

*Authorizing the Transportation Security
Administration for FY 2012 and FY 2013*



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before the
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Subcommittee on Transportation
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AIR TRANSPORT ASSOCIATION

Introduction

As the Committee undertakes reauthorizing the Transportation Security Administration (TSA), some perspective is in order by recalling why TSA was created...to protect the United States, its citizens, and our economy and way of life from terrorist attacks. I say that because I often observe travelers at airports who, with the passage of time, seem to have forgotten why the screening process is necessary.

A secure aviation system benefits all Americans. Effective, efficient security is vital to a robust and financially sound U.S. airline industry, an industry that propels more than 5 percent of our nation's Gross Domestic Product. The airline industry's central role in commerce and the economy, and the terrorist strategy to attack America by attacking airlines, underscores a simple fact: aviation security is a core homeland security function.

At the outset, I would like to state that the Air Transport Association of America (ATA) appreciates the collaborative relationship that we have with TSA. We understand that TSA is the regulator and that airlines are the regulated parties, but TSA's willingness to work cooperatively – to the point of partnership – has greatly improved the regulatory process and ultimately, aviation security.

ATA's priorities in this reauthorization bill include enabling a risk-based, intelligence-driven approach to aviation security that:

- enhances security overall;
- streamlines the passenger screening process, and;
- expedites the movement of goods within the United States and across international borders.

We want to continue to work closely with Congress and the TSA to ensure implementation of the best possible policies to promote commerce and travel while ensuring a secure aviation system.

ATA members understand that security measures are a necessary factor in keeping Americans safe from another terrorist attack. The Christmas Day plot in 2009 and the October 2010 cargo plot highlight the fact that aviation is still a terrorist target. However, experience has demonstrated that increased security and facilitation of travel and cargo are not mutually exclusive. Smart investments and policies can make aviation security more effective and efficient and, in turn, enhance travel and trade, thereby benefiting the traveling and shipping public and our economy.

That, in turn, will improve the economic outlook of the U.S. airline industry and realize the potential it holds for job creation. This Subcommittee can do its part in achieving that outcome by not imposing new or increased security-related taxes and fees. Commercial aviation is a cornerstone of the U.S. economy. It drives approximately \$1.2 trillion in annual economic activity in the United States, roughly 5.2 percent of our Gross Domestic Product (GDP). Airlines are responsible for 10.9 million U.S. jobs and \$371 billion in personal earnings. Every \$1 million of commercial aviation activity generates 24.6 jobs. Every 100 airline jobs help support some 388 jobs outside of the airline industry.

Airlines in 2010 enplaned more than 720 million passengers and operated more than 10 million flights. Exports by air in 2009 topped \$334 billion in value.

Enabling a Risk-Based Approach to Aviation Security

A risk-based approach to aviation security is grounded in solid intelligence and information sharing among government and industry stakeholders. It proceeds from an examination of the sources, nature and

capabilities of potential threats, and the nature and extent of the security systems and measures in place to defeat such threats. This approach embraces disciplined analysis and recognizes the value it brings to directing the intensity and allocation of security resources where they are most appropriate. It inherently recognizes that “one size fits all” security is inefficient and fails to direct finite security resources appropriately.

Risk-based analysis is a widely accepted approach. The 9/11 Commission, for example, advocated thorough, risk-based analysis in evaluating aviation-security issues. In its final report, the Commission stated:

The U.S. government should identify and evaluate the transportation assets that need to be protected, set risk-based priorities for defending them, [and] select the most practical and cost-effective ways of doing so...

Final Report of the National Commission on Terrorist Attacks Upon the United States, at 391 (2004).

Administrator Pistole’s strong endorsement of a risk-based based approach to aviation security in his June 2 testimony before this Subcommittee is gratifying. We support his efforts to lead the TSA to develop and employ a more targeted, truly risk-based strategy. This approach, in conjunction with the multilayered strategy already in place and the incorporation of random measures, will allow TSA to focus its resources on higher-risk passengers and cargo and strengthen the overall level of security while easing the burden of checkpoint security on the vast majority of passengers and focusing cargo-screening resources on shipments that may pose a higher risk level.

Increased sharing of actionable intelligence information among government and industry goes hand-in-hand with a risk-based security system. Such collaboration produces smarter security and improves the performance of all parties. ATA’s partnership with TSA must extend at least to this degree of cooperation and confidence, and we are pleased that our working relationship with TSA continues to grow in this direction.

Specific Risk-Based Programs That Support Smarter Security

- A. *Known Traveler Program.* Administrator Pistole has not only embraced a risk-based conceptual approach to aviation security, he has identified a specific goal of risk-based passenger screening which will allow the TSA to focus limited resources on higher-risk passengers. We commend him for pursuing this concept in order to shrink the “unknown” category of passengers.

Under a Known Traveler Program, passengers would volunteer information about themselves, enabling TSA to create an alternative type of screening for these passengers, which ultimately will reduce the screening lines for everyone. This program should not simply allow certain passengers to go to the front of the line as previous programs have. Rather, TSA should use current databases of information such as Advanced Passenger Information Systems, Global Entry and Secure Flight, as well as other factors, to actually create a different, expedited screening regime for these travelers. As noted above, screening everyone equally squanders limited resources and detracts from focusing on travelers who may present real risks.

- B. *Known Crewmember Program.* Smarter security includes recognizing individuals who are in positions of trust, whose backgrounds are known and who can be subjected to a different level of

security. For example, pilots fly the planes and many are Flight Deck Officers qualified to carry handguns in the cockpit.

Several different systems have been tested and ATA is currently working with TSA and the Air Line Pilots Association (ALPA) to conduct a 90-day test program at Miami, Phoenix, Minneapolis, Seattle and Chicago airports. This program is based on the current Cockpit Access Security System (CASS) which enables a pilot of one airline to fly in the jumpseat of another airline. This is an historical industry practice that is safely and securely maintained with the help of the CASS system. Under the CASS system, TSA personnel use a pilot's photo identification to verify his/her identity and employment status by checking it against a secure database. The Known Crewmember Program would first move this concept to the security-screening checkpoint to allow pilots to go through an expedited screening. ATA supports expanding the program to include flight attendants once the pilot program proves successful. Eventually, the program will move toward biometric verification. ATA is working with TSA and pilots to test this program and we look forward to the TSA evaluation at the test's conclusion.

- C. *Known Shipper/Shipment Programs.* The passenger airlines have met the 9/11 Commission Recommendations Act requirement to screen 100 percent of air cargo departing U.S. airports. We achieved this with significant support from the TSA Certified Cargo Screening Program (CCS) which allowed validated air cargo supply-chain participants to prescreen cargo before delivery to the airline dock. In addition, TSA has made good progress in meeting the screening requirement for international inbound cargo, but dealing with foreign governments/entities creates a unique set of challenges.

Administrator Pistole's work on complex cargo-security issues has been crucial and we commend him for it. In the wake of the October 2010 Yemen cargo bomb plot, TSA has been working closely with cargo carriers to focus on the highest risk cargo – unknown shipments or cargo coming from unknown shippers. Screening cargo piece by piece would shut down the global supply chain so TSA is working with industry and with Customs and Border Protection (CBP) to receive advance information on packages delivered from high-risk areas. TSA recognizes, and we agree, that to preserve the efficient flow of goods, cargo-security enhancements should take place further up the supply chain – it cannot all be done at the airline level without significant disruption and economic harm.

Known Shipper/Shipment Programs leverage DHS information programs and carrier and shipper information to expedite the clearance of shipments that meet certain requirements. ATA supports ongoing initiatives to test aspects of such a program and provide valuable information about how to construct an international system that meets commerce and trade needs while efficiently protecting against security risks.

Finally, ATA strongly supports increased use of canine teams as one of the most effective and efficient methods of screening cargo. These teams can be easily deployed and are quick at finding dangerous materials. They may be "low tech," but they are highly effective and efficient. TSA should accelerate implementation of a certification program that enables private canine-screening companies to conduct air screening that meets TSA standards. International canine standards and

private-sector options could be leveraged to achieve a higher level of air cargo security on U.S. bound flights.

Deploying Effective Technology and Personnel

Given the number of passengers and the volume of cargo that airlines transport, technology is an indispensable element in effective and efficient screening. Such technology must perform its screening function in a way that does not disrupt that carriage by air. Our concern is not parochial: our economy is dependent upon the speed and efficiency of air transportation.

In late 2010, DHS announced more extensive deployment of Advanced Imaging Technology screening equipment. According to DHS, there are 486 AIT machines deployed at 78 airports. The President's FY 2012 budget request indicates that the Administration plans to continue their deployment and asks for funding for 1,500 scanners and 535 associated personnel. We encourage the deployment of effective and necessary technology and particularly the Automated Target Recognition software for the body-imaging machines that will only display a person's body outline while identifying an area that needs to be resolved.

ATA also recognizes that workforce considerations are an important element in the security equation and appreciates the unflagging dedication of TSA employees. They are key to civil aviation security in our country. TSA employees have recently voted to bargain collectively. We believe that TSA needs maximum flexibility to respond to threats and that Congress must ensure that any bargaining agreement does not interfere with TSA's ability to perform effectively and nimbly.

Costs to Passengers and the Industry Should Be Limited

Despite that fact that aviation security is a national security function, airlines and passengers continue to bear the brunt of funding a system that benefits the entire nation. In 2010, passengers and air carriers paid \$3.4 billion to DHS in taxes and fees. This is an enormous contribution from one segment of the private sector for what is a national responsibility. It makes air travel far more expensive for the consumer and is a substantial financial drag on U.S. airlines.

In this respect, ATA strongly opposes any increase in the aviation passenger security fee. U.S. airlines and their passengers contributed \$2 billion in taxes and fees to TSA in 2010 – a 50 percent increase from the amount collected in 2002. The industry's federal tax burden on a typical \$300 domestic round-trip ticket has nearly tripled since 1972 – from \$22 to \$63. Aviation security taxes and fees now constitute almost 25 percent of the industry's federal tax burden.

To put this into perspective, the U.S. airline industry's total profit last year was \$3.7 billion, just one of three profitable years over the last decade in which U.S. airlines lost \$55 billion and shed nearly 160,000 jobs. Due primarily to escalating jet-fuel costs, U.S. airlines lost nearly \$1 billion in the first quarter of 2011. Further increasing our tax burden will further undermine the industry's financial health, thereby undermining the overall economic recovery.

Aviation security costs should be borne by the federal government. Basic fairness dictates that. Those seeking to harm our country utilizing commercial aircraft are attacking the entire U.S. population and our way of life – airlines are the surrogate, not the ultimate goal of those attacks.

The U.S. Government Should Harmonize International Security Protocols

International harmonization is critical and the U.S. airline industry fully supports the DHS effort to achieve harmonization through the International Civil Aviation Organization (ICAO), something that both Secretary Napolitano and Administrator Pistole have vigorously pursued. However, since there are so many governments with different capabilities, ATA believes that the United States, Canada, the European Union and other major trading partners should achieve a much higher degree of coordination so that procedures can be mutually recognized, thereby diminishing redundant requirements for airlines and their customers. Greater harmonization and mutual recognition would minimize the re-screening of passengers, baggage and cargo from these countries. It would also allow screening resources to be better deployed and improve the movement of passengers and goods.

Conclusion

Since its creation nearly a decade ago, TSA has steadfastly defended the United States from threats to its security. TSA also has developed an extraordinary storehouse of experience that can be applied to continue its mission and, in doing so, continue to improve the efficiency of the processing of passengers and freight in ways which will benefit our economy and our ability to compete globally. ATA looks forward to working with the Subcommittee and TSA to realize these mutually reinforcing goals.