



Committee on
HOMELAND SECURITY
Chairman Michael McCaul

Opening Statement

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Media Contact: April Ward
(202) 226-8417

**Statement of Subcommittee Chairman Richard Hudson (R-NC)
Subcommittee on Transportation Security
Committee on Homeland Security**

“Examining TSA’s Management of the Screening Partnership Program”

Remarks as Prepared

I would like to thank our witnesses for their participation in this hearing. We know your time is valuable and we appreciate you taking the time to be here today.

The long-term success of TSA’s Screening Partnership Program (SPP) is a priority for many Members of Congress and stakeholders around the country who understand the private sector is highly capable of providing efficient and effective screening services. Unfortunately, TSA’s actions over the last few years seem to demonstrate that it does not share this goal. This hearing is an opportunity to examine the problems that currently exist within the program and encourage TSA to take steps to enable more airports to choose private sector screening.

To be clear, this does not mean airports that participate in SPP are opting-out of robust federal oversight and regulations, which were severely lacking before 9/11. It means opting to use qualified private vendors to carry out day-to-day screening functions, which lets TSA concentrate on setting and enforcing security standards.

Eighteen domestic airports currently participate in SPP. The law requires that contract screeners meet the same qualifications and receive commensurate pay and benefits to their Federal counterparts. SPP is a voluntary program, and airports must apply to participate. Under the FAA Modernization and Reform Act of 2012, unless an airport’s participation in SPP would hurt security or drive up costs, TSA must approve all new applications.

This 2012 provision revived an otherwise lifeless SPP application process after the TSA Administrator announced he would not expand the program unless there was a clear and substantial advantage to do so.

While I have great respect for Administrator Pistole, as far as I am concerned, there will always be at least three clear and substantial advantages to privatized screening:

1. The private sector operates more efficiently than the federal government and can save precious taxpayer dollars,
2. The private sector provides better customer service, which is severely lacking at many of our nation's screening checkpoints, and
3. With private screening, TSA can stop dealing with the time-consuming human resources issues that come with managing a workforce of over 50,000 screeners.

This is not to imply that TSA has not made any progress over the last few years. Under Mr. Pistole's leadership, TSA is becoming more risk-based and efficient through programs like TSA Pre-Check. However, Pre-Check operates just as well at SPP airports, including San Francisco International Airport, one of the largest and busiest airports in the country. There is no reason why SPP cannot be expanded to create even greater efficiencies under a risk-based system.

In order to move forward with additional SPP airports in a constructive manner, several concerns need to be addressed in the near term:

First, TSA has established a methodology for calculating Federal Cost Estimates (FCEs) for each new SPP contract based on requirements in the FAA Modernization Act, but that methodology does not include federal retirement benefits, which we know to be a huge cost burden. TSA is also using the average screener salary for its FCEs, but is allowing vendors to bid the minimum screener salaries, which may be unsustainable and cause significant issues in the long term.

Second, TSA's Screening Partnership Program Office does not conduct the level of outreach to airport operators that it should. To that end, TSA must make immediate changes that include:

- Educating new airports on the benefits of SPP
- Communicating early and often with airports that are transitioning to SPP
- Consulting airport directors at existing SPP airports when selecting vendors for initial awards and contract re-competes

These are simple but crucial changes, and the only barrier to action is TSA's well-known resistance to expanding SPP. I look forward to discussing these and many other issues with our witnesses today to ensure the program is working and prepared to expand to additional airports.

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