



JULY 28, 2010

LOST IN THE SHUFFLE: EXAMINING TSA'S MANAGEMENT OF SURFACE TRANSPORTATION SECURITY INSPECTOR

UNITED STATES HOUSE OF REPRESENTATIVES, COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON TRANSPORTATION SECURITY AND INFRASTRUCTURE PROTECTION

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FOR IMMEDIATE RELEASE

Statement of Chairman Bennie G. Thompson

Lost in the Shuffle: Examining TSA's Management of Surface Transportation Security Inspectors

July 28, 2010 (Washington) – Today, Committee on Homeland Security Chairman Bennie G. Thompson (D-MS) delivered the following prepared remarks for the Transportation Security and Infrastructure Protection Subcommittee hearing entitled “Lost in the Shuffle: Examining TSA’s Management of Surface Transportation Security Inspectors”:

“Today, we will evaluate TSA’s management of the Surface Transportation Security Inspection Program and discuss the role of surface transportation security inspectors. We want to understand how effective this program is in securing our Nation’s transit systems, highways, and rail lines against terrorist attack.

Like the Chairwoman stated, just last year, a plot to attack the New York City subway system was uncovered, and in recent years we have seen the horrific attacks on a commuter rail line in Madrid in 2004, on the London transit system in 2005, on the Mumbai Suburban Railway in 2006 and 2008, and on Moscow’s subway earlier this year.

The question on all of our minds is, “What are we doing here at home to address the terrorist threat to our Nation’s highway, transit, and rail systems?”

TSA is responsible for the security of all modes of transportation, yet TSA’s record to date for implementing functional surface security programs has been poor.

For example, two critical surface regulations required by the 9/11 Act to address frontline employee security training and security assessments are more than 2 years overdue.

Earlier this month, I met with the new TSA Administrator – John Pistole – and I have his assurance that addressing surface transportation security will be a priority for him. The Members of this Committee stand ready to work with the new Administrator on this very important issue.

Today, the Inspector General will discuss his critical assessment of how TSA is carrying out its surface transportation security mission, with a particular emphasis on its management of the surface transportation security inspectors.

This evaluation will help our Members and Administrator Pistole in developing a roadmap for TSA to improve this program and other surface transportation security programs in the future.”

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**Opening Statement of Chairwoman Sheila Jackson Lee (D-TX) as prepared
Subcommittee on Transportation Security and Infrastructure Protection
Committee on Homeland Security**

*“Lost in the Shuffle: Examining TSA’s Management of Surface Transportation Security
Inspectors”*

Wednesday, July 28, 2010, at 3:30 p.m.
311 Cannon House Office Building

We are here today to discuss TSA’s management of the central piece of its surface transportation security efforts: the Surface Transportation Security Inspection Program.

TSA has been tasked with a complex and evolving mission: to secure our transportation systems while maintaining the healthy movement of goods, services, and people.

Since it was created nearly a decade ago in the wake of the 9/11 attacks, TSA has focused the vast majority of its resources and assets on aviation security.

Clearly, the threat to aviation is still present, but TSA cannot ignore the obvious trend of terrorist attacks on surface transportation assets worldwide.

Our domestic transit, bus, and rail systems have thus far been spared, but terrorist attacks in Spain, Great Britain, India, and Russia over the last few years have emphasized how critical these systems are to protecting large urban areas.

The attacks we have witnessed abroad have been well executed with devastating consequences. They demonstrate that securing a surface environment presents unique obstacles and vulnerabilities that do not exist in other modes.

The Zazi New York City case was a chilling reminder that American transit systems, like those in Europe and Asia, are enticing targets for al Qaeda and other terrorist groups.

We must be vigilant. We must be prepared.

Our Nation’s mass transit and passenger rail systems provide 34 million passenger trips each weekday, compared to the 1.7 million passengers flying daily on commercial domestic and international flights.

Yet 85% of TSA’s resources are dedicated to aviation security, while just over 1% is dedicated to surface transportation security.

This disparity calls into question TSA’s commitment to implementing effective surface security programs.

TSA’s Surface Transportation Security Inspection Program is authorized in section 1304 of the 9/11 Act, which outlines specific parameters for the mission and make-up of surface inspectors.

In February 2009, the DHS Inspector General released a report on the Effectiveness of TSA’s Surface Transportation Security Inspectors that raised serious concerns about TSA’s deployment of surface inspector resources.

The report found that the program was understaffed for the long term, and that an aviation-focused command structure had undermined the quality and morale of the workforce.

Although TSA concurred with one of the three I-G recommendations, there has been little evidence of progress made by TSA in implementing them.

Largely based on the I-G's findings and recommendations, a robust provision addressing the surface inspector program was included in our TSA Authorization bill, H.R. 2200, which passed the House by an overwhelming bipartisan majority in June 2009.

However, over the past year TSA has implemented new changes to the surface inspector program that ignore these efforts, and further changes are being implemented under an initiative called "TSI Evolution," which significantly re-defines surface inspector activities and training.

We are concerned that TSI Evolution minimizes the importance of the surface-focused mission and expertise required by statute in order to re-make surface inspectors into "jack-of-all-trades" first responders who will be deployed to all transportation modes.

Currently, new surface inspectors are required to complete 2 weeks of aviation and cargo training, but are only given 1 week of surface mode training.

Even as it implements these changes, TSA has still not completed a staffing plan, or any risk-based assessment to demonstrate how TSI Evolution will enhance security.

Further complicating matters is the challenge presented by forthcoming security regulations required by the 9/11 Act – rules on frontline employee security training and security assessments for surface modes are more than 2 years overdue.

These rules will drastically change the security landscape for surface transportation systems, and will likely require an expansion of surface inspector workforce, making the completion of a staffing assessment all the more imperative.

I have met with the new TSA Administrator, Mr. Pistole, who shares my concern about improving our surface security efforts, and I look forward to working with him to make this happen.

We are in a new era for TSA, and with hard work and determination, a new era also for surface transportation security.

Statement of Lee Kair
Assistant Administrator, Security Operations
Transportation Security Administration
U.S. Department of Homeland Security
Before the
Subcommittee on Transportation Security and Infrastructure Protection
Committee on Homeland Security
United States House of Representatives
July 28, 2010

Good afternoon Chairwoman Jackson-Lee, Ranking Member Dent, and distinguished Members of the Subcommittee. Thank you for the opportunity to testify on the Transportation Security Administration's (TSA's) management and guidance of the surface transportation security inspection program authorized in section 1304 of the Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act).

The Subcommittee's choice of this topic for the hearing today is timely for a number of reasons. The first reason is the need for TSA to continue to focus attention on surface transportation. Secretary Napolitano has demonstrated her commitment to improving surface transportation security, and in his confirmation hearings, our new TSA Administrator, Mr. John Pistole, stated a number of times that, if confirmed, he planned to "assess TSA's non-aviation surface transportation efforts in concert with state and local authorities." Administrator Pistole further noted the terrorist attacks on foreign rail and mass transit systems, the planned but thwarted attacks on U.S. mass transit systems that carry millions of people every day, the content of intelligence reporting that drives TSA efforts, and the challenge of hardening surface transportation systems as reasons for his plans to review TSA surface transportation security efforts. Because of Administrator Pistole's recent arrival at TSA, his review of this vital topic is not complete.

The second reason that this hearing is timely is because TSA has initiated a number of improvements to its surface transportation security inspection program. These changes address concerns expressed by Members of this Subcommittee, by members of the full Homeland Security Committee and others in the Congress, and by the Government Accountability Office (GAO). I will update you on the most significant of these changes in a few moments.

The third reason why this hearing is timely is that it provides us an opportunity to receive guidance from this Subcommittee as TSA moves forward to improve surface transportation security. While the statutes drafted and enacted by the Congress provide general guidance, hearings like this provide the opportunity for additional dialogue. During his confirmation hearings, Mr. Pistole heard from members of the Senate on this topic, and this hearing provides TSA with the opportunity to hear from you. Again, this is particularly relevant as Administrator Pistole begins his comprehensive review of TSA's surface transportation security program.

I would like to update you on four important and recent improvements involving the surface transportation security inspection program.

New RSI-S Positions Established

In an effort to provide more direct oversight of the surface transportation security program, a realignment of personnel devoted to surface transportation was accomplished in January 2010 pursuant to TSA Operational Directive (OD) 400-54-5. Six Assistant Federal Security Director-Surface (AFSD-Surface) positions that previously reported to Federal Security Directors (FSDs) were abolished, and six new Regional Security Inspectors-Surface (RSIs-S) positions were established. The RSIs-S report directly to the new TSA headquarters Surface Inspection Oversight Assistant General Manager, not to FSDs.

The Surface Inspection Oversight Assistant General Manager, Carl Ciccarello, has 31 years of surface transportation experience, including 17 years in military operations, seven years running the port of New York for the U.S. Coast Guard, and seven years with TSA running the Transportation Security Operations Center (TSOC) surface watch desk. Since then, he has been building, managing and leading the TSA Surface Transportation Security Inspection Program.

The six field RSIs-S are positioned throughout the country to more easily provide active on-site oversight of surface inspection, assessment, and operational activities. Each of these six RSIs-S are also assigned as TSA corporate liaisons to all Class One and large regional railroads, which promotes a nationally balanced approach to regulatory compliance activities and operational issues for large railroad corporate entities related to rail security.

The six regional RSIs-S average more than 25 years of surface transportation experience and are recognized as the surface security subject matter experts in the field. The RSIs-S quickly developed strong communication ties with each of the Rail Security Coordinators for Class One and large regional railroads to facilitate continuous dialogue. The work of the RSIs-S thus far has provided consistent application of security regulations across railroad entities. Issues discussed in recent months have included Rail Sensitive Security Materials (RSSM) chain of custody requirements, including location information, paperwork evidence, and U.S. border implications and jurisdiction.

The RSIs-S organizational change, providing direct headquarters surface transportation oversight, already is bearing fruit. Prior to the change in organization, TSA surface transportation inspection programs in both Los Angeles and St. Louis were struggling to meet TSA work plan mandates. The RSIs-S provided audit reviews of each operation's work products, and then worked with and provided on-site assistance and leadership to local TSA staff, who took corrective actions. TSA staff in both of those cities now are meeting or exceeding the work plan requirements for FY 2010.

A Collaborative Security-Based Workforce

The Regional Security Inspectors (RSIs) provide day-to-day support to the Area Directors (AD) with overall program direction and supervision being provided by the Office of Compliance Programs at headquarters within the OSO. In addition to other assigned surface transportation duties, RSIs serve as liaisons between TSA OSO and large freight rail corporations whose operations are multi-regional or national in scope and will support regional activity as directed by the AD. RSIs focus on national/corporate level compliance issues, and generally do not have a role in compliance activity that is local in nature (that is, routine compliance and enforcement activity); rather, such compliance activity will fall within the purview of the FSDs. Transportation Security Inspectors-Surface (TSIs-Surface) report to Assistant Federal Security Directors for Inspections (AFSD-Is), who in turn report to the FSD and are responsible for, at a minimum, all inspection, compliance, and enforcement activity within the areas of responsibility of the FSD offices in which they reside.

TSA is currently building a workforce of 404 TSIs-Surface to be employed throughout the nation. The TSI-Surface workforce conducts comprehensive assessments, inspections, and investigations of surface transportation systems; oversees compliance with applicable transportation security policies, directives, standards, and agreements; identifies potential problem areas or deviations from prescribed standards; and ensures overall adequacy, effectiveness, and efficiency of the security posture of surface transportation systems.

The FSDs are the operational field component of OSO and are charged with the implementation of all field operational activities across all modes of transportation. TSA uses this command structure because FSDs are equipped to leverage the security network in their area. FSDs frequently interact with state and local law enforcement and surface transportation system operators and understand the vulnerabilities and challenges of the surface transportation modes in their backyard, some of which also feed into airports.

TSA has adopted this network decision-making model in all modes of transportation, including its other inspection divisions in aviation and cargo. This approach recognizes the need for regional and localized strategies to enhance cross-modal prevention, detection, response, and recovery efforts based on accurate and thorough domain awareness, strong professional networks

and relationships with local security officials and transportation mode operators, and consistent and clear reporting lines to the local FSD.

Expanded Role of TSI-Surface in the Visible Intermodal Prevention and Response (VIPR) Program

With the expansion of the FAMS VIPR program from 15 to 25 dedicated teams, TSA has assigned one primary senior TSI-Surface official to each team. Their role is to provide surface transportation expertise to the teams that did not previously exist. The TSI-Surface involvement varies by location, from acting as the designated VIPR coordinator for non-aviation VIPR activity to actively participating in the planning and/or execution of VIPR operations. The TSI-Surface assignments will be rotated among the surface inspectors at each of the 25 TSA dedicated VIPR team locations on a 60- to 90-day schedule. This provides for work role expansion for each of the TSIs while allowing for practical application of inspector skills and training when not assigned to the dedicated VIPR team.

TSA also has expanded the full-time representation of TSI-Surface officials for national level VIPR planning, coordination, and deployment. The full-time TSI-Surface staff is located in the VIPR Joint Coordination Center, and includes two TSI-Surface staff and one Supervisory TSI-Surface official. These officials join the Office of Security Operations VIPR Branch Chief, who was added to the Joint Coordination Center in January 2010.

The addition of these personnel has greatly increased the level of surface transportation experience for VIPR operations, and also adds important surface transportation perspectives into the planning and coordinating VIPR deployments. For example, TSI-Surface staffers assigned to dedicated VIPR teams carry out comprehensive security surveys of rail stations and verify physical security measures already in place. The station profile data are an integral part of an initiative currently underway to enhance and improve the VIPR deployment planning, operations, and reporting processes.

Risk-Based TSI-Surface Deployment Methodology

As the TSA surface transportation security inspection program has expanded and matured, TSA has used a risk-based approach to allocate TSI-Surface staff and to open new surface offices. Other qualitative data also are considered to better serve surface transportation security based on the division of geographic areas of responsibility. While TSI-Surface staff are not assigned to every major city in America, defining geographic areas of responsibility helps ensure both complete coverage of regulated parties as well as comprehensive VIPR coverage.

The risk-based approach considers four key factors before assigning a final risk based score to a city, including:

- location within a high threat urban area;
- location of a top 100 mass transit/passenger rail system within the home city;
- toxic inhalation hazardous (TIH) materials flow within that city; and
- whether the city is located in the northeast corridor (NEC).

Currently, a total of 54 cities have TSI-Surface staff, including robust coverage in the NEC. Over the coming months, TSA plans to add surface offices and TSI-Surface staff in:

- Austin, TX,
- Baton Rouge, LA,
- El Paso, TX,
- Fresno, CA,
- Honolulu, HI,
- Mobile, AL,
- Nashville, TN,
- Ontario, CA,
- Tulsa, OK,
- Queens, NY,
- Moline, IL, and
- Tucson, AZ.

All surface offices are staffed with at least two persons. Through the use of a new standing national register, TSA has received tens of thousands of applicants for inspector positions, greatly increasing the pool of qualified applicants and reducing the time needed to fill vacancies.

The large number of Risk Reduction Survey (RRS) assessments and inspections that have been conducted by TSIs-Surface since 2006 has provided TSA with additional data on the cities that are the best candidates for new surface offices. The RRS survey program also has been successful in reducing surface transportation risks: freight rail systems have reduced the percentage of Rail Sensitive Security Materials that pose a toxic inhalation hazard and that are unattended while at rest from over 80 percent in 2006 to approximately 7 percent in 2010.

Building the TSI-Surface Training Infrastructure at Pueblo, Colorado

In anticipation of the need to train new TSIs-Surface on railroad-specific safety and security issues, TSA began training the workforce at the Transportation Technology Center in Pueblo, CO in 2006. After realizing the value and potential of this site, TSA entered into Memorandum of Agreement (MOA) with the Federal Railroad Administration to build out a portion of the facility in Pueblo to allow for more advanced training capabilities. TSA also has partnered with other federal agencies and stakeholders to obtain rail cars for practical training purposes and to

build infrastructure at the site. Administrator Pistole visited the facility earlier this week as part of the significant outreach he has been performing since being sworn-in as our new Administrator this month.

The development of consistent, thorough training for TSIs-Surface is key to ensuring that TSA has a technically proficient and agile workforce, and to ensure that its inspectors operate safely and appropriately in the surface transportation environment. To further deliver on our commitment to improve surface transportation security training, TSA has assigned personnel to develop the TSI-Surface curriculum and to deliver training material. This team is also responsible for the future expansion of the Pueblo site, and the development of expanded training courses that will cross all surface modes of transportation.

Current training at the Transportation Technology Center for TSI-Surface staff includes coursework focused on orienting inspectors to the specific railroad operating environment and providing safety awareness. Future courses at the facility will provide TSI-Surface staff with an advanced railroad operating course, VIPR training, and a highway motor carrier/over-the-road bus course. All courses will include both classroom instruction and on-site practical application and exercises. TSA is very excited about the future potential of the Surface Transportation Security Training Center.

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In conclusion, I want to thank you for the opportunity to provide this update on TSA's ongoing improvements to its surface transportation security inspection program, and I would be happy to answer your questions.

STATEMENT OF CARLTON I. MANN

ASSISTANT INSPECTOR GENERAL FOR INSPECTIONS

U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE THE

COMMITTEE ON HOMELAND SECURITY

**SUBCOMMITTEE ON TRANSPORTATION SECURITY AND
INFRASTRUCTURE PROTECTION**

U.S. HOUSE OF REPRESENTATIVES

JULY 28, 2010



Good afternoon Chairwoman Jackson-Lee and distinguished members of the Subcommittee. Thank you for the opportunity to testify on the Transportation Security Administration's (TSA) management of surface transportation security inspectors.

When discussing transportation security, people usually think of aviation security first. However, terrorist incidents abroad have underscored the need to focus more on surface transportation modes--mass transit, highway, maritime, pipelines, and freight rail. Surface inspectors play a critical role in helping secure these transportation modes.

The *Aviation and Transportation Security Act of 2001* gave the Transportation Security Administration authority and responsibility for security on all modes of transportation. Congress further clarified TSA's oversight role with the *9/11 Commission Act*. Beginning in 2004, TSA increased its efforts to mitigate the vulnerability of mass transit rail systems across the United States. This was accomplished by introducing mass transit stakeholder security forums; developing guidance, memorandums and directives; using its Surface Transportation Security Inspection (STSI) Program to provide voluntary vulnerability assessments; and, providing support through grants and direct operational assistance.

Within the last two years, the Office of Inspector General (OIG) has issued several reports related to surface transportation issues, including the STSI program. I would like to highlight the results of those reviews. Most of my statement focuses on our findings and recommendations. However, it is important to point out that we also reported that TSA's surface inspector assessment and domain initiatives have been effective, and have helped the program achieve many of its goals.

In June 2008, we issued an inspection report, *TSA's Administration and Coordination of Mass Transit Security Programs* (OIG-08-66). This report addressed the strengths and weaknesses of TSA's oversight and assistance programs for mass transit rail, including the STSI Program, the Transit Security Grant program, the Visible Intermodal Prevention and Response (VIPR) program, and the National Explosives Detection Canine Team Program. Later that year, we conducted a follow-up inspection and in February 2009 issued another report, *Effectiveness of TSA's Surface Transportation Security Inspectors* (OIG-09-24). This report addressed the strengths and weaknesses of TSA's Surface Transportation Security Inspectors. Most recently, in March 2010, the OIG issued a report, *TSA's Preparedness for Mass Transit and Passenger Rail Emergencies* (OIG-10-68). This report was prepared by the OIG's Office of Audits. It does not directly address issues involving the management of surface inspectors. However, it addresses TSA's effectiveness in supporting mass transit and passenger rail stakeholders with preparing for and responding to emergencies. In total, the OIG made 14 recommendations to TSA to promote more efficient, effective, and economical operations.

In our mass transit report, we identified important challenges to improve transit rail security, meet the needs of mass transit authorities, and comply with legislation which expanded TSA's statutory authority and responsibility. In our review of the Surface Transportation Security Inspector program, we concluded that TSA needed to look critically at how it is deploying resources. The central issue in both reports was the

mission, organization, and command structure of its surface inspectors. In particular, its command structure appeared to be aviation-focused.

Subsequently, the Office of Audits evaluated TSA's effectiveness in supporting mass transit and passenger rail agencies in preparing for and responding to emergency incidents. Their audit report overlapped with the inspection reports in one aspect. The inspection reports discussed TSA's use of the Baseline Assessment for Security Enhancement (BASE) program. It pointed out that they have led to security improvements in the mass transit systems reviewed, but did not analyze the BASE program or processes. The auditors did, and they identified weaknesses in the BASE program's ability to assess passenger rail stakeholders' emergency preparedness and response capabilities.

Following is a more detailed summary of each report.

TSA's Administration and Coordination of Mass Transit Security Programs (OIG-08-66)

The purpose of our review was to evaluate TSA's four largest oversight and assistance programs for mass transit rail: the Surface Transportation Security Inspection Program, the Transit Security Grant Program, the Visible Intermodal Prevention and Response program, and the National Explosives Detection Canine Team Program. Our goal was to evaluate how well TSA managed these programs and how well the programs met the security needs of the major mass transit rail systems.

The *9/11 Commission Act*, which was enacted shortly after we began this review, introduced new mass transit rail standards and responsibilities for TSA. Where we obtained information on the then current status of TSA compliance with standards introduced by the *9/11 Commission Act*, we included it in our report. The review did not encompass TSA's responsibilities for freight rail and for intercity passenger rail, or for other forms of mass transit, such as buses. We conducted our fieldwork from June 2007 to October 2007.

We reported that TSA could improve certain aspects of each of these mass transit security programs. We observed unclear or unduly complex chains of command; an unclear mission or insufficient guidance; and insufficient communication. TSA needed more consistency in its interactions with mass transit rail stakeholders—who were at odds over the best approach for allocating funds and prioritizing projects for the Transit Security Grant Program—although it acknowledged and attempted to address some early missteps that strained stakeholder relationships. Nonetheless, we noted TSA should further integrate stakeholder expertise to effectively implement its oversight and assistance programs and fulfill its responsibility for mass transit security. We reported considerable satisfaction among mass transit agencies using the National Explosives Detection Canine Team Program.

The report contained seven recommendations aimed at improving TSA's oversight and assistance programs for mass transit rail. TSA concurred, or concurred in part, with recommendations to direct its Transportation Security Network Management office to

provide Transportation Security Inspectors (TSI) information and updates on the rail-related programs; develop procedures for incorporating asset-specific risk and vulnerability assessments, including information provided by TSIs, into the grant decision-making process and grant guidance; include in its annual report to Congress on how it used grants to implement its transportation security goals each grant recipient's assessment of the grant application and award process; seek Memorandums of Agreement with all relevant transit authorities regarding VIPR deployments; and revise grant program eligibility criteria to allow start-up funds for mass transit systems that do not already have a canine explosive detection unit.

TSA did not concur with two recommendations: place the Transportation Security Inspectors – Surface under the direct authority of a TSA headquarters official who is responsible for surface transportation, and develop specific, feasible security standards for mass transit systems.

A few of the report's recommendations are not yet resolved, pending additional information from TSA and the resolution of recommendations in the follow up STSI report.

Effectiveness of TSA's Surface Transportation Security Inspectors (OIG-09-24)

The *9/11 Commission Act* directed the OIG to evaluate the performance and effectiveness of TSA's Transportation Security Inspectors–Surface and whether there is a need for additional inspectors. The act stated: "Not later than September 30, 2008, the Department of Homeland Security Inspector General shall transmit a report to the appropriate congressional committees on the performance and effectiveness of surface transportation security inspectors, whether there is a need for additional inspectors, and other recommendations." We conducted our fieldwork from February to July 2008.

We determined that TSA needed to look critically at how it is deploying resources, and assess how planned exercises could better use the inspectors and their activities. The program appeared understaffed for the long term and an aviation-focused command structure had reduced the quality and morale of the workforce.

TSA agreed that TSIs and their unique expertise in mass transit and rail should be integrated into VIPR planning and deployment. TSA stated that it has addressed the potential role of TSIs in its *VIPR Team Capabilities and Operational Deployment* guide. TSA did not agree that TSIs' comprehensive inspection activities, such as BASE and SAI reviews, should be integrated into VIPR operations.

TSA concurred with our recommendation to examine how many inspectors it needed to perform necessary functions by assessing current and anticipated future duties, and then expand the TSI workforce to ensure that each field office has sufficient staffing. However, at the time of our report we did not agree with the approach TSA proposed to take to carry out this recommendation.

TSA did not concur with our earlier recommendation, which we repeated in this report, to place the Transportation Security Inspectors–Surface under the direct authority of a TSA headquarters official who responsible for surface transportation. TSA did not agree that the TSI command structure inhibited TSI effectiveness and we were unsuccessful in persuading TSA to carry out this recommendation. Ultimately, in the absence of a commitment from TSA management to modify its command structure, we retracted our original recommendation and instead recommended that TSA eliminate practices that undermined efforts to establish a more transparent chain of command. In its last update, TSA indicated that it was taking steps to strengthen communication between the STSI program and Federal Security Directors and their staffs in the field.

TSA’s Preparedness for Mass Transit and Passenger Rail Emergencies (OIG-10-68)

The purpose of this audit was to evaluate TSA’s effectiveness in assisting passenger rail and mass transit stakeholders with preparing for and responding to emergencies. The Office of Audits conducted this performance audit between April and August 2009, and the OIG issued its final report in March 2010.

The OIG determined that TSA can better support passenger rail agencies by improving its assessments of emergency preparedness and response capabilities. The agency can also improve its efforts to train passenger rail agencies and first responders, and ensure that drills and exercises are live and more realistic to help strengthen response capabilities. The agency has focused primarily on security and terrorism prevention efforts, while providing limited staff and resources to emergency preparedness and response. As a result, passenger rail agencies and the first responders that rely upon may not be adequately prepared to handle all emergencies or mitigate their consequences.

The report made four recommendations. TSA concurred with, and took corrective actions for, all four recommendations.

Evolution of the Surface Transportation Security Inspector Program

The STSI program’s organization and chain of command continues to evolve, but in a manner which is not consistent with our recommendations. As discussed above, we reported our concerns twice about the organization and authority for the program and in both reports recommended that TSA place the responsibility for the STSI program with an official at TSA headquarters. After considering TSA’s comments on the STSI report, we revised our recommendation to TSA to eliminate practices that undermined efforts to establish a more transparent chain of command.

In December 2006, TSA shifted from a system where TSIs reported to surface-focused supervisors to a system where TSIs reported to aviation-focused supervisors. TSA reorganized the program to match the field command model for aviation and cargo inspectors. Supervisory TSIs became Assistant Federal Security Director–Surface (AFSD)–Surface who reported to the local Federal Security Director (FSD). The FSD was the administrative manager, but the STSIP headquarters office still set the priorities and provided the budget resources for the inspectors in the field. AFSDs–Surface, therefore, effectively had two chains of command.

In May 2008, TSA made further changes. In primary field offices that have an AFSD–Surface, TSIs were reporting to that individual. In satellite field offices without an AFSD–Surface, inspectors were reporting to the local Assistant Federal Security Director – Inspections (AFSD–Inspections). However, the AFSD–Surface at the nearby primary field office still mentored and advised all surface inspectors within that area, even when they were not under his or her direct command. Under this structure (at the time of our report), 55 (37%) of TSIs were reporting to an AFSD–Surface, and the remaining 95 (63%) were reporting to an aviation-focused AFSD–Inspections.

At the time, we also observed several problems regarding FSDs’ involvement with the STSI program that were leading to tension and confusion over the program’s chain of command. In response to our STSI report, TSA stated that it chose this command structure because FSDs are better able to use the security network in the area. TSA noted that FSDs frequently interact with state and local law enforcement and mass transit operators. TSA believes that FSDs understand the vulnerabilities and challenges of the mass transit modes “in their backyard.” In our final report, we maintained that the program continued to operate differently than that outlined in a management directive that TSA cited.

In August 2009, TSA informed us that it was in the process of conducting a formal independent comprehensive staffing study of the entire inspection workforce, to include surface, with the results due in the fourth quarter of fiscal year 2009. TSA has not communicated the results of its study.

In September 2009, we learned that TSA began to implement a multi-phased restructuring of its Office of Security Operations (OSO), Office of Compliance, Surface Inspection and Oversight to meet mission demands and to better utilize resources. TSA planned to abolish positions, establish new positions, realign some functions among positions, and reallocate resources among field offices throughout the country. The restructuring plan appeared to affect numerous senior staff within the surface inspector program.

In January 2010, TSA reorganized the surface program. We requested that TSA update the OIG on any organizational changes that have occurred within the surface program to establish a more transparent chain of command, and last week TSA forwarded details of the reorganization. Specifically, TSA has abolished the position of Assistant Federal Security Director—Surface and assigned those responsibilities to the position of Supervisory Transportation Security Inspector—Surface and to newly created Regional Security Inspectors. Supervisory TSIs—Surface report to Assistant Federal Security Directors—Inspection, who report to Federal Security Directors.

We continue to study the reorganization. We remain concerned whether these changes will enhance TSA’s relationships and communication with its surface transportation partners. The presence of dedicated Assistant Federal Security Directors – Surface afforded TSA recognizable liaisons to transit systems and enabled information sharing. Without further review, we do not know whether this plan will better enable surface resources to operate adequately and effectively in an aviation-centric environment.

Thank you for the opportunity to discuss these matters. I would be pleased to answer any questions you may have.

Thomas C. Lambert
Senior Vice President & Chief of Police
Metropolitan Transit Authority of Harris County
July 28, 2010
“Lost in the Shuffle: Examining TSA’s Management
of Surface Transportation Security Inspectors”

Good afternoon Chairwoman Jackson-Lee, Ranking Member Dent, and distinguished Members of the subcommittee. Thank you for the opportunity to visit with you today on this very important topic. As a mass transit security practitioner, I know all too well the challenges of protecting our riding public, employees, and infrastructure.

Let me begin by stating that we support the efforts of the Transportation Security Administration (TSA) and the intended mission of the Surface Transportation Security Inspector program. We are also encouraged by Administrator John Pistole’s commitment to placing mass transit security on the same priority as aviation security. We look forward to working closely with him as he strengthens TSA’s leadership in this regard.

TSA has taken some positive steps in helping transit agencies secure their systems. Programs like the Peer Advisory Group and the Transit Safety/Security Roundtable are valuable tools that must continue to be used. The Peer Advisory Group, made up of Transit Police and Security Chiefs, is a great forum for the discussion of transit security issues and initiatives. The Roundtable, a joint effort between TSA and the Federal Transit Administration (FTA), fosters an open exchange of information between Transit Police, Security, and Safety Chiefs. Through this forum both the TSA and FTA maintain a partnership with their mass transit stakeholders.

Another important TSA component is the reason we are here today, the Surface Transportation Security Inspector program. In this program, TSA has committed resources and personnel designed to enhance the security of our nation’s surface transportation system. Surface Transportation Security Inspectors have a presence today that did not previously exist. They act as local liaisons between TSA and transit agencies, conduct needed assessments via BASE reviews, and ensure that transit agencies follow guidelines and rules established by TSA. While we believe the Surface Transportation Security Inspector program to be a necessary and vital part of transit security, we would like to offer some suggestions for enhancing the program that would increase the effectiveness of Surface Transportation Security Inspectors, in our view.

It is our strong opinion that TSA’s Mass Transit Division should be responsible for managing, directing, and administering the Surface Transportation Security Inspector program, especially for Surface Inspectors who are responsible for duties related to mass transit. Furthermore, the Surface Inspectors should be modal specific and have a background in transit security or transit policing along with an understanding of their application to a transit environment. The current structure, which dictates that Surface

Inspectors report to Federal Security Directors, is not conducive to a focus on mass transit and has fostered a lack of clear and defined roles for Surface Transportation Security Inspectors. We feel that by reporting to Aviation Management the mission, focus, and effectiveness of Surface Inspectors is diluted. Furthermore, we feel that TSA's Mass Transit Division is better suited to understand the specific needs and unique security environment of mass transit agencies, both bus and rail. Additionally, the Mass Transit Division's regular interaction with local transit agencies will allow for enhanced partnerships and networking that will serve to further strengthen the Surface Transportation Security Inspector program. Lastly, we believe that not only will the Surface Inspector's mission focus be better served by reporting to the Mass Transit Division; their training and communication of mass transit security issues throughout TSA will be strengthened and be of greater benefit to all stakeholders. A greater positive impact on transit security can be achieved by deploying well trained and experienced Surface Inspectors who focus specifically on mass transit and answer to TSA Headquarters through the Mass Transit Division.

The final area of TSA's efforts I would like to discuss with you today is rulemaking. There is no doubt that many industries shy away from Federal rulemaking, but here we have a great opportunity to establish guidelines and regulations that will strengthen transit security nationwide while taking into consideration the uniqueness of various transit operations across this country. We firmly believe that this can be accomplished through an open, honest, and positive dialogue between TSA and the transit industry. We cannot stress enough the importance of establishing a partnership between TSA and local transit police and security chiefs in order to develop rules, regulations, and policies that are realistic and have a true positive impact on transit security. No place is there a better opportunity for this than TSA's Peer Advisory Group. This group of experienced transit police and security practitioners can play a vital role in working with TSA to develop appropriate rules and regulations that will create a win-win situation to enhance the security of our transit systems. Here again the value of the Surface Transportation Security Inspector program can play a key role by bringing a global transportation security view to transit agencies who can then act locally to secure their transit systems.

In closing, I want to reiterate my support for TSA and the mission of the Surface Transportation Security Inspector program. Recent events continue to illustrate that we face a constant threat from those wishing to do us harm. While much of this threat and the security resources to respond have been directed at the aviation sector, history has clearly shown that mass transit continues to be a target of choice for terrorist attacks. We are confident that given the opportunity to work together with TSA on these important issues we can build strong relationships that will serve to greatly enhance the protection of our riding public, employees, and the systems they utilize on a daily basis. Thank you again for the opportunity to appear before you today and I will gladly answer any questions that you may have.

In the United States House of Representatives

Committee on Homeland Security

Subcommittee on Transportation Security and Infrastructure Protection

Hearing

“Lost In the Shuffle: Examining TSA’s Management of Surface Transportation
Security Inspectors”

July 28, 2010

Testimony of the American Bus Association

Clyde J. Hart, Jr. Senior Vice President for Government Affairs and Policy

Chairman Jackson-Lee and members of the subcommittee, my name is Clyde Hart and I am the Senior Vice President for Government Affairs and Policy of the American Bus Association (ABA). First of all, Chairman Jackson-Lee, the ABA would like to applaud your leadership in holding this hearing. Security is our number one concern and we share with you your insistence that we all do everything we can to improve the security of the transportation system and infrastructure that so many of the nation’s citizens depend upon every day.

The ABA is the trade association for the private over-the-road bus and motorcoach industry. The association is comprised of some 3500 member organizations and companies including one thousand motorcoach operators. There are approximately 3800 privately operated motorcoach companies in the United States. The ABA motorcoach companies provide all manner of transportation services to the nation. These services include scheduled service, charter and tour, commuter services, and airport shuttle operations.

ABA members are large (Greyhound Lines, Coach America domiciled in Dallas, Texas; Coach USA, in New Jersey) but other than a handful, are mostly small family owned businesses (Transbridge Lines in Pennsylvania and Indian Trails in Michigan with fleet sizes of about 70 motorcoaches). In fact, the vast majority of bus companies operate between two and ten motorcoaches. The motorcoach industry is varied in many other ways. For example, some 28,000 motorcoaches provide access to all critical infrastructure and key resources in the nation. In addition, there are approximately 1200 identified station/terminal locations for intercity fixed route operations. Over the past

several years there has also been a rapid growth in intercity on-demand/curbside pickup service. A recent New York Times article noted with cuts in airline flights and “ridership on trains...relatively flat” bus transportation has grown 15% in the last two years (“The Humble Bus Takes Off”. New York Times, Sunday, July 25, 2010, Travel Section, pg. 3). A copy of this article is appended to my testimony. Moreover, these same trends in other transportation modes have fueled growth in charter and tour services which continues to provide the greatest portion of the industry’s annual revenue. Finally, over the past decade we have also seen a rapid growth in urban/suburban commuter service. What binds all of the bus operators together is our ability and expertise in safely and efficiently transporting people throughout the nation. All tolled in the past year private bus and motorcoach operators provided service to 750 million passenger trips, more than the domestic airlines. And the industry does all of this with only 0.06 percent of all federal funding for transportation.

As you will imagine, given our responsibilities, safety and security is the industry’s first priority and ABA strongly supports the efforts by Congress to enhance security for bus transportation by creating a level playing field, where all bus companies operate under consistent security policies and training standards. ABA and its members are well aware that globally buses and bus facilities are an attractive target for terrorists, as the large number of such attacks over the past decades clearly demonstrates. Most recently, in a March 2010 report entitled: “Terrorist Attacks on Public Bus Transportation: A Preliminary Empirical Analysis” (MTI Report WP 09-01) the Mineta Transportation Institute reported that since 1970 buses and bus stations were the targets of more than 51% of the total number of attacks (p.19). We note that in the Mineta Report “public bus transportation” also includes the facilities, passengers and employees of private motorcoach companies.

The ABA, as the voice of the private bus industry has been a partner in providing security with the federal government since 9/11. Shortly after the attacks on 9/11 ABA worked with this Committee and with the Appropriations Committee to implement an Intercity Bus Security Grant Program (IBSGP). The IBSGP is a small competitive grant program which allows bus operating companies to compete for grants to implement security measures to protect their passengers, employees and facilities. Since the Fiscal Year 2002 this program has seen ABA members use these funds, as well as their own money, to provide emergency communications between dispatch and emergency first responders; allowed bus companies to “wand” passengers at larger terminals; install cameras in bus staging areas and maintenance facilities and install engine “kill” devices on motorcoaches. The IBSGP, never funded at over \$12 million each year, is making a positive difference in our ability to protect those who depend on us.

But while ABA is proud of our accomplishments to date we recognize that we have more to do and we are concerned about several aspects of TSA’s on going efforts. Shortly after 9/11 transportation security efforts were conducted under the authority of the United States Department of Transportation (USDOT). One DOT project was a bus security threat/vulnerability study conducted by the Volpe Transportation Center. While

the complete content of the study remains classified, it did establish priorities for the hardening of both public and private bus transportation facilities as an aid to security. With the aid of grants from the IBSGP, ABA developed a detailed bus company security training program as well as a company security plan and vulnerability assessment template. Both of these tools are now under TSA control and are being revised. However, one ABA concern is that TSA's revisions are being driven by what is now a nine year old study.

Under the 9/11 Act Congress directed TSA to conduct a new threat/vulnerability assessment. In January 2009 ABA worked with TSA officials in the threat scenario evaluation portion of this project. To date there is no sign that this new study is near completion. This is the study that should be driving the forthcoming TSA regulations and any subsequent training or policy changes. I must also note here that for the past two years the federal Office of Management and Budget (OMB) has recommended eliminating the IBSGP on the ground that there is no threat/vulnerability assessment for the motorcoach industry. The ABA continues to argue that the need for such a program is great and other studies have documented the need for such a program, including the GAO's February 2009 report titled, "Risk-Based Approach Needed to Secure the Commercial Vehicle Sector". And as noted above the Mineta report clearly highlights the need for the IBSGP program. Even more fundamentally, ABA and its members believe that the evidence of risk to the industry is unavailable solely due to the lack of movement by TSA to complete the required threat/vulnerability study. TSA must finish this study and do so before there is any further action taken on motorcoach security regulations or the development of training standards. Failure to finish this study before regulations are announced will put the industry at risk of always lagging in security via "out of date" regulations.

In addition to our request for TSA to complete the threat/vulnerability study, ABA also has concerns regarding the lack of information sharing between TSA and the industry. Until five years ago ABA and industry operators were kept informed about security issues and emergency matters by DOT and then TSA personnel through initiatives and communications pathways such as HITRAC, Highway Watch, First Observer (which has no motorcoach module) and the Homeland Security Information Network (HSIN) to name a few. These and other regular sources of information ceased to provide updated security information to the motorcoach industry in the middle of 2007 and have not been reactivated. Our industry now relies solely on information from the Department of Homeland Security Infrastructure Protection private sector liaison officer. But it is ABA's belief that it and its members still lack vital information and no security program can be sustained if it is starved of up to date and accurate information. The industry does not receive any information on possible threats in which our expertise would be useful and perhaps vital. As one example, ABA notes a recent incident aboard a private motorcoach in Portsmouth, New Hampshire in which TSA specifically informed ABA that the association would not receive any information relating to the incident. The reason given was that the agency official "did not believe in broadcasting threats". The industry was left to watch the events unfold on the news. The partnership the industry had

is now decidedly one sided and ABA believes this turn of events is a detriment to the industry, the agency and the public.

Finally, ABA is concerned about the duplicative security efforts by two separate federal agencies. Motorcoach companies currently undergo safety audits conducted by the Federal Motor Carrier Safety Administration (FMCSA) to determine the carriers' fitness to operate. The TSA intends to establish a separate, parallel program to conduct security audits using its own cadre of TSIs. ABA's concern with this proposal is a matter of the proper use of resources. FMCSA and State safety inspectors operating under the Motor Carrier Safety Assistance Program (MCSAP) conducted some 3300 so-called compliance reviews on motorcoach companies between 2005 and 2008. In addition, it also conducts Security Contact Reviews (SCRs). This SCR program was previously called Security Sensitivity Visits (SSVs), of which FMCSA conducted approximately 30,000 between October 2001 and April 2002. These SCRs are primarily directed towards hazardous materials carriers that fit certain criteria, but they fundamentally include an assessment and verification of a company's security posture. In 2009, FMCSA conducted 1,958 security contact reviews. The FMCSA is funded at the level of \$400 million per year for safety inspections. Furthermore, the FMCSA and the States' inspectors are generally very familiar with bus companies operations. In sharp contrast, only 15 corporate security reviews were conducted by TSA on motorcoach companies from 2005-2008. It is safe to say that TSA inspectors, no matter how well trained, will not have the level of knowledge of the bus industry as their FMCSA colleagues.

From the ABA's perspective, safety and security are not mutually exclusive. Security is a component of safety. ABA made this concern known to TSA through comments submitted to the public docket on this issue in August of 2009, a copy of those comments are appended to this testimony. Also, appended to our comments is a copy of TSA's response to our filing. ABA continues to insist that there is no reason why the Corporate Security review process cannot be incorporated into the FMCSA safety process. It appears to ABA that it would take less funding to increase the scope of the FMCSA program than to fund a new separate program. In addition, the risks attendant with maintaining a separate data base that comes with a separate program is eliminated.

Since 9/11 the ABA has been in the first rank of the transportation industry stakeholders who have put security at the top of the list of concerns. Right after 9/11 the ABA incorporated security as a prime duty of the ABA's Bus Industry Safety Council (BISC), the ABA funded organization that is comprised of the safety and security directors of ABA member companies. Our members never forget that they are transporting someone's children, grandparents or breadwinner to work, home, medical care or on vacation. We want to do everything we can to ensure that our passengers, employees and citizens stay as safe and secure as possible. The ABA wants to assure you, Chairman Jackson-Lee, and the members of the Committee of our willingness to work with you at every turn.

Thank you and I am happy to answer any questions.

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