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**U.S. House of Representatives Committee on Homeland Security
Subcommittee on Economic Security, Infrastructure Protection, and Cyber-security**

“The Promise of Registered Traveler”

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INTRODUCTION

Chairman Lungren and Ranking Member Sanchez, I thank you for the opportunity to return to your committee to discuss the future of the Registered Traveler (RT) program. I am currently a principal at the consulting firm Mehlman Vogel Castagnetti, Inc. I also serve as an Adjunct Fellow at the Center for Strategic and International Studies, although the views in this testimony are my own and do not represent CSIS which does not take policy positions.

As you know, following confirmation by the Senate in 2003, I served as Assistant Secretary for Border and Transportation Security Policy and Planning until my resignation from the Department of Homeland Security in March of this year. In this capacity, I was responsible for policy development within the Border and Transportation Security Directorate, reporting to Under Secretary Asa Hutchinson and Secretary Tom Ridge. BTS was created to coordinate policy development and operational activities in the fields of immigration and visas, transportation security, law enforcement, and cargo security which largely were carried out in the field by BTS agencies – U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, and the Transportation Security Administration.

Before discussing the specific topics which are the subject of this important hearing, I would be remiss if I did not thank this Committee for its extremely important efforts to support DHS during my tenure at the Department. Among other accomplishments in this regard were the intelligence reform bill enacted last year, which included significant sections on border and transportation security, and day-to-day oversight of our activities which helped focus our priorities and responsiveness to the American people.

As a last introductory point, to the extent that legitimate analysis finds fault with the transportation security measures implemented by DHS over the past two years, I accept my share of responsibility for those shortcomings. I am proud of the efforts the first leadership of the Department under Secretary Ridge. I strongly believe our initiatives have reduced the vulnerability of our country to terrorist attacks, but I also recognize that the country is still at the front end of a lengthy effort to craft policies and develop operational capabilities before we might be able to declare victory in this fight.

BACKGROUND

As Secretary Chertoff has discussed eloquently in recent months, the essential nature of homeland security is risk management. In remarks to the George Washington University Homeland Security Policy Institute on March 16, the Secretary said: “[W]e need to adopt a risk-based approach in both our operations and our philosophy. Risk management is fundamental to managing the threat, while retaining our quality of life and living in freedom. Risk management must guide our decision-making as we examine how we can best organize to prevent, respond and recover from an attack.”

Thus in nearly every area where the government has assumed a lead role in protecting the public from the possibility of a terrorist incident, our programs reflect a degree of risk management. In areas such as vetting of foreign nationals for entry to our county, for inspections of cargo, for distribution of preparedness funds, for development of next generation tools of anti-terrorism devices and services, and many others, risk management, for better or for worse, is the best way to focus our immense, but ultimately limited, resources on how to reduce the terrorist threat.

However, for the prescreening and physical screening of aviation passengers, the government has not yet deployed an effective set of programs demonstrating a similar system of risk management. Anybody who has flown in the past several years and watched an elderly grandmother, young child, or the business “road warrior” who flies the same route every week undergo the same checkpoint procedure as the rest of us can recognize that we have not found a truly effective way to conduct risk management at the checkpoint.

Following the tragic events of September 11, 2001, the Congress passed the Aviation and Transportation Security Act (ATSA) government which created the Transportation Security Administration and the new regime of federalized aviation security measures. This Act and subsequent statutory and regulatory mandates have established the legal framework which requires aviation passengers to undergo a series of prescreening and physical screening measures to identify potential terrorists and other persons who might threaten the safety of an aircraft or fellow passengers and to detect objects that might be utilized to endanger the aircraft or passengers or turn the aircraft itself into a weapon.

Congress also realized that appropriate risk management suggested that TSA be allowed to develop innovative programs such as RT to fulfill both the security and facilitation missions of the agency. Thus TSA launched a series of five RT pilots in 2004, each with a single air carrier partnering with a single airport, with small numbers of enrollees selected for invitation by the air carrier from their frequent flyer membership lists. While the pilots have proved popular with the small number of enrollees, they have not yet blossomed into the more comprehensive program that the traveling public desires and that DHS should pursue. This result is largely due to the facts that even for enrollees the availability of RT is restricted to only a handful of gates at a particular airport and that the pilots were not interoperable.

This result is not to point a finger at TSA or the vendors selected by TSA to assist the pilots as they have managed the program with a very small appropriation and under direction from DHS and BTS not to expand the pilots until a broader and cohesive program could be formulated. As the review process was underway last fall and winter, DHS was developing the proposed Screening Coordination and Operations office unveiled in the FY06 budget which would take ownership of RT. The process was further complicated by a necessary coordination with a proposed international RT pilot operating between the Netherlands and the United States. Finally, the transition in DHS leadership this winter, followed by Secretary Chertoff's valuable Second Stage Review, has halted further deployments until policy and structural decisions are made. It is worth noting that the existing pilots have provided valuable lessons about the public's interest in RT and the use of biometrics.

However, we are nearing a time when DHS, in partnership with the private sector and the traveling public, should be able to deploy new programs to bring a true measure of risk management to passenger screening.

INTERACTION WITH SECURE FLIGHT

While the subject of this hearing is the Registered Traveler program, it is not possible or wise to review RT without considering how RT should work in conjunction with the Secure Flight passenger prescreening program under development at DHS and the existing CAPPS program administered by air carriers. Secure Flight is the final version of the prescreening program formerly known as CAPPS II. Secure Flight is designed to collect passenger name record (PNR) information from air carriers about air travelers before boarding. The primary mission of the program is to have the government, via TSA, take over the mission of comparing passenger information against appropriate "no-fly" and terrorist watchlists to ensure that such individuals are detected and not allowed to board aircraft or to ensure they undergo enhanced physical security checks in secondary processing. As part of the proposal, TSA has announced plans to test the viability of comparing passenger data to commercial data sources to resolve "false positive" hits arising from the no-fly and watchlist review. In prior versions of CAPPS II, TSA had proposed to compare available intelligence about threats to passenger information to develop a "risk" score for each passenger to help steer screening resources to "unknown" travelers.

Meanwhile at least part of the existing CAPPS system to determine who is selected for secondary screening likely will remain in place. Under this system, air carriers evaluate characteristics about the way tickets were purchased to differentiate between normal and elevated risk passengers. While I anticipate that the classified criteria currently utilized in CAPPS will be reviewed and amended as Secure Flight becomes operational, it is important to remember that the information reviewed is solely based on the characteristics of the ticket transaction, not the individual purchasing the ticket.

The key point of this discussion for this hearing is that via Secure Flight and CAPPS, TSA and air carriers will be receiving small but important amounts of passenger

information – name, date of birth, address, etc - that can be utilized in various ways to conduct risk assessment. Under the currently announced implementation plan for Secure Flight, that information will only be utilized for the task of finding matches on the “no-fly” and terrorist watchlists and thus will be not used for any broader purpose. However, as the government looks at how to deploy RT, it is crucial to remember that the information collection and vetting mechanisms it employs may be duplicative in part with the existing CAPPS and proposed Secure Flight programs.

REGISTERED TRAVELER: PROPOSED END STATE

The ideal end state for Registered Traveler would be an effective public-private partnership between the federal government, air carriers, airport authorities, contractors, and profit-motivated program managers. Under no circumstances would I advise policymakers to attempt to execute either a wholly federalized program or to hand over complete responsibility to RT to any private sector entity or set of companies. Instead, the private sector should be allowed to generate a variety of options to present to travelers to attract them initially to a “home” airport program, with approved participants granted RT privileges at the TSA checkpoint in any other domestic RT location. Such a model will allow the government to realize enhanced efficiencies at the checkpoint, freeing up screener resources to focus on less known, less vetted travelers, will provide travelers willing to provide personal information with an improved airport and checkpoint experience, and allow airports, air carriers and their partners opportunities to offer innovative, profit-based solutions.

I recommend that an end state RT program operate under the following principals:

Government Decides Eligibility

The government’s primary responsibility is to identify terrorists or others who should be denied access to flights or be subjected to enhanced physical scrutiny. The government, led by the TSC, maintains the database of terrorist lookout information and must provide the underlying decision as to the existence of derogatory information that should disqualify interested program participants from any expedited and streamlined security procedure. Applicants should provide a full slate of ten fingerprints so that DHS can screen applicants against names in the Terrorist Screening Center’s Terrorist Screening Database (TSDB), DHS’ IDENT system, and DOJ’s IAFIS system and can screen applicants’ biometrics against IDENT and IAFIS. Applicants should be refused whose biometric or biographic information indicate any indicia of connection to terrorism, prior felony conviction, or pending indictment or warrant for a felony. However, due to the small differential in screening procedures applied to RT enrollees compared to non-enrollees, enrollment in a RT program should normally not require an interview with a TSA or other DHS official.

DHS should maintain a common database of RT enrollees to ensure that as enrollees from one location are cleared for participation, they are cross enrolled in other RT locations. Such a common database will also allow continual revetting of participants as new terrorist watchlist and criminal database information is added.

In addition, because DHS will be privy to any disqualifying information about a particular applicant, redress procedures akin to those currently offered by TSA to the general public related to the “no-fly” list should be offered to those who feel they were rejected for entry into RT by DHS. While participation in RT should be considered a privilege, not a right, American citizens deserve an opportunity to have law enforcement officials review potentially incorrect “false positives” before their ability to receive government benefits such as RT is jeopardized.

Within DHS, I strongly support the creation of the proposed Screening Coordination & Operations Office which was designed by the Administration to harmonize how screening and vetting programs within the department are developed and operated. This office should be the focal point for the following RT responsibilities:

- * Promulgation of standards for eligibility for RT (i.e. what constitutes disqualifying information or prior criminal activity);
- * Promulgation of standards for cross-enrollment of other vetted persons into RT;
- * Management of enrollee database;
- * Point of contact for private sector partners (airlines, airports, marketers, consortiums);
- * Entrance point for applicant information and DHS portion of fees collected from applicants; and
- * Interface with TSC to determine applicant eligibility.

Government Offers Reduced Screening

While amenities of a RT program such as free parking or non-security measures may be attractive add-ons to the program, at its core RT is a security program and must reflect that principle at the checkpoint. Thus, TSA should be required to review the specific security measures taken at the checkpoint and ascertain which can be eliminated for RT participants. The list of specific security measures which should be reviewed include: removal of jackets and shoes; treatment of electronic devices such as laptops; presentation of identification documents and boarding passes; the ability to be rescreened following an initial alarm; and the treatment of accompanied minors and other reduced risk populations. Without demonstrable changes at the checkpoint to facilitate the transit of vetted individuals and to shift the screening burden to less known travelers, RT will not succeed. Moreover, in an environment where the checkpoint procedure has not changed, the government should not be involved with the provision of non-security amenities to travelers.

Government Offers SAFETY Act Coverage

For obvious reasons, it is absolutely critical that DHS quickly provide SAFETY Act coverage to any qualified RT program and its partners. So long as TSA controls the physical checkpoint and handles the vetting of enrollees, private sector entities should bear no risk for their participation in RT.

Marketing and Non-Security Aspects Should Be Handled by the Private Sector

Launching RT generally and operations related to particular airports and air carriers will require significant amounts of marketing, advertising, branding and other activities that are better handled by the private sector. The government should not be in the business of deciding how potential applicants are to be approached or what non-security benefits are to be offered to participants. As has been demonstrated by the creativity of the private sector in responding to interest by the Orlando Airport to launch a privately-run RT pilot, including the teams headed by Verified Identity Pass and Lockheed Martin and by EDS and Unisys, there should be no shortage of models to attract potential participants. For some flyers whose principal airport suffers from routinely long screening delays, merely offering a streamlined checkpoint process may be sufficient to attract interest. For others, it may take the checkpoint changes plus an easier passage from one's arrival at the airport to the checkpoint including preferred or free parking or other airport amenities. For others, receiving perks from air carriers in areas such as preferred counter procedures, expedited baggage handling, access to lounges, or flight amenities such as upgrades or in-flight services may be attractive to add to the checkpoint improvements. It is entirely possible an entire menu of RT classes might develop with varying non-security amenities, but always built on the premise that a vetted individual can receive an enhanced checkpoint experience at any participating RT airport.

Domestic RT Should be Linked to International RT

The same reasons that make domestic RT programs a smart idea apply in the international realm as well. U.S. Customs and Border Protection appropriately has been developing registered or trusted traveler programs for travel between the U.S. and Mexico, Canada, and Europe. While the overlay of the government's responsibility to screen incoming foreign visitors as to their eligibility to enter the U.S. adds additional dimensions to such programs, enrollees in any international RT program should be cross-enrolled in all domestic RT sites as well. Such a program to facilitate travel by international visitors may go a long way to dispelling the "Fortress America" perception that has developed unfortunately in many quarters of the globe. It will be especially important to harmonize CBP and TSA operations at major international gateway airports. DHS will need to provide a smooth travel and security experience for U.S. citizens and foreign visitors who are enrolled in the international RT and thus domestic RT program as they transition through U.S. customs and immigration processing onto a domestic flight.

Effective Use of Biometrics

While a ten-print collection is appropriate for the application stage, RT participants appearing at the checkpoint should provide a single print to a fingerprint reader to ensure a one-to-one match against the enrolled participant. While program cards including biometric and biographic information may be useful for the other aspects of the RT program, including demonstrating that participants should be allowed access to designated lanes, the best one-to-one match should come directly from the individual at the checkpoint. US-VISIT has provided an excellent real world case study as to the feasibility of real-time use of biometrics and that model should be replicated if possible in RT. To the extent that operational testing indicates that a backup biometric is necessary to positively identify travelers, an iris or hand geometry biometric may be useful. I do

not support a system based on a non-fingerprint biometric as a baseline biometric for the simple reason that our criminal and terrorist databases are fingerprint-based.

Airport Connectivity Is Required

One of two major weaknesses of TSA's current RT program is a lack of real-time connectivity to the checkpoint to ensure that the latest terrorist and criminal information can be compared against participants. Building out connectivity to the checkpoint is an ongoing TSA priority and would provide assurances that the most accurate information is available to find enrollees who have been identified after enrollment as posing a threat. The US-VISIT system has demonstrated the value of this connectivity to our CBP ports of entry and a corollary system needs to be implemented by TSA. If such connectivity is not feasible at the time that RT is otherwise ready for deployment, manual updates to checkpoint kiosks may be sufficient as an interim measure.

Shared Costs

The costs of developing and deploying RT should be borne across several sectors. Participants should pay a one-time base application fee to cover the costs to the government for their security review, probably in the \$50 range. Additional amounts may be added to the fee to reflect non-security amenities offered by particular RT providers. Fees should be collected by each "host" airport or their designee with appropriate amounts remitted to DHS for their expenses and other revenues distributed as negotiated among partners in each venture. In addition, for airports where checkpoint delays are a continual problem and where new lane construction is logistically feasible, private sector partners should be encouraged to use such fee revenues to build such designated lanes and/or to pay for dedicated TSA screeners.

Linkage to Other Vetting Programs

DHS is operating a number of additional vetting programs, including hazardous material truck drivers, airport workers, and the TWIC program for other transportation workers. In addition, numerous government employees and contractors undergo vigorous security vetting as part of their clearances for access to sensitive facilities and/or information. In an effort to allow TSA to prioritize its screening attention against lesser known individuals, RT should be designed to allow individuals who have passed an equivalent measure of security review the opportunity to participate in RT.

CONCLUSION

In conclusion, the Registered Traveler program continues to show great but unfilled promise. With proper oversight and direction from DHS based on risk management at the checkpoint, the private sector should be unleashed to provide air travelers begging for a smarter approach to security a range of options that meet the particular conditions at their airport. As is the case with all aspects of aviation security since September 11, 2001, both the burden and benefits of RT must be shared by the government, the private sector entities operating our complex aviation systems, and air travelers themselves.

I congratulate the Committee and Subcommittee for its continued cooperation with and oversight of DHS and its component agencies. I thank you for the opportunity to appear before you today and look forward to your questions.