

**Statement of
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Transportation Security Administration
U.S. Department of Homeland Security
before the
United States House of Representatives
Committee on Oversight and Government Reform
Subcommittee on Government Operations
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Chairman Mica, Ranking Member Connolly and members of the Subcommittee, I am pleased to appear before you today to discuss the Transportation Security Administration (TSA) Screening Partnership Program (SPP). TSA is a high-performing counterterrorism agency with a dedicated workforce executing our mission around the clock and across the globe, charged with facilitating and securing the travel of the nearly 1.8 million air passengers who fly each day. Our goal at all times is to maximize transportation security to stay ahead of evolving terrorist threats while protecting passengers' privacy and facilitating the secure and efficient flow of legitimate commerce. TSA's current security measures consist of a multi-layered system of transportation security that identifies, manages and mitigates risk. No layer on its own solves all our challenges, but, in combination, they create a strong and formidable system.

TSA has taken significant steps to focus its resources and improve the passenger experience at security checkpoints by applying intelligence-driven, risk-based screening procedures and enhancing its use of technology. To that end, TSA has several Risk Based Security (RBS) initiatives including TSA Pre✓™, Known Crew Member, Managed Inclusion, and modified screening procedures for passengers less than 12 years of age and over 75 years of

age, members of the military, and some members of the intelligence community - all designed to offer the most effective security in the most efficient way.

Last month, TSA announced the expansion of expedited screening benefits for all U.S. Armed Forces service members at more than 100 airports nationwide. TSA enjoys strong partnerships with industry stakeholders, which has enabled the successful implementation of a variety of new RBS procedures. On December 27, 2013, a high-volume day during the holidays, TSA provided expedited screening for 36.6 percent of the nearly 2 million passengers, and 98.9 percent of passengers waited less than 20 minutes to pass through security checkpoints. As TSA continues to integrate RBS into its approach to transportation security, we will work with current and new private sector screening partners to ensure that RBS is integrated effectively into SPP airports and the SPP program continues to be implemented effectively.

Screening Partnership Program History

Congress, through the Aviation and Transportation Security Act (ATSA) (P.L. 107-71), established TSA and determined that aviation security would be most effective by making passenger screening a predominantly Federal responsibility. ATSA also authorized a pilot program for privatized passenger screening (see 49 U.S.C. 44919). TSA selected five airports to participate in the pilot program, representing five airport security risk categories as defined by the TSA Administrator. Companies that met statutory qualifications were then selected to conduct screening services under contract with the Federal Government. These private sector employees were, and remain, subject to the qualification and compensation criteria of Federal Transportation Security Officers (TSOs). In addition, ATSA enabled the Administrator to continue private contract screening with qualified companies at other U.S. airports after completion of the pilot program (see 49 U.S.C. 44920).

The Federal Aviation Administration (FAA) Modernization and Reform Act of 2012

(P.L. 112-95) amended 49 U.S.C. § 44920 to provide standards for approval of an SPP application, a timeline for approving or denying applications, and specific actions to take in the event an application is denied. Acceptance into the SPP program also requires that the TSA Administrator “determine(s) that the approval would not compromise the security or detrimentally affect the cost-efficiency or the effectiveness of the screening of passengers or property at the airport.”

For airport operators interested in the SPP, the TSA website includes the SPP application itself, an overview of the application process, and contact information for the appropriate TSA staff. Additionally, the site provides a listing and map of SPP airports, recent news regarding SPP (such as contract awards), links to Requests for Proposals (RFPs) postings, and employment opportunities at SPP service providers. TSA also utilizes the Federal Business Opportunities website to communicate with a wide range of vendors. For instance, TSA advertised and held a SPP specific Industry Day on January 10, 2014. This meeting was attended by approximately 100 vendors and it provided a general overview of the program’s direction and goals, informed industry of the acquisition process, and also provided a forum for obtaining feedback and insight into industry’s capabilities.

Program Size and Scope

The SPP is a voluntary program whereby airports may apply for SPP status and employ private security companies to conduct airport screening according to TSA standards. Participation depends on interest from airport operators. To date, that interest has been limited. Since the creation of the program in 2004, 30 airports have applied to the program (including the original 5 pilot airports) and 14 airports have private contract screeners in place. Of those

14 airports, seven fall within the smallest airport classification (Category IV - which means they emplane between 2,500 and 10,000 passengers a year). The 14 airports currently participating in SPP represent approximately 1,849 or 3.9% of the passenger screening positions across the country.

Applications from six additional airports have been approved and determinations for entry are pending contract solicitation. These six airports represent approximately 276 TSO positions. The other 10 applications have been withdrawn, denied, or commercial air service was discontinued at that location.

Regardless of whether an airport has private or federal employees conducting passenger screening operations, TSA maintains overall responsibility for security. To fulfill our responsibility in this mission, it is important to maintain our flexibility—as new and emerging threats are identified, we must be able to adapt and modify our procedures quickly to protect the traveling public and promote the flow of legitimate commerce. Federal Security Directors oversee the contracted operations as well as the other airport security operations, such as air cargo and facility security compliance inspections, that continue to be conducted only by Federal employees in accordance with ATSA.

Cost Efficiency

To provide information to prospective bidders on SPP applications, TSA includes the federal cost estimate of the airport screening operations in the RFP. The estimates were refined to conform with changes to the law, as well as to incorporate all recommendations from audits conducted by the Government Accountability Office and the Department of Homeland Security Office of the Inspector General.

Conclusion

The SPP program continues to be a voluntary program. TSA adheres to the statutory requirements for considering applications and accepting companies into the program. As noted at the outset, we strive to maximize security not only by keeping ahead of current threats identified by intelligence, but by maintaining security systems that focus our resources on areas where they will yield the optimal benefit. This is consistent with our risk-based approach to security and critical in times of budget austerity. The SPP, no less than any other security program, must be implemented in a manner determined by cost as well as demonstrable benefits. We continue to work with SPP contractors to make adjustments required in an extremely dynamic security environment. Thank you for the opportunity to appear here today. I will be happy to answer your questions.

Kelly C. Hoggan

Assistant Administrator for Security Operations



Kelly Hoggan became Assistant Administrator for Security Operations in May 2013.

As Assistant Administrator for Security Operations, Hoggan manages the daily field operations for a workforce of more than 50,000 employees at more than 450 airports nationwide. He is also responsible for regulatory compliance, budget and financial requirements, program planning, and partnering with security operators across multiple modes of transportation.

Hoggan most recently served as the Assistant Administrator for Global Strategies, where he was responsible for collaboratively working with international partners to secure the global transportation network. In that role he oversaw the management of a workforce located in more than 20 offices worldwide.

Hoggan joined TSA in 2004 and he has served in numerous leadership positions. These positions include Assistant Administrator for Security Capabilities, where he oversaw the implementation and development of security technologies.

Hoggan also served as the Deputy Assistant Administrator for Global Strategies where he served as an advisor to government officials around the world and aided in the harmonization of international aviation security measures. Additionally, he was the Deputy Assistant Administrator of Security Operations where he was responsible for the security operations at more than 450 airports nationwide.

Prior to joining TSA, Hoggan worked in the private sector and brings 18 years of airline and aviation industry experience to this new position having served in multiple senior level positions within operations, planning, and process improvement in an airport operational environment.