THE TRAVEL AND TOURISM ADVISORY BOARD

May 23, 2011

Secretary Gary Locke
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, DC 20230

Dear Secretary Locke:

On behalf of the Travel and Tourism Advisory Board, thank you for your support of the travel and tourism industry. As you transition to the critical position of Ambassador to China, we wish you well and welcome the continued opportunity to serve you and the Department of Commerce on this board. Through this letter, we respectfully submit the conclusions of our work on the Advocacy Subcommittee regarding aviation security issues. Our work has been informed in part by the March 2011 U.S. Travel Association report on aviation security issues utilizing the work of the Blue Ribbon Panel on Aviation Security convened by U.S. Travel, which was co-chaired by Sam Gilliland, former DHS Secretary Tom Ridge and former Homeland Security Ranking Member Jim Turner. We plan to submit our recommendations related to energy policy to your successor at the September board meeting.

BACKGROUND ON AVIATION SECURITY

Nearly ten years after 9/11, and after six billion domestic passenger flights and nearly $50 billion of taxpayer dollars, our aviation security system requires a fresh perspective and one that answers fundamental questions. Have we built a system that most efficiently combats serious threats, or has the government piled layer upon layer of new security procedures on the traveler without a real assessment of their effectiveness? In an era of chronic budget deficits and economic stagnation, have we achieved the right balance between security and economic activity?

TSA was created in 2001 to take responsibility for and to federalize all transportation security. TSA is tasked with the dual responsibility of protecting passengers and infrastructure while moving people and goods safely and efficiently. DHS and TSA have worked with airports, airlines and other stakeholders to achieve these intended goals. Additionally, airlines and airports regularly collaborate with DHS and TSA to improve on policies, procedures and practices to assure that security measures are effectively conceived and properly and economically implemented.

The events of 9/11 taught the American people that the security stakes are high. Those seeking to harm our country utilizing aircraft are not only targeting airlines and airline passengers, but attacking the entire U.S. population and our way of life. The Department of Homeland Security (DHS) and its Transportation Security Administration (TSA), from Cabinet Secretaries to front line screeners, deserve credit and our
thanks for keeping us safe and warding off all domestic aviation attacks in the intervening years. Indeed, the economic stakes are high as well. Consensus Research Group estimates that almost 1 million jobs and over $80 billion in annual economic activity are being stifled by the current aviation security system. As the economy recovers, the current overburdened system will be taxed by more passengers, more elaborate security equipment, and new mandates from Congress. We can and must find a better way to secure our skies, our liberties, and our economic future.

The public debate over the past several months over new intrusive “pat down” techniques and advanced “scanning” equipment to create detailed images of travelers has sparked a public debate about these issues. Editorial pages, blogs and nightly news shows have focused attention on the burdens of airport security. The President of the United States even joked in front of 43 million Americans during the State of the Union that they should support high-speed trains as an alternative to flying because “for some trips, it will be faster than flying – without the pat-down.”

The lack of national consensus over how to deploy an effective aviation security system was demonstrated clearly in 2009. In June 2009, by an overwhelming vote of 310-118, the House of Representatives voted to bar use of whole-body imaging machines as a primary means of screening travelers. However, just months later, after the unsuccessful attack on a Christmas Day flight, Congress provided TSA with increased funding to accelerate the deployment of whole-body imagers and similar technology to serve as the primary means of screening. These major policy swings undermine public confidence that our government has an effective long-term plan to create a secure and efficient aviation system and instead leave the impression that policy in this area consists of responding to yesterday’s crises instead of tomorrow’s threats.

TSA has neither been given sufficient political backing nor adequate tools needed to effectively assess risks and make optimal security decisions. Instead, today’s “layered” security system piles one program on top of another without considering whether each additional layer effectively builds on prior, existing programs or is needless duplication. Government leaders, including many in Congress, have not explained the trade-offs between alternative approaches and have settled for trying to solve every potential weakness by deploying the same solutions for every traveler at every airport, no matter the actual risk and situation. As the Director General and CEO of the International Air Transport Association noted, “Process by process, government by government, airport by airport, travel has become an obstacle course of disjointed security measures.”

Meanwhile, TSA’s budget has grown at a much more rapid pace than traveler volume, primarily to cover a workforce of nearly 50,000 front-line screeners. As equipment purchased immediately after 9/11 begins to hit the end of its useful lifespan, the TSA budget will be under considerable pressure, limiting research and development that might otherwise develop innovative solutions to improve both security and the travel experience.

Not surprisingly, the Consensus Research survey reveals that three in four travelers believe there has to be a better way to conduct aviation security. A similar majority supports recruiting more security personnel trained to detect behavioral cues; creating a trusted traveler program for passengers willing to undergo background checks; using dogs to detect contraband (TSA is piloting the use of passenger screening canines in transportation security); and deploying sophisticated computer analyses that have proven effective as screening techniques.

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ECONOMIC IMPACTS

Building a smarter and more efficient aviation security system can generate significant benefits to the U.S. economy. In 2010, the Consensus Research survey reported that 64 percent of travelers would fly more if security was less intrusive and time-consuming. On average, the survey found that travelers would take between two and three more trips per year if the screening process were improved, while maintaining security. These additional trips would add $84.6 billion in spending and $88,000 more jobs to our economy.

In May 2008, a survey of air travelers by the Winston Group and Peter D. Hart Research Associates found that in one year alone, hassles largely driven by aviation security caused an estimated 41 million avoided trips, generating a loss of $26.5 billion to the U.S. economy and $4.2 billion in lost federal, state and local tax revenue.2 In addition to this lost economic opportunity are the hard costs imposed by an inefficient security system. These costs include the same portion of the $50 billion in taxpayer dollars spent on TSA to date to create a “one-size-fits-all” security system. Spending by airlines, airports and other stakeholders every requirements represents a second set of costs. And added to all of that is the significant economic impact posed by the disruption of travel — both in terms of time wasted and trips avoided altogether.

Below are our recommendations, grouped within five overarching goals. We have also identified the responsible and supporting parties and timeframes for turning each policy recommendation into action. Our view is that near-term actions should be achievable within 6 months, medium-term actions within 1-2 years and long-term actions greater than 2 years. We look forward to your response and to helping get implementation started.

RECOMMENDATIONS

GOAL 1 - Deploy a Robust Trusted Traveler Program

Creating a new Trusted Traveler (TT) program is our top recommendation. When implemented, the program would transform airport security and spur economic activity by recognizing the obvious truth that not all passengers pose the same security threat and by allocating resources in a more appropriate and efficient way. A TT program that utilizes true risk management procedures requires a tightly-controlled enrollment and re-verification process, a confirmation process at the airport that ensures only enrolled individuals are utilizing the TT screening lanes and a checkpoint process that reflects the low-risk nature of the traveler.

In time, enrollment in such a voluntary program should be open to all Americans, but TSA should focus initially on certain populations of extreme low-risk passengers who are already part of previously federally-vetted populations and already have been deemed by our government as worthy of trust, such as members of Global Entry, individuals with Top Secret clearances, and airport and airline staff. These

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2 www.ustravel.org/news/press-releases/air-travelers-avoided-41-million-trips-last-year-cost-queen-economy-takers-265-billion-2010. The likely difference in the economic projections between the two surveys is due to the fact that the 2008 study looked at trips avoided, while the 2010 research examined possible increases in travel.
individuals should be offered free enrollment in this new TT program to help speed equipment deployment and public understanding.

When expanded to the general public, applicants must meet at least the following criteria:

- Must not be on the no-fly or selectee list
- Must hold a current U.S. passport, passport card, enhanced driver’s license, or license issued by a state that is compliant with the REAL ID statute
- Must meet TSA criteria on the amount of flights flown or be sponsored by a US airline due to participation in the airline’s frequent flyer program
- Must have undergone a fingerprint-based Criminal History Records Check that does not disclose that he or she has a disqualifying criminal offense
- Must be confirmed as having no outstanding warrants or warrants for disqualifying criminal offenses or outstanding tax payments
- Must not have been refused enrollment in a CBP Trusted Traveler program
- Must have identity confirmed via a name-based review of publicly-available commercial information conducted by TSA under new authorization from Congress.

Once an enrolled member is confirmed by biometric confirmation at the airport checkpoint and the boarding pass is confirmed as tied to the same traveler, the traveler would walk through an explosives detection portal to determine the presence of explosives. The traveler would pass through the machine without divesting personal items in pockets and would leave external garments and shoes on. Separately, the traveler’s carry-on bag(s) (if any) would also go through an explosives detection scan. TSA would determine the exact equipment protocols for this screening. TT enrollees should still be prohibited from carrying certain dangerous items aboard an aircraft and TSA should determine the correct calibration of the scanning equipment to detect these items.

Obviously additional details around enrollment, verification, and checkpoint operations are crucial to its success. However, these details should be constructed under the general guidelines that the program’s fees should be set at a level to compensate TSA for costs incurred over a multi-year period, and with a goal of moving at least 25% of the domestic trips into the Trusted Traveler lane. This program should be funded by travelers who voluntarily agree to participate and should not be funded by across the board levies on airline tickets. As a voluntary program, we recommend that private sector entities such as airlines participate as they deem appropriate in working with TSA and their customers.

TIMEFRAME: Medium-term action by TSA with support from Congress

**GOAL 2 - Optimize TSA Efficiency**

**Allow Space for Trusted Traveler at the Checkpoint:** TSA is responsible for security, working in conjunction with all travel stakeholders—airlines, airports and passengers. Currently, airports control space before the immediate checkpoint and are increasingly negotiating with airlines to utilize parts of this space for special lines for customers paying premium airfares or enjoying loyalty program status. While we recognize that the premium travel experience is enhanced today with access to these special lines and that these lines will remain valuable for some travelers, our expectation is that such premium travelers will largely overlap with the pool of travelers eligible for and attracted to a fee-based TT program that will yield an improved airport security experience. As the TT program moves forward and becomes the gold standard of expedited screening, security lanes should be organized to ensure adequate space is made available for the program. We expect that TSA, airlines, airports, and other stakeholders will seek to promote robust enrollment in the TT program. Once TT is established, except in very small
airports, TSA and other stakeholders should be able to deploy a full complement of screening lines including (i) TT lanes (ii) elite lanes for other fliers, and (iii) regular lanes for infrequent passengers.

TIMEFRAME: Medium-term action by TSA and industry stakeholders

Allow Multi-Year Equipment Acquisitions: TSA often deploys technology or new tools based on current events or Congressional pressure. As a result, technology vendors are forced to play “threat roulette,” guessing where to make long-term investments in the development of technologies because there is no long-term vision from TSA to guide them. Unlike Department of Defense contractors, aviation security vendors are not able to rely on a long-term plan from TSA to guide research and development. Programs can be scrapped because of a shift in short-term priorities. TSA in collaboration with technology vendors and the travel community should develop a comprehensive strategy for implementing necessary checkpoint technology capabilities. Congress should provide multi-year funding plans for TSA to execute this strategy.

TIMEFRAME: Near-term action by Congress with support from OMB and TSA

Reinvigorate Airport Options for Use of Private Screeners under TSA Supervision: Current law allows airports to “opt out” of the federal screening workforce. In response to this requirement, TSA created the Screening Partnership Program (SPP), under which airports can apply to have qualified federal contractors conduct checkpoint screening, under TSA oversight and a TSA contract. To date, only a limited number of SPP companies are taking over passenger screening at a handful of airports because current law limits opportunities to make programmatic changes to improve contractor performance and achieve cost savings. Congress should revisit the “opt-out” issue and specifically authorize TSA at SPP airports to shift resources among threats in the airport environment, to utilize airport-specific lane management tools (already in use at some larger airports), to execute multi-year equipment purchases, and to include customer service criteria in employee evaluations.

TIMEFRAME: Near-term action by Congress with support from TSA

Goal 3 - Harmonize Domestic and International Operations within DHS

Passenger Screening: Expand CBP’s Global Entry Program including Integration with a new Trusted Traveler Program: Over 100,000 travelers were enrolled in Global Entry as of the end of 2010 and another 90,000 enrollees in other CBP trusted traveler programs are being integrated under the Global Entry framework. This program allows frequent international travelers who pass a background check to use an automated kiosk to clear passport control and to use an expedited line to exit CBP’s processing areas. CBP has worked successfully to develop enrollment partnerships with Canada, Mexico, the Netherlands, and South Korea. However, negotiations with the United Kingdom, Germany, Singapore, and other countries are either bogged down over privacy issues or are at a fleeting state. These negotiations should be expedited. In addition, CBP should consider offering application eligibility to specific classes of individuals whose entry into the U.S. is a national priority because of a critical need for their expertise. Lastly, once the TT program is created, DHS should cross-enroll travelers between TT and international trusted traveler programs such as Global Entry.

TIMEFRAME: Near-term action by TSA and CBP

Baggage Screening: Develop Pilot to End TSA Rescreening of Low-Risk Bags: After completing immigration processing, travelers arriving in the U.S. who are connecting to another domestic flight must gather their luggage, go through customs, be rescreened, and have their luggage rescreened by TSA for their continuing travel. This effort is duplicative, time-consuming, and results in a frustrating traveling...
experience. As the U.S. demands that foreign governments improve their out-bound screening of passengers and baggage, it must adjust its policy of not differentiating between passengers that have arrived from countries with high-quality security standards and those who come from riskier locations. DHS, working with industry, should enable certain low-risk passengers who are traveling from a U.S. gateway to another domestic airport to forego checked baggage and passenger screening upon landing in the U.S. Travelers arriving from Canada and/or Global Entry participants who have nothing to declare, who have not been to countries of concern, and who are continuing to another domestic airport may be appropriate populations for this pilot. This recommendation may require a legislative change to current screening mandates.

**TIMEFRAME:** Near-term action by TSA, CBP and Congress.

**Prioritize International Security Standards:** The international nature of aviation requires cooperation from a wide range of governments and aviation stakeholders to contribute to U.S. security and efficiency. The U.S. needs to continue to push for international cooperation in the development of international aviation security standards, including both bilateral and multilateral approaches as needed. Within the next year, DHS should work closely with ICAO to institute strong aviation security standards that complement existing standards and increase adoption of those standards, especially through technical assistance to developing countries. The Administration should also support the development of effective international information sharing mechanisms that allow DHS to more readily interdict dangerous passengers.

**TIMEFRAME:** Near-term action by DHS, TSA and CBP.

**Explore Synergies between TSA and CBP Airport Operations:** TSA and CBP operate under completely different legal regimes, maintain separate workforces, and are generally independent agencies. There is also considerable difference in the authority, training and law enforcement nature of what they do.

However, to the traveler, both agencies are part of DHS, and many travelers express frustration about the lack of coordination between CBP and TSA to resolve questions about connecting baggage and flights. DHS should assess how to better coordinate TSA and CBP processes at international airports to allow for more efficient staffing for in-bound and out-bound responsibilities. DHS should consider whether there are any responsibilities where CBP officers or certain TSA officials might be able to be cross-designated. Any recommendations coming from this review would need Congressional approval.

**TIMEFRAME:** Long-term action by Congress and DHS

**Goal 4 - Broader Public Input into and Understanding of Security Rules**

**Reestablish an Aviation Security Advisory Council:** For almost two decades, the FAA and then TSA operated an Aviation Security Advisory Council (ASAC) that engaged a wide array of interested stakeholders in a dialogue on aviation security issues and policies. The ASAC members took the time to consider and learn difficult and technological issues and made meaningful recommendations to the FAA and then to TSA. Unfortunately, TSA has not convened a single meeting of this federal advisory council since 2006, cutting off a valuable tool for TSA to engage a broader range of stakeholders than just airlines and airports. DHS should immediately reinstitute the ASAC to provide effective private sector input to DHS on department-wide aviation security issues within 180 days.

**TIMEFRAME:** Near-term action by DHS
Establish Airport-Based Working Groups: By convening a cross-section of stakeholders including airports, airlines, passengers and federal government officials, airport-specific solutions to aviation security can be discussed and deployed on a trial basis. These airport-specific groups should begin their work by looking at five key issues that can help improve aviation checkpoint security: airport space needed to conduct effective and smooth security checkpoint operations; reviewing TSA checkpoint staffing models to assure smooth operations during peak travel times, other operational changes consistent with the airport’s overall risk management strategy, including possible use of an improved Screening Partnership Program; piloting new technologies or solutions that may improve the passenger experience at particular airports; and employing effective signage, videos, and other in-airport communications that can take advantage of the time travelers spend in the security lines to explain security.

TIMEFRAME: Near-term action by DHS, CBP and TSA

Improve Communications with Travelers Via Partnerships with Industry Stakeholders: Travelers play a critical role in making the system operate smoothly, from packing their bags in a manner that facilities screening, to following checkpoint procedures, and treating TSA and aviation employees with respect and courtesy. Yet despite all of this public education effort, some passengers remain woefully unprepared when they arrive at the checkpoint, creating a bad experience for passengers by slowing down screening and diverting TSA officers away from identifying possible threats at the checkpoint. TSA’s tools to educate passengers on what to expect when at the security checkpoint need to be reinforced by the private sector—specifically, by those companies that sell travel or travel related services to a commercial aviation passenger and have an opportunity to prepare the traveler for the screening experience. Prominently adding TSA travel tips to any electronic or written documentation a traveler takes on a trip should become a “best practice” throughout the travel community, within the preferred business practices of private sector entities.

TIMEFRAME: Near-term action by TSA and private industry

Goal 5 - Restructure Our National Approach to Aviation Security by Developing and Utilizing Real Risk Management Methods and Tools

Utilize Advisory Panel to Implement Risk Management Processes: Executive branch officials are not given adequate tools to assess risks effectively and make optimal security decisions. Instead, today’s security system piles one program on top of another without looking for duplication or whether each additional layer effectively builds on prior, existing programs. TSA does not have sufficient risk management tools or technologies needed to revolutionize checkpoint security and help policymakers understand the trade-offs between risk, expense and travel efficiency. As a result, decisions are generally made with one risk—the possibility of political outcry—outweighing most others. The Administration should convene an external panel of experts with appropriate security clearances to review TSA aviation security programs, to assess the risk each is designed to mitigate and to develop metrics for measuring progress to lessen that risk.

TIMEFRAME: Medium-term action by TSA

CONCLUSION

Again, we appreciate the opportunity to participate in the TTAB. We trust that these recommendations will help spur economic recovery while maintaining and strengthening the security all Americans expect.
and deserve. We look forward to working with you, your federal agency partners, Congress and the travel and tourism industry to make these recommendations a reality.

Sincerely,

Rossi Ralenkotter
Chairman, Travel & Tourism Advisory Board

Sam Gilliland
Chairman, Advocacy Subcommittee

Attachments:


TIAA Advocacy Subcommittee Presentation to Secretary Locke