



TSA's Reimbursable Screening Services Program

Fiscal Year 2023 Annual Performance Report

January 2, 2024

Fiscal Year 2023 Report to Congress



**Homeland
Security**

Transportation Security Administration

Message from the Administrator

January 2, 2024

I am pleased to submit the following report, “TSA’s Reimbursable Screening Services Program,” prepared by the Transportation Security Administration (TSA).

This report was compiled pursuant to the Fiscal Year (FY) 2019 Department of Homeland Security (DHS) Appropriations Act (P.L. 116-6). The FY 2021 DHS Appropriations Act (P.L. 116-260) extended the pilot program through FY 2023 and the FY 2023 DHS Appropriations Act (P.L. 117-328) extended the pilot program through FY 2025.

The report describes the activities of TSA’s Reimbursable Screening Services Program (RSSP) and certifies that the implementation does not reduce security or efficiency of screening services already conducted at the primary passenger terminals of participating airports using appropriated funds.

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable Kay Granger
Chair, House Committee on Appropriations

The Honorable Rosa DeLauro
Ranking Member, House Committee on Appropriations

The Honorable Patty Murray
Chair, Senate Committee on Appropriations

The Honorable Susan Collins
Vice Chair, Senate Committee on Appropriations

The Honorable Mark Green
Chairman, House Committee on Homeland Security

The Honorable Bennie G. Thompson
Ranking Member, House Committee on Homeland Security

The Honorable Maria Cantwell
Chair, Senate Committee on Commerce, Science, and Transportation

The Honorable Ted Cruz
Ranking Member, Senate Committee on Commerce, Science, and Transportation



Inquiries relating to this report may be directed to me at (571) 227-2801 or TSA's Legislative Affairs office at (571) 227-2717.

Sincerely,

A handwritten signature in black ink that reads "David P. Pekoske". The signature is written in a cursive style with a large, prominent initial "D".

David P. Pekoske
Administrator

Executive Summary

Congress authorized an RSSP pilot in FY 2019, under which TSA may provide reimbursed screening services outside of an existing airport passenger terminal screening area where it provides screening using annual appropriations. The FY 2023 DHS Appropriations Act (P.L. 117-328) extended the pilot program through FY 2025. TSA is required to submit a report annually on the status of the pilot that includes:

- The amount of reimbursement for personnel and non-personnel costs that TSA received from each entity in the pilot program for the preceding fiscal year;
- An analysis of the results of the pilot program;
- TSA staffing changes created at the primary passenger screening checkpoints and baggage screening as a result of the pilot program; and
- Any unintended consequences created by the pilot program.

Before FY 2023, TSA executed reimbursable screening services agreements at three locations: Los Angeles International Airport (LAX), Minneapolis-St. Paul International Airport (MSP), and LaGuardia Airport (LGA). In FY 2023, TSA executed reimbursable screening services agreements at a second LAX location and at Hartsfield-Jackson Atlanta International Airport (ATL). Out of the five RSSP locations with reimbursable screening services agreements, TSA is providing screening services at the two LAX RSSP locations and at the ATL RSSP location. TSA also initially approved an RSSP location application at John F. Kennedy International Airport (JFK). TSA anticipates finalizing a reimbursable screening services agreement for that location early to mid FY 2024.

In FY 2023 at LAX, operation of the RSSP pilots did not reduce security or the efficiency of screening services already provided in the primary passenger terminals. Additionally, TSA staffing at LAX primary screening locations was not reduced. The result was the same at ATL—no reduction in security or the efficiency of screening services provided in the primary passenger terminals.

The LGA RSSP location is undergoing construction, so TSA has not begun screening services there yet. TSA anticipates that location will open in FY 2024, as well as the location at JFK.

The agreement with MSP was made before the Coronavirus Disease (COVID-19) pandemic drastically reduced passenger volume. As a result, the RSSP at this location never began, and TSA did not provide reimbursable screening services under the executed agreement.

We have received inquiries from entities interested in submitting an RSSP request and from approved partners who want to open more RSSP locations at other major airports. Potential and approved RSSP partners have indicated that they are willing to fund the significant startup costs and commit to local government zoning and other requirements to open additional RSSP locations. However, the statutory limit on the number of RSSP locations and the ability of security partners to recoup substantial investments required to open an RSSP location before the program ends in FY 2025 may reduce the number of future RSSP applications.



TSA’s Reimbursable Screening Services Program

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I. Legislative Language

This report is submitted pursuant to the Fiscal Year (FY) 2019 Department of Homeland Security (DHS) Appropriations Act (P.L. 116-6), which states:

Sec. 225. (a) Subject to the provisions of this section, the Administrator of the Transportation Security Administration (hereafter in this section referred to as “the Administrator”) may conduct a pilot program to provide screening services outside of an existing primary passenger terminal screening area where screening services are currently provided or would be eligible to be provided under the Transportation Security Administration’s annually appropriated passenger screening program as a primary passenger terminal screening area. ...

... (h) The Administrator shall submit to the Committee on Homeland Security and the Committee on Appropriations of the House of Representatives, and the Committee on Commerce, Science, and Transportation and the Committee on Appropriations of the Senate—

... (3) annual performance reports, by not later than 60 days after the end of each fiscal year in which the pilot programs are in operation, including—

(A) the amount of reimbursement received by the Transportation Security Administration from each entity in the pilot program for the preceding fiscal year, delineated by personnel and non-personnel costs;

(B) an analysis of the results of the pilot programs corresponding to the evaluation plan required under paragraph (2);

(C) any Transportation Security Administration staffing changes created at the primary passenger screening checkpoints and baggage screening as a result of the pilot program; and

(D) any other unintended consequences created by the pilot program.

The FY 2021 DHS Appropriations Act (P.L. 116-260) extended the pilot program through FY 2023. It states:

SEC. 223. Section 225 of division A of Public Law 116–6 (49 U.S.C. 44901 note; relating to a pilot program for screening outside of an existing primary passenger terminal screening area) is amended in subsection (e) by striking “2021” and inserting “2023”.

The FY 2023 DHS Appropriations Act (P.L. 117-328) extended the pilot program through FY 2025. It states:

SEC. 222. Section 225 of division A of Public Law 116–6 (49 U.S.C. 44901 note; relating to a pilot program for screening outside of an existing primary passenger terminal screening area) is amended in subsection (e) by striking “2023” and inserting “2025”.

II. Background

Through P.L. 116-6, Congress authorized the Transportation Security Administration (TSA) Reimbursable Screening Services Program (RSSP). This pilot program allows TSA to enter into reimbursable services agreements with up to eight TSA-regulated entities, such as the airport operator, to provide screening services at locations other than primary passenger terminal screening areas where TSA provides screening using appropriated funds. Under the reimbursable services agreement, approved TSA security partners will reimburse TSA fully for all personnel and non-personnel costs associated with establishing and providing these additional security screening services.

TSA publicly released information on the establishment of its RSSP on June 3, 2019, on its public website (<https://www.tsa.gov/for-industry/reimbursable-screening-services-program>) and shared guidance with industry partners through various communications media. TSA's implementation plan included criteria to evaluate requests for participation, including impacts to TSA operations, funding reliability, communities, health and safety, and other agency support, as well as feasibility and timelines.

Before the RSSP pilot was authorized, TSA provided temporary security screening services at Los Angeles International Airport (LAX) with U.S. Customs and Border Protection (CBP). These services were provided at a site beyond where TSA traditionally provided screening using appropriated funds. With congressional RSSP authorization, TSA determined that the temporary screening services at LAX met the criteria for the RSSP. In FY 2020, TSA implemented a reimbursable services agreement (RSA) with Los Angeles World Airports, which operates LAX. Also in FY 2020, TSA implemented an RSA with the Metropolitan Airports Commission for an RSSP location at the Minneapolis-St. Paul International Airport (MSP) connected to the InterContinental Hotel.

In FY 2021, TSA approved the City of Atlanta Department of Aviation's (DOA) application for an RSSP location at Hartsfield-Jackson Atlanta International Airport (ATL).

In FY 2022, TSA approved the Port Authority of New York and New Jersey's (PANYNJ) application for an RSSP location at LaGuardia Airport (LGA) and the Delta Air Lines application for an RSSP location at LAX.

III. Current Status

During FY 2023, Delta Air Lines for LAX, LaGuardia Gateway Partners (LGP) for LGA, and Private Suite (PS) for ATL were establishing their RSSP locations. The time extension for the RSSP pilot through FY 2025 allowed all three entities to continue the necessary tasks for getting to an operational status as follows:

- The second LAX RSSP location began operations on June 1, 2023.
- The ATL RSSP location began operations on August 17, 2023.
- The LGA RSSP location is scheduled to begin operations in mid FY 2024.

In FY 2023, Delta Air Lines also submitted an application for an RSSP location at John F. Kennedy International Airport (JFK), which TSA approved.

TSA used its implementation plan criteria to review the proficiency of screening operations of the requested pilot locations previously mentioned. The review found that the requests met the criteria below and were moved forward with executing the RSSP agreements, planning, and implementation:

- Has no negative impact on normal TSA operations,
- Will provide TSA with reliable funding,
- Provides a safe and healthy operation,
- Is supported by local CBP operations, and
- Can be executed and operated in a timely manner, as agreed upon by all parties.

LAX (PS) – TSA provides reimbursable screening services at a facility outside of the main airport terminals that PS operates. The PS facility is used to screen PS customers, who typically include business executives, celebrities, and other high-profile travelers. In FY 2023, the LAX PS facility had a total customer throughput of 28,190 passengers, operating 15 hours per day on average. This marks a 24 percent increase in customer volume and a 12 percent increase in operational hours, as compared to FY 2022. PS rented excess TSA-owned transportation security equipment (TSE) for the facility during the initial RSSP startup in 2019. PS makes maintenance payments on the TSE, in addition to reimbursing TSA for the TSA personnel that provide screening at this location.

MSP – An RSSP location was established on a terminal walkway connecting the InterContinental Hotel to the MSP main airport terminal. The agreements to establish the RSSP location were completed just before the COVID-19 pandemic drastically reduced MSP's passenger volume. As a result, no RSSP screening occurred at this location and the program was suspended. There are no plans to begin RSSP screening at this location.

LAX (Delta Air Lines) – TSA finalized the RSA with Delta Air Lines on October 5, 2022. RSSP screening operations began on June 1, 2023, and since that date TSA has screened approximately 300 passengers per day and operated the RSSP location approximately 20 hours per day. Delta Air Lines donated most of the TSE needed to operate this location through the

appropriate Capability Acceptance Process (CAP). The TSE has an approximate fair market value of \$1,189,630. In addition, Delta Air Lines is renting excess TSA-owned equipment at a rate of \$23,361 per year until the remaining TSE that they ordered (but is backordered) for this location becomes available and completes CAP.

ATL – In March 2023, TSA finalized the RSA with the City of Atlanta DOA to provide TSA screening at a facility that the PS operates. This facility began RSSP operations on August 17, 2023, and is expected to screen approximately 8,400 passengers in the first year of operation. PS is utilizing a combination of donated and rental TSE. PS donated the TSE that was not available for rental and the donation has an approximate fair market value of \$61,107. The donation followed CAP. PS selected short-term and long-term rental options of excess TSA-owned equipment with a combined rental value of \$55,400 per year.

LGA –PANYNJ reached an agreement with TSA in January 2022 for an RSSP location that PANYNJ’s LGA tenant, LGP, will operate. This RSSP location is under construction and security screening equipment is being installed. It is tentatively scheduled to begin operations in mid FY 2024. It is planning to operate for 16 hours per day during the first year. LGP paid a deposit of \$100,000 to reimburse TSA for checkpoint establishment services.

JFK – TSA approved an application from Delta Air Lines for an RSSP location at JFK on July 6, 2023. The request anticipates a 19-hour daily operation. TSA has begun the financial and advance payment setup so that TSA personnel can start establishing the RSSP agreements and location.

IV. Analysis/Discussion

Reimbursement Received by TSA

For most of FY 2023, TSA had one operating RSSP location. During the latter half of the FY, two more RSSP locations began operations. TSA received the following reimbursement amounts as of September 30, 2023:

RSSP Location	Amount of Reimbursement Received	Reimbursement Supports	Hours of services provided
LAX PS	\$647,971	Screening operations, TSE rental and maintenance fees, information technology (IT) annual support fee	19,103.75
LAX Delta Air Lines	\$884,894	Administrative services for checkpoint establishment (including IT equipment), screening operations, TSE rental and maintenance fees	12,327.00
ATL PS	\$234,531	Administrative services for checkpoint establishment (including IT equipment), advance payment for screening operations, TSE rental and maintenance fees	747.75
LGA LGP	\$100,000	Deposit for administrative services for checkpoint establishment (including IT equipment), advance payment for screening operations, TSE rental and maintenance fees	19.25

During FY 2023, TSA improved its accounting procedures to ensure that all reimbursable costs (for example, the costs of TSA personnel at RSSP airports and the costs of TSA headquarters staff who provide administrative support to the program, as well as costs for using TSA equipment) are recovered fully.

RSSP Results

Due to the small number of operating RSSP locations in FY 2023, the RSSP pilot still lacks a sufficient amount of passenger volume and related data to permit comprehensive objective analysis of the program's costs and benefits. However, TSA believes that FY 2024 RSSP operations will provide sufficient data for analysis. Nonetheless, anecdotal evidence from the RSSP pilot suggests that:

- Since travel has returned to pre-COVID-19 volumes, air carriers, airport operators, and RSSP location operators have shown increased interest in developing additional RSSP screening locations.

- As individual airlines and airports compete for market share, they are using improved services, such as providing a concierge level of services for their best customers, including the use of RSSP locations. With the RSSP pilot set to end in FY 2025, the establishment of additional locations may depend on whether RSSP partners have enough time to recover the costs for developing such sites.
- The awareness of the RSSP pilot has drawn inquiries from existing TSA Screening Partnership Program contractors and private companies that are considering regional air taxi businesses using vertical take-off and landing aircraft.
- Feedback from the LAX Federal Security Director, who leads two operational RSSP locations, indicates that:
 - Providing an alternative security screening venue for high-profile figures at LAX (away from the public screening areas) reduces disruptions in the public screening areas that may accompany travel by such figures. LAX no longer experiences disruptive incidents by the paparazzi and large crowds at, or in front of, TSA security checkpoint and exit lanes when these passengers pass through. As a result, security screening at TSA LAX checkpoints using appropriated funds is more efficient.
 - The reduction in disruptive screening incidents has reduced the need for intervention from TSA, law enforcement, airport operations, and airline representatives.

TSA Staffing Changes as a Result of the RSSP Program

The RSSP pilot has not negatively affected TSA staffing. All RSSP agreements include language that provides TSA the authority to prioritize screening at standard TSA checkpoints ahead of screening at RSSP locations. As a result, TSA staffing challenges at individual airports would not be exacerbated by proposed screening at RSSP sites at or near those airports. Furthermore, airport staffing has increased due to the need for additional officers/leads/supervisors to staff the RSSP locations. There is a slight increase in administrative responsibilities (timekeeping and management oversight) as a result of the additional staff.

Unintended Consequences of the RSSP Pilot

No unintended consequences of the RSSP pilot have occurred. Travel is now above pre-pandemic levels. As a result, TSA will be able to evaluate the program's costs and benefits adequately in FY 2024.

The Future of the Program

Existing RSSP location operators intend to open more RSSP locations in the future. One international operator has identified six potential RSSP locations at major U.S. airports, including Dallas/Fort Worth International Airport, Miami International Airport, Dulles International Airport, JFK (separate from the Delta Air Lines location noted above), Detroit Metropolitan Wayne County Airport, and San Francisco International Airport.

In addition to more RSSP locations, operators have expressed an interest in expanding the scope of RSSP screening as well, to include screening programs for airport/airline employee in the RSSP. The level of interest in RSSP means that TSA needs more time to evaluate the operation of the RSSP program within the current statutory framework, before they can adequately determine whether expanding the scope of RSSP screening is advisable.

V. Conclusion

TSA's evaluation of the RSSP pilot was affected substantially by the reduced passenger volumes caused by COVID-19. With increasing air travel volumes, the RSSP pilot has seen positive benefits on TSA screening operations, its industry partners, and the traveling public. The original operating location at LAX is showing steady, significant growth and three other locations began operating in FY 2023.

As air travel recovers, there has been renewed interest in the RSSP pilot. TSA is reviewing additional program requests and future expansion areas with non-federally staffed screening airports and identity management programs. The increase in the number of operating locations in FY 2023 will allow TSA to evaluate objectively the program and innovative concepts with potential partners.

Appendix: Abbreviations

Abbreviation	Definition
ATL	Hartsfield-Jackson Atlanta International Airport
CBP	U.S. Customs and Border Protection
COVID-19	Coronavirus Disease 2019
DHS	Department of Homeland Security
DOA	City of Atlanta Department of Aviation
FY	Fiscal Year
JFK	John F. Kennedy International Airport
IT	Information Technology
LAX	Los Angeles International Airport
LGA	LaGuardia Airport
MSP	Minneapolis St. Paul International Airport
PANYNJ	Port Authority of New York and New Jersey
PS	Private Suite
RSA	Reimbursable Services Agreement
RSSP	Reimbursable Screening Services Program
TSA	Transportation Security Administration
TSE	Transportation Security Equipment