

Statement of Peter Neffenger

Administrator

Transportation Security Administration

U.S. Department of Homeland Security

before the

U.S. Senate

Committee on Homeland Security and Governmental Affairs

June 7, 2016

Good morning, Chairman Johnson, Ranking Member Carper, and distinguished Members of the Committee. Thank you for the opportunity to appear before you today to discuss my vision for the Transportation Security Administration (TSA), and our role in securing transportation systems through the deployment of a dedicated, well trained, professional, and effective counterterrorism workforce. I appreciate the Committee's support of TSA's mission to protect the nation's transportation systems to ensure freedom of movement for people and commerce.

TSA screens over 2 million passengers every day. That number is increasing rapidly, even as the terrorist threat we face grows increasingly complex and diffuse. Our Agency faces a determined enemy and a persistently evolving threat from terrorist groups around the world, exacerbated by homegrown violent extremists inspired by messages of hatred to do harm to the American people. Terrorists have long viewed the transportation sector, particularly aviation, as a leading target for attack or exploitation. That focus has not abated, as displayed by recent events including: the destruction of Metrojet Flight 9268 above the northern Sinai in October

2015, the detonation of explosives on Daallo Airlines 159 during its ascent from Adde International Airport in Mogadishu in February 2016, and the attacks at Brussels International Airport and subway system in March 2016. I was at the Brussels airport the day of the attacks and witnessed firsthand the destruction, chaos, and loss of life that came as a result of those attacks. This challenging threat environment frames all of TSA's operations. We must address issues such as increased passenger volume, and ensure efficient screening of travelers, while maintaining focus for effective security.

When I was confirmed on July 4, 2015, TSA was still working to understand the causes of the security failures identified by Department of Homeland Security (DHS) Office of Inspector General (OIG) covert testing. In my tenure as Administrator, I have concentrated on improving our security operations through enhanced protocols, a retrained and refocused workforce, and efforts to drive technological improvements. Today, I look forward to discussing with you the changes we have made to enhance security.

My overarching priority is to fulfill the core mission of TSA; to secure the Nation's transportation systems. To this end, my priorities are grounded in strategy and are shaped by my Administrator's Intent, which I published in January of this year. We will focus on mission, invest in people and commit to excellence as we conduct counterterrorism operations and simultaneously mature the TSA enterprise. My Administrator's Intent, which I have shared with every Member of TSA's Congressional oversight committees, instills unity of effort and purpose in every member of TSA.

In just eleven months, we have undertaken a range of transformational efforts to fulfill vital agency priorities. As I have stated in previous hearings, my immediate priority was to pursue solutions to failures in our primary security mission discovered last spring, and we are

making significant progress in doing so. We have renewed our focus on security, revised alarm resolution procedures, made new investments in technology, and retrained the entire workforce on mission essentials. We are striking a new balance between effectiveness and efficiency, continuously testing the system to identify gaps, measuring system readiness and performance, holding ourselves accountable to high standards of people performance, and most important, we are supporting our frontline officers.

Some of these efforts, including steps to limit the number of non-vetted passengers provided expedited screening, have contributed to slower checkpoint processing speeds. The combination of those enhanced protocols with increased passenger volume and decreases to TSA staffing levels in recent years has led to delays at many of our security checkpoints. I find those delays unacceptable, primarily because the convergence of large crowds in public spaces can create a security risk.

Passenger Volume Mitigation Efforts

TSA has worked diligently to address passenger volume growth, and the delays at some security checkpoints. We are grateful for Congress' support of our efforts, including through the recently approved reallocation of \$34 million to address passenger growth, improve checkpoint performance, and mitigate vulnerabilities across the aviation system. Specifically, the reallocation allowed TSA to spend \$26 million to triple the amount of overtime available to our officers at high volume airports. We added approximately 780,000 screening hours through increased overtime and additional hours for part-time officers. These extra screening hours allowed TSA to staff more than 100 additional lanes per day. TSA also is spending \$8 million to hire 768 officers to deploy to high-volume airport security checkpoints by June 15. The addition

of these officers will add approximately 220,000 screening hours and allow TSA to open more than 60 additional lanes. The combined impact of the nearly one million additional officer work hours is the daily staffing of more than 160 additional lanes per day, which will have a substantial effect on our operations across the system.

We are redeploying TSA officers from the National Deployment Force (NDF) and airports not in their peak timeframes, and shifting Passenger Screening Canines to locations where their detection capability can be employed to the maximum effect; particularly in reducing crowd size outside the secure area. I have also established a National Incident Command Center (NICC) at TSA Headquarters. Using nationally-accepted incident management concepts, the NICC is closely tracking daily screening operations as well as shifting officers, canine resources, the NDF, and other resources to meet mission demands in advance of predicted passenger volume. These efforts have improved our ability to deploy the resources we have in the most efficient and effective manner possible to screen the record numbers of passengers transiting through our Nation's airports.

We also deployed a team of experts to the largest 21 airports for optimization insights. During these visits, TSA reviewed airline schedules, passenger loads, and queue design; as well as checkpoint and baggage areas for improvement opportunities. These visits produced an action plan for the airport's Federal Security Director (FSD) to identify, and implement improvement to the summer travel season. The last of these 21 optimization visits was completed in late May.

We are also supporting our FSDs and ensuring that they have full flexibility to manage daily operations at the airport level, including the staffing and scheduling of their available resources. It is a primary function of the FSDs to evaluate staffing levels and determine where staffing resources may be effectively moved from one location in the airport to

another. Additionally, FSDs manage overtime and adjust schedules to meet operational needs. Flexibility to manage local operations is necessary due to factors such as passenger volume and risk. This approach allows TSA to distribute staffing where it is needed most.

Investing in the Workforce

TSA's greatest asset is its people. TSA recruits and employs a diverse workforce with a range of talents tailored to our operating environments. I have committed to investing in our people as a guiding principle of my leadership, as TSA must ensure our workforce remains ready to execute our counterterrorism mission. I am committed to ensuring our employees are expertly trained, deliberately developed, and led by value-based leaders. Every TSA employee plays an important role in executing TSA's security mission. In order to address the security failures highlighted by the DHS OIG, I have worked to set up our frontline officers for success through improved training, enhanced protocols, and advancing technology.

Ensuring world-class training for employees throughout TSA is integral to developing an organizational culture focused on security effectiveness, and unifying our approach to counterterrorism and security operations. Last year, as a result of the lessons learned from studying the root causes of the problems leading to checkpoint failures, TSA provided the entire frontline workforce with Mission Essential training to ensure officers understand revised procedures as well as the capabilities and limitations of technology and equipment. This training stressed the importance of resolving every alarm at the checkpoint, and emphasized that the critical thinking skills of our workforce are integral to security effectiveness. The retraining of the entire frontline workforce in a short timeframe was an unprecedented undertaking for TSA. We built upon that success to plan and execute a series of Mission Essential trainings for the

screening workforce. We recently completed the second block of classes in the series, and have just begun the third block of Mission Essentials training, with more to follow as part of our recurrent training regime.

In January 2016, TSA began sending newly hired officers to basic training at the TSA Academy, located at the Federal Law Enforcement Training Center in Glynco, Georgia. The shared experience of training alongside fellow officers from around the country will build morale and ensure a collective understanding of TSA's mission and operations.

These training efforts will ensure new security protocols are implemented appropriately. We have updated Standard Operating Procedures to include using TSA supervisors to help resolve situations at security checkpoints, and augmenting protocols for passengers designated for enhanced screening. We have emphasized to the workforce the need to resolve every alarm at the checkpoint, and provided information on common social engineering tools. These changes have improved our security posture and renewed our focus on executing our security mission. We are seeing marked improvement in performance as a result of these actions.

We have also worked with our partners in the private sector to enhance the screening technology equipment available. We are driving vendors to develop new software, new operating concepts, and technology upgrades to meet the needs of a complex threat environment. We have informed industry of our updated detection capability standards for future Advanced Imaging Technology machines, and we are working with partners to develop innovative solutions that will drive future operations.

I am confident the actions TSA has taken under my leadership have improved our ability to secure the Nation's transportation systems. I will continue to drive security advancements across all levels of the agency, even as we work to address increased passenger volume.

Maturing the Enterprise

My experience tells me that when there are failures in the primary mission of the nature we witnessed in screening tests, there are likely other challenges that require close examination and correction. So while we refocused the Agency on our primary mission, we simultaneously undertook broad, parallel assessments of the entire TSA enterprise, and are fielding major solutions across the Agency.

My first action was to immediately focus on leadership. Again, my experience tells me that leaders must focus on inspiring and standard setting as a first principle. In my first two months, I hosted a leadership summit with every senior executive in the Agency. We spent two days confronting the uncomfortable truths of our mission failure, and committed to a principled approach to field solutions. I made it clear that we would be mission-focused and ethical. Next, I began a leadership speaker series, inviting prominent leaders to mandatory mentoring sessions with my headquarters leadership team. Our first two-hour session was on leadership ethics, taught by scholars on the subject. I have established the first executive education development program in the history of TSA. Every executive will attend the National Preparedness Leadership Institute, a national education program specifically designed for developing government leaders who must be prepared to lead in complexity and respond to crisis.

Next, I focused on training. Training is a powerful tool in galvanizing and leading change, particularly because it is a direct investment in people. The TSA Academy will serve as our Center of Training excellence, and will enable us to achieve consistency, develop a common culture, instill our core values and raise performance standards across the screening workforce. My intent is to develop a more capable and professional front-line TSA workforce through a

greater investment in training, and that will include every new employee, including those assigned to the headquarters.

We have invested heavily in the Federal Air Marshals, with extensive and sustained training, investment in leadership education, and providing resiliency tools to every officer in our workforce. Director Roderick Allison has set high standards and has crisscrossed the country to reinforce our expectations. In April, we fielded a new Air Marshal concept of operations, further incorporating risk management into domestic and international missions. These efforts have garnered widespread support, and we have gained the support of Congress to begin hiring new officers for the first time in five years.

As we responded to the aviation attacks in Egypt and Somalia, I recognized the need to integrate operations across the Agency. As such, in February, I created a Chief of Operations and brought in an experienced SES operator to further translate my understanding of mission to reality on the ground. It is critically important that we have a leader whose daily focus is to integrate and deliver mission excellence across the full range of our counterterrorism and security capabilities. My intent is to further intensify our agency-wide operational focus to ensure we are able to rapidly and effectively evolve to emerging threats. I have also brought in a new Deputy Administrator, new Chief of Staff, and new Chief of Intelligence and other key leadership positions.

We have addressed one my highest concerns, the insider threat. In February, in addition to strong action taken to screen employees, reduce access points, and vet airport workers more frequently, I directed a nationwide vulnerability assessment of airports in collaboration with airport operators and local employers. Those assessments were completed in April and we are now further enhancing security with localized mitigation plans designed to address local

vulnerabilities. This collaborative approach has been embraced by our stakeholders and is delivering enhanced security nationwide.

This operational focus must be supported by a mature enterprise approach. As such, I have simultaneously ordered a review of numerous aspects of management at TSA. At my direction, we have implemented a Planning, Program, Budgeting and Execution system to link long-term mission needs to our budget priorities. Our reprogramming submissions this year, and the budget we expect to present next year are a direct outcome of this new process. I have also been intensely focused on fielding fundamental changes to enhance program management. At my request, in November the Defense Acquisition University began an independent analysis of our acquisition processes and organization. Their recommendations, which we are considering now, identified reforms that will provide sound governance and constrain program slippage, cost overruns, and requirements evolution. These efforts have the potential to save millions of dollars through effective requirements generation and acquisition discipline. Directly related to this effort, I recently contracted RAND to complete an additional assessment of the effective integration of our leadership team and the maturity of TSA enterprise. I have also directed that we commence a comprehensive effort to build a Human Capital Management Strategy for TSA to address fundamental recruitment, development, promotion, assignment, and retention issues. These efforts will be essential to achieving unity of purpose across TSA.

National Canine Explosive Detection Program

TSA currently deploys 997 canines, 322 of which are led by TSA handlers, and the remaining 675 are used by local law enforcement in transportation environments, including airports and mass transit. Approximately one half of TSA's 322 teams are already certified and

operational in passenger screening. In order to address the expected summer passenger volume, TSA has deployed these Passenger Screening Canines to prioritize the 20 largest airports in the United States. The cargo canines are being retrained, so that they will also be able to screen passengers and we expect them all to be certified to do so by the end of the calendar year. The remaining 24 multi-modal teams will be trained for passenger screening in 2017, ensuring that all 322 TSA teams can operate in all transportation environments.

Working Collaboratively with Industry Stakeholders

TSA has also received great support from our industry partners in our efforts to address large passenger volumes. Airlines and airports across the country are assisting TSA by carrying out functions such as: enforcing 1+1 carry-on baggage regulations, providing staffing support to conduct non-security related duties, providing volume projections to inform staffing, promoting TSA Pre✓®[®], and reminding passengers to arrive early.

We appreciate the efforts and resources our industry partners are investing in these activities and look forward to continued engagement as we address short-term and long-term challenges.

Increasing TSA Pre✓®[®] Enrollment

Increasing the number of passengers eligible for expedited screening will better enable TSA to utilize resources. TSA currently operates more than 370 TSA Pre✓®[®] enrollment sites nationwide. During May 2016, the pace of enrollments has nearly doubled, with more than 16,000 passengers enrolling in a single day. We are currently undertaking a number of outreach

and advertising activities to increase awareness of the program, as well as enrollments. These actions include:

- Partnering with the travel industry to reach their customers through various communications, such as in-flight videos, newsletters, websites, and client events.
- A letter, from Homeland Security Secretary Jeh Johnson and Commerce Secretary Penny Pritzker to the Chief Executive Officers of the 100 largest companies in the U.S., requesting their assistance in marketing and promoting DHS Trusted Traveler Programs.
- A new marketing campaign, targeted at the 20 largest airports in the U.S. that will run from May through the fall.
- TSA's current enrollment contractor is also marketing, at its own cost.

Additionally, TSA posted a Request for Proposals (RFP) late last year to seek additional vendors to expand our enrollment capabilities. We are in the process of reviewing the submissions to this RFP and expect to award in late 2016.

Innovation Task Force

In order to ensure that TSA evolves, and is able to accommodate and respond to future circumstances, I have established an Innovation Task Force. The Task Force provides industry partners, including airlines, airports and technology manufacturers with a platform to develop innovation lanes at local airports. Innovation lanes will allow us to partner with industry to demonstrate emerging technologies in an operational environment giving them the ability to better understand the screening challenges and TSA requirements.

Solutions may cover a breadth of types, from aesthetic solutions to new detection technologies, all with the goal of enhancing security effectiveness, and improving efficiency and

the passenger experience. Currently, TSA is exploring opportunities at three airports, with initial demonstrations at Atlanta. The findings developed from these sites will be used to inform processes and technologies implemented at other airports.

Additionally, in conjunction with our partners at the DHS Science and Technology Directorate, we recently posted a Broad Agency Announcement for Innovation Lanes, which provides a formalized entry point for interested parties to present new security ideas and approaches.

Personnel Practices

Finally Mr. Chairman, let me assure this committee, the Congress, and the American people that TSA will ensure fair and equitable treatment of its employees; that personnel practices at all levels of the agency are appropriate, justifiable, and linked to mission essential purposes; that employees will be afforded every legal and available means to exercise their legitimate and due process rights to seek redress and raise concerns without retribution or retaliation; that management controls are regularly reviewed, revised when needed, and diligently followed; and that misconduct at every level is fully investigated, fairly adjudicated, and that we hold appropriately accountable those who engage in misconduct.

I can assure you that as issues are raised to my attention, when policies are identified that cannot be justified, when I discover policies that have been abused, I have and will continue to make needed changes. Under my direction, we have placed new controls on directed reassignments. We have capped Special Act awards and implemented tight controls on the approval and submission process. We have established new standards for reimbursing

reassignment costs. We will keep listening, investigating, and assessing areas for further improvement. I welcome that feedback and will act to drive essential change.

Conclusion

Since taking my oath of office, I have focused on mission, invested in people, and committed to achieving excellence. My goal is to ensure TSA delivers a highly effective, intelligence-driven counterterrorism and security capability that fulfills our important mission. And that we do so with mission-ready, highly-motivated, and professional employees who are supported by mature and efficient enterprise-wide processes, and who subscribe to a common set of values and principles. We are pursuing these objectives every day. And as long as I am Administrator, we will continue to do so until we achieve and sustain success in every aspect of this Agency, in every mission, in every office and location where we operate, and with every single employee.

Thank you for the opportunity to appear before you today and for the Committee's support of TSA's important mission. I look forward to your questions.