifications required to install in-line EDS solutions. TSA has issued eight airport LOIs, covering 9 airports. TSA is also using resources to purchase and install EDS and ETD machines at airports outside the LOI process.

The FY 2005 budget request proposes to maintain policies which guide the current program cost share and distribution of funding for LOIs, keeping the cost share at 75 percent for large airports and 90 percent for all other airports, and overriding allocation formulas which require that certain portions of the funding be directed to large hub, medium hub, and small- and non-hub airports. These changes would enable TSA to focus available funds for EDS on airports that have not met the goal for 100 percent electronic baggage screening. Without these important changes, we will be required to direct substantial additional funding to airports that have already achieved this goal while other airports remain out of compliance and even risk that some airports currently in compliance will become noncompliant.

The President's FY 2005 budget for TSA includes a request for $49 million for applied research and development and $50 million for Next Generation EDS. Working closely with the DHS S&T Directorate, TSA has established an ambitious program to develop and deploy new security technologies and use technology to enhance human

performance. Technology can help us make our screening operations more effective, more efficient, less time-consuming, and less costly.

TSA operates a state-of-the-art research laboratory, the Transportation Security Laboratory (TSL) in Atlantic City, New Jersey. I would like to invite the Subcommittee to visit our facility to see the full scope of efforts underway. Several screening and other security technologies are under development, including an explosives detection portal for passengers to determine if explosives are being carried on an individual's person, document scanners to detect trace amounts of explosive materials on items such as boarding passes, and scanners for better screening of casts and prosthetic devices. TSA is continuing work on the Next Generation of EDS for checked baggage screening to increase throughput capacity, improve detection capabilities, and lower false positive alarm rates as well as develop technologies that detect explosives in smaller amounts and occupy a smaller footprint at airports. Major efforts are underway in commerce, conveyance, and infrastructure security as well.

DHS, in partnership with other federal agencies, is taking an aggressive approach to counter the threat of Man Portable Air Defense Systems (MANPADS) to civilian commercial aircraft. The strategy includes proliferation control, tactical measures and recovery, and technical countermeasures. In January, the DHS S&T Directorate announced the selection of teams to develop plans and test prototypes to help determine whether a viable technology exists that could be deployed to address the potential threat of MANPADS. In addition, as part of the overall MANPADS strategy, TSA is performing airport vulnerability assessments to identify and map the areas around an airport from which a MANPADS attack could be initiated and working with surrounding communities to coordinate the efforts of agencies responsible for responding to this type of threat.

Training of pilots who volunteer for TSA's FFDO program will continue at a strong pace with requested funding $25 million in FY 2005. In January 2004, TSA began doubling the number of FFDO classes, and we plan to provide initial training and qualification for thousands of FFDOs by the end of this fiscal year. TSA has streamlined the process for pilots to become FFDOs, and candidate assessments are administered at over 200 locations throughout the United States, with more being added.

Pilots also must attend re-qualification sessions twice a year to ensure that they maintain a high level of proficiency and familiarity with program requirements. Ten private, state, and local government sites are available for self-scheduling of re-qualification training. As the number of FFDOs grows, TSA will expand the number of recurrent training sites to meet their needs. The FFDO program has been expanded to include cargo pilots and other flight deck crewmembers. TSA initiated the on-line application process for cargo and other flight deck crewmembers in February 2004 and expects to conduct its first cargo FFDO prototype program this April.

Ensuring that flight and cabin crew members receive self-defense training will add another layer of security for in-flight aircraft. Since April 2003, TSA has been working

with air carriers, as well as experts in the private and law enforcement sectors, to develop training modules called for in ATSA and Vision 100. We are developing a program that includes eight hours of classroom and sixteen hours of hands-on physical training. Trainees will learn about defensive postures and take down and holding maneuvers. The classrooms will focus on the psychology of survival, including identifying items on board aircraft that can serve offensive or defensive purposes and special tactics required for operating in the confined space of an aircraft. Training will equip crew members to respond effectively to security situations that may arise on board their aircraft, both individually and in concert with their fellow crew members. We are currently developing the most cost-effective method of delivery of this advanced training.

Our National Explosives Detection Canine Team program performs a critical role in aviation security, performing multiple tasks throughout the entire airport environment, such as screening checked baggage, searching unattended bags, searching vehicles approaching terminals during increased threat levels, screening cargo on a limited basis, screening mail at certain pilot project locations, and responding to bomb threats. TSA helps local law enforcement agencies by procuring and training selected canines, training selected law enforcement officers, and by partially reimbursing agencies for costs. For FY 2005, $17 million is requested to support 354 K-9 units

Further development of the Computer Assisted Passenger Prescreening System (CAPPS) will have a vital impact on aviation security, and the support of this Subcommittee will be essential to its progress. As you are aware, the current passenger prescreening system has serious limitations.

The rules CAPPS uses to select passengers for enhanced screening do not reflect today's threats to aviation. They flag large numbers of airline passengers for enhanced screening based on certain types of ticket purchases, even though these passengers may pose no discernible threat to aviation security. This is frustrating to passengers and forces TSA to allocate screening resources to a population that does not require it. Some passengers are incorrectly identified as being on government watch lists and must go through a time consuming process to differentiate themselves from those individuals who are properly on the lists.

TSA is working diligently to improve prescreening by developing CAPPS II. In FY 2005, $60 million is requested to support this effort. This second generation prescreening system would be a centralized, automated, threat-based, real time, risk assessment platform. CAPPS II is being designed to take the burden of operating the current CAPPS system from the airlines and to centralize all commercial verification and government data sharing and analyses. CAPPS II is expected to employ technology and data analysis techniques to conduct an information-based identity authentication for each passenger using commercial information along with data each passenger provides to the airline upon making a reservation—full name, home address, home telephone number, and date of birth—along with information resident in airline reservation systems. CAPPS II is being designed to combine the results (scores) from the identity authentication with a risk assessment based on a comparison of the passenger identity information with the

Terrorist Screening Center's consolidated terrorist screening database, other current terrorist-related threat information, and lists of individuals who are the subject of outstanding warrants for violent criminal behavior maintained by U.S. government data sources.

Based on the resulting score, passengers would fall into one of three following possible categories of screening[1]:

- *Low risk*: passenger boards after routine screening;
- *Elevated or unknown risk*: the passenger will be subject to additional security screening prior to boarding; and
- *Specific identifiable terrorist threat*: TSA will alert appropriate law enforcement authorities.

Current modeling suggests that CAPPS II will result in substantially fewer passengers falling into the category of "elevated or unknown risk." We expect that annually no more than an extremely small number of passengers will fall into the category of a "specific identifiable terrorist threat" that will require TSA to notify Federal, state, or local law enforcement agencies. This number is far fewer than those that are brought to the attention of law enforcement agencies under the current airline operated prescreening system.

Unfortunately, there is a tremendous amount of misunderstanding regarding the development of CAPPS II. CAPPS II will not be an intelligence gathering system or a data mining system. CAPPS II will not discriminate against individuals because of their race, religion, ethnicity, physical appearance, or economic strata. Individuals who have issues of credit worthiness will not be flagged for enhanced screening or denied boarding. The key issues for prescreening are simply identity authentication—making sure passengers are who they say they are—augmented by intelligence information that can help us focus screening efforts.

We are designing CAPPS II so it will not maintain data files on passengers beyond the time necessary to complete their itineraries. CAPPS II will not access or contain records of credit card purchases made by passengers. The only information passed through the CAPPS II firewall from commercial data aggregators will be a generic score indicating confidence in passengers' identities. This information is far less detailed than the information these same data aggregators provide in the commercial marketplace.

I want to assure the Subcommittee that the privacy rights of individuals under CAPPS II will be fully respected. We are working closely with the DHS Privacy Officer to ensure that this occurs, and TSA has just hired its own Privacy Officer. TSA has issued two Interim Privacy Act notices to date,[2] and we have committed to issuing a Final Notice before the system becomes operational, further refining the parameters on the use and retention of passenger data. Safeguards and protocols will be implemented to ensure that

[1] Some passengers may also be selected for additional security screening based on random selection.
[2] January 15, 2003 and August 1, 2003.

no data gathered as part of a CAPPS II assessment will be made available for any commercial purposes, nor breached by computer hackers, nor subject to improper use by either Government or contractor employees. The CAPPS II system itself will be secure, and it will only be accessible to persons who require access for the performance of their duties as Federal employees or contractors to the Federal government. A 24-hour audit trail will be used to monitor all persons accessing or attempting to access the system and will help to ensure compliance with access rules.

In response to privacy concerns, CAPPS II is being designed to only retain passenger information for U.S. persons for a short period after the completion of a passenger's flight itinerary – currently estimated at between 72 hours and one week. After that period has passed, there will be no information that CAPPS II can easily access in a useable format related to individual passengers.

In addition, TSA is designing a redress process that will allow passengers to submit complaints to TSA regarding CAPPS II. An essential part of the redress process will be the establishment of the CAPPS II Passenger Advocate. The Passenger Advocate will focus on assisting passengers who feel that they have been incorrectly or consistently prescreened.

TSA plans to test CAPPS II prior to its deployment to demonstrate its effectiveness, and to refine the operations and the redress mechanisms we are building. To date, individual airlines are reluctant to provide the Government with the necessary PNR information to enable us to test the system due to both public concerns over privacy questions and legal considerations. We understand these concerns and are working on alternative solutions that may help us obtain limited data for testing. We are committed to providing the same degree of privacy protection for any test or full system PNR data use and would address privacy and passenger redress concerns before any order or regulation is issued. We will keep this Subcommittee apprised of our progress.

The GAO report released on February 13, 2004 responded to requirements set forth in the Homeland Security Appropriations Act, 2004 (P.L. 108-90). GAO generally concluded that in most areas that Congress asked them to review, our work on CAPPS II is not yet complete. DHS has generally concurred in GAO's findings, which in our view confirm that CAPPS II is a program still under development. However, the GAO report failed to note that TSA has made substantial progress in development of a baseline functioning system that has been tested using simulated PNR data from volunteer employees. The reluctance of air carriers and passenger reservation systems to provide TSA with critical PNR data and ongoing but unresolved discussions with organizations like the European Union have hampered TSA's ability to move forward with the necessary testing. As we resolve the issues of access to PNR data, and the testing phase moves forward and results in a more mature system, we are confident we will be able to satisfy the questions Congress posed.

We have also received significant cooperation from foreign governments who have embraced the concept of a robust passenger prescreening system. As demonstrated by

threats against commercial airlines from certain international locations, we must collectively find a solution. The cancellation of certain flights of interest is one method of handling these threats. More effective prescreening of passengers is a far less costly way to address them.

The President's FY 2005 budget requests $91.6 million in overall funding to strengthen security credential programs, with an estimated recovery of costs of $71.6 million in credential fees. This requested funding would support activities to develop the Registered Traveler program at a level of $15 million. TSA is analyzing whether a Registered Traveler program can effectively reduce the "hassle factor" in passenger and baggage screening without compromising aviation security. We envision that a fully implemented Registered Traveler program would be voluntary in nature and could offer qualified participants an expedited travel experience. A comprehensive risk assessment would be conducted on Registered Traveler program applicants to determine their eligibility. TSA is working on a proposed strategy for implementing small-scale Registered Traveler pilot programs in FY04. We will analyze the results of the pilot programs to determine the program's effects on security and customer service.

TSA is developing a Transportation Worker Identification Credential (TWIC) prototype and supporting measures to mitigate the threat of insider attacks to transportation infrastructure. During prototype, this credential will test the feasibility of bringing uniformity and consistency to the process of granting access to transportation workers entrusted to work in the most sensitive and secure areas of our national transportation system.

In light of recent security concerns, TSA is performing security checks on flight crew on domestic and international passenger and cargo flights bound for the U.S. TSA will also assume responsibility this summer for conducting background checks on aliens who wish to undergo flight training in the United States. Vision 100 transferred this requirement from the Department of Justice to TSA.

A common platform of technology and contractor support is being established for credentialing programs. Although each credentialing program may involve special requirements and adjudication, a common platform will realize economies of scale through shared resources such as systems equipment, database connectivity, contractor support space, and other start-up costs that would not be recovered through fees.

Each year, U.S. air carriers transport approximately 12.5 million tons of cargo. To deny terrorists the opportunity to exploit our thriving air cargo system, TSA has developed an Air Cargo Strategic Plan that calls for the focused deployment of tools, resources, and infrastructure that are available today, as well as creating a foundation for future improvements as technology and resources become available. For FY 2005, a total of $85 million is requested for TSA's aviation cargo screening program.

TSA has prohibited all "unknown shipper" cargo from flying aboard passenger carriers since September 11, 2001, thereby limiting cargo to packages from identifiable shippers

under the TSA Known Shipper program. TSA is rolling out an automated Known Shipper database that will allow air carriers and indirect air carriers to verify immediately the status of a specific shipper.

Under the Air Cargo Strategic Plan, TSA will work closely with U.S. Customs and Border Protection (CBP) to establish a Cargo Pre-Screening system that identifies which cargo should be considered "high-risk" and work with industry and other federal agencies to ensure that 100 percent of high-risk cargo is inspected. We are also partnering with stakeholders to implement enhanced background checks on persons with access to cargo and new procedures for securing aircraft while they are on the ground. A Notice of Proposed Rulemaking is in development for enhanced screening of cargo on passenger aircraft, along with stronger security measures for Indirect Air Carriers and the establishment of a mandatory security program for all-cargo carriers. TSA and CBP are working together on air cargo initiatives through four established work groups, making plans for future collaboration, leveraging of existing programs, and sharing resources and technologies.

TSA is requesting $55 million in FY 2005 for the continuation of an aggressive R&D program to investigate technologies that will improve our ability to screen physically high-risk air cargo. TSA will look at new technologies for screening large cargo, including pallets and containerized cargo. In January 2004, TSA issued a market survey requesting submissions and participation of vendors of commercial off-the-shelf explosives detection technology to support cargo inspection. A number of vendors have been tentatively selected for laboratory evaluation of their products against the current EDS certification criteria. TSA has issued a request for proposals (RFP) for potential inventors of explosives detection technology for the screening of containerized cargo and U.S. mail to be transported on passenger aircraft. This RFP, which resulted in 74 responses, will lead to the award of R&D grants to assist in the development of promising technologies. At TSA's Transportation Security Laboratory, we are conducting a cargo characterization study to determine the feasibility of using currently deployed explosives detection technology (EDS and ETD) to screen cargo while new systems are under development.

TSA commends the Senate Commerce, Science, and Transportation Committee and this Subcommittee for scheduling hearings focused on maritime, rail, and aviation security at this time. As we focus on the significant, diverse challenges of securing the intermodal transportation environment, I want to assure this Subcommittee that we will not in any way diminish our efforts or resolve to safeguard air travel from the threat of terrorism. I am extremely proud of our screeners, who serve the traveling public with pride, thoroughness, and professionalism; our diligent Federal Security Directors and their staff; and the work of our many state and local government, airport, and air carrier partners, who make important contributions to aviation security each day.

Thank you for this opportunity to appear before you today, and I look forward to answering your questions.