



TSA's Reimbursable Screening Services Pilot Program Implementation Plan

May 22, 2019

Fiscal Year 2019 Report to Congress



**Homeland
Security**

Transportation Security Administration

Message from the Acting Deputy Administrator

May 22, 2019

I am pleased to present “TSA’s Reimbursable Screening Services Pilot Program Implementation Plan,” which has been prepared by the Transportation Security Administration (TSA).

This plan was compiled in response to language included in the Fiscal Year (FY) 2019 Department of Homeland Security (DHS) Appropriations Act (P.L. 116-6). The plan provides a summary of how TSA will implement a pilot program at up to eight locations in which TSA, at the request of an entity regulated by TSA, may provide security screening services at locations other than primary passenger terminal screening areas, pursuant to reimbursable agreements.



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

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

The Honorable Mike Rogers
Ranking Member, House Committee on Homeland Security

The Honorable Nita M. Lowey
Chairwoman, House Committee on Appropriations

The Honorable Kay Granger
Ranking Member, House Committee on Appropriations

The Honorable Roger Wicker
Chairman, Senate Committee on Commerce, Science, and Transportation

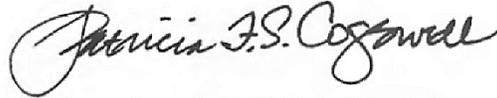
The Honorable Maria Cantwell
Ranking Member, Senate Committee on Commerce, Science, and Transportation

The Honorable Richard Shelby
Chairman, Senate Committee on Appropriations

The Honorable Patrick Leahy
Ranking Member, Senate Committee on Appropriations

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

Sincerely yours,

A handwritten signature in black ink that reads "Patricia F.S. Cogswell". The signature is written in a cursive style with a large initial 'P' and 'C'.

Patricia F.S. Cogswell
Acting Deputy Administrator

Executive Summary

Section 225 of the FY 2019 DHS Appropriations Act (P.L. 116-6) contains a provision authorizing a pilot program through FY 2021 that allows TSA to enter into reimbursable 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.

Section 225 requires that an implementation plan for the pilot program, including the application process, be submitted to Congress. TSA has developed a plan to meet the requirements and to establish the Reimbursable Screening Services Pilot Program.

TSA has developed guidance for entities requesting screening services that fall within the parameters of Section 225. TSA also developed evaluation methodology for selecting participants in this pilot program. Using this methodology, TSA will implement a fair, equitable, and transparent program so that requests for screening services from regulated entities are evaluated properly. TSA intends to implement reimbursable security screening services agreements at up to eight pilot locations through FY 2021. Funding these pilots through reimbursable agreements will allow TSA to provide screening services in support of regulated entities without negatively affecting current operations at traditional terminal screening areas. Under the reimbursable agreement, selected participants will reimburse TSA fully for all personnel and nonpersonnel costs associated with providing these additional security screening services.



TSA’s Reimbursable Screening Services Pilot Program Implementation Plan

Table of Contents

I.	Legislative Requirement	1
II.	Background	3
III.	Implementation Plan	4
	Informing Industry	4
	Application and Evaluation Process	4
	Operations and Billing	6
	Annual Performance Report	6
IV.	Conclusion	7

I. Legislative Requirement

This document is submitted pursuant to Section 225 of the Fiscal Year (FY) 2019 Department of Homeland Security (DHS) Appropriations Act (P.L. 116-6), which states:

(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.

(b) Any request for screening services under subsection (a) shall be initiated only at the request of a public or private entity regulated by the Transportation Security Administration; shall be made in writing to the Administrator; and may only be submitted to the Transportation Security Administration after consultation with the relevant local airport authority.

(c) The Administrator may provide the requested screening services under subsection (a) if the Administrator provides a certification 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 that implementation of subsection (a) does not reduce the security or efficiency of screening services already provided in primary passenger terminals at any impacted airports.

(d) No screening services may be provided under subsection (a) unless the requesting entity agrees in writing to the scope of the screening services to be provided, and agrees to compensate the Transportation Security Administration for all reasonable personnel and non-personnel costs, including overtime, of providing the screening services.

(e) The authority available under this section is effective for fiscal years 2019 through 2021 and may be utilized at not more than eight locations for transportation security purposes.

(f) Notwithstanding any other provision of law, an airport authority, air carrier, or other requesting entity shall not be liable for any claims for damages filed in State or Federal court (including a claim for compensatory, punitive, contributory, or indemnity damages) relating to—

(1) an airport authority’s or other entity’s decision to request that the Transportation Security Administration provide passenger screening services outside of a primary passenger terminal screening area; or

(2) any act of negligence, gross negligence, or intentional wrongdoing by employees of the Transportation Security Administration providing passenger and property security screening services at a pilot program screening location.

(g) Notwithstanding any other provision of law, any compensation received by the Transportation Security Administration under subsection (d) shall be credited

to the account used to finance the provision of reimbursable security screening services under subsection (a).

(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—

(1) an implementation plan for the pilot programs under subsection (a), including the application process, that is due by 90 days after the date of enactment of this Act;

(2) an evaluation plan for the pilot programs; and

(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.

(i) Except as otherwise provided in this section, nothing in this section may be construed as affecting in any manner the responsibilities, duties, or authorities of the Transportation Security Administration.

(j) For the purposes of this section, the term “airport” means a commercial service airport as defined by section 47107(7) of title 49 United States Code.

(k) For the purposes of this section, the term “screening services” means the screening of passengers, flight crews, and their carry-on baggage and personal articles, and may include checked baggage screening if that type of screening is performed at an offsite location that is not part of a passenger terminal of a commercial airport.

(l) For the purpose of this section, the term “primary passenger terminal screening area” means the security checkpoints relied upon by airports as the principal points of entry to a sterile area of an airport.

II. Background

TSA is providing this implementation plan, as required under Section 225 of the FY 2019 DHS Appropriations Act (P.L. 116-6), to conduct a pilot program to provide screening services outside an airport terminal's existing primary screening area for passengers. Screening services currently are provided or would be eligible to be provided in this area under TSA's annually appropriated passenger screening program as a primary screening area for passengers. This document provides a high-level description of the proposed Reimbursable Screening Services Pilot Program framework and of how TSA will administer the program to meet the requirements of Section 225 and congressional intent regarding this section.

As required under Section 225, TSA may enter into an agreement only to provide screening services contemplated under Section 225 at the request of a public or private entity regulated by TSA. The authority available under this section is effective for FY 2019 through FY 2021 and may be utilized at not more than eight locations for transportation security purposes.

III. Implementation Plan

Informing Industry

TSA intends to implement this program on June 3, 2019. TSA will provide guidance to industry through current established communication forums regarding the establishment of the program. TSA will not solicit broadly for applicants. For interested participants, upon request, the evaluation process and additional information will be shared. TSA is in the process of completing the Paperwork Reduction Act (PRA) approval process for the Reimbursable Services Program Application to allow for a broad solicitation should there be significant interest and should TSA obtain approval for additional locations. Entities seeking screening services under Section 225 should contact TSA for additional information.

TSA has been providing temporary security screening operations under special arrangements at several locations, for example, the TSA checkpoint at the InterContinental Hotel Minneapolis-St. Paul International Airport and The Private Suite at the Los Angeles International Airport. TSA has determined that the services currently under review for these regulated entities would meet the criteria for this pilot program under Section 225. Accordingly, should these regulated entities request to continue these screening operations under the pilot, they would be given the first opportunity to do so.

Application and Evaluation Process

TSA has established evaluation criteria to ensure the fair, equitable, and transparent evaluation of all applicants. Public or private entities regulated by TSA may request screening services under the pilot program for FYs 2019 through 2021.

- 1. Submission of Request for Service:** To request participation in this program, the applicant should submit a detailed request to TSA through a designated email inbox. The submission period will remain open through FY 2021 or until eight locations are participating in the pilot program, whichever comes first. Requesting parties will be notified of receipt through email of their request and may be asked to provide additional information. TSA will evaluate each request and will select only those applicants who have established a need for TSA services and a commitment to entering into a partnership. Interested applicants are encouraged to coordinate with the relevant TSA Federal Security Directors (FSD) in developing their requests.
- 2. Initial Review:** Upon receiving a request, the request will be shared with the FSD who will perform a qualitative review to determine a “support” or “no support” recommendation. Concurrently, TSA will coordinate a resource, policy, and legal review of the applications by TSA subject matter experts as appropriate.

TSA also will assess these reviews in totality to develop a recommendation for staffing levels using its staffing modeling tool and to determine the costs associated with acquiring additional transportation security equipment (if necessary), and to establish the personnel and nonpersonnel costs of providing the screening services requested in the application.

TSA will review requests to ensure that applicants would be using only transportation security equipment previously approved for deployment and will assess the supportability plan and resources required to maintain the equipment. TSA will reach out to the applicant with the full cost estimate and clarify any information, as necessary, to finalize TSA's evaluation of the request.

3. Evaluation Panel Scoring: TSA will convene an evaluation panel to score each request on its individual merits using a single set of criteria. Criteria include:

- Impact to TSA operations,
- Funding reliability,
- Community impacts,
- Health and safety,
- Other agency support, and
- Feasibility and timelines.

The evaluation panel will coordinate final evaluations and scoring sessions to develop formal request acceptance recommendations for approval by the Executive Assistant Administrator (EAA) for Security Operations.

4. Evaluation and Determination: On the basis of the evaluation of a request for service, the evaluation panel will submit a recommendation package to the EAA for Security Operations a final determination. The TSA Security Operations EAA will review the package. If the EAA accepts the request into the pilot program, TSA will submit notification to the House Committees on Homeland Security and on Appropriations, and to the Senate Committees on Commerce, Science, and Transportation and on Appropriations after review and approval of such notification by the Office of Management and Budget. The notification will include the certification required under section 225 that providing screening services at the requested location will not reduce the security or efficiency of screening services already provided in primary passenger terminals at any affected airports.

5. Notification Process: Upon final approval of the request by the Security Operations EAA, TSA will notify the applicant, key stakeholders, and appropriate officials from the applying entity of the decision, and TSA will sign a reimbursable services agreement (RSA). TSA will facilitate planning for site visits and the drafting of a memorandum of understanding (MOU) detailing the specifics associated with the pilot at the specified location. The MOU will include the proposed implementation date, cost, staffing levels, and other aspects unique to the application. A signed RSA and MOU that thoroughly

detail the scope of the screening services to be provided and the associated costs must be in place before commencement of services.

- 6. Cost Determination:** TSA is authorized to be compensated for all reasonable personnel and nonpersonnel costs, including overtime, to provide screening services. This includes wages, benefits, security equipment, training, uniforms, and other personnel and non-personnel costs. Space and all associated facility costs to perform the screening are to be provided by the applicant.

During the pilot, TSA will include administrative and application costs to address resources needed to evaluate and select applications, and management of the program during the operational period. Lessons learned during the pilot will influence the methodology in obtaining reimbursement of programmatic costs in the future.

Operations and Billing

TSA will review all agreements prior to finalization to determine potential financial reporting impacts. TSA has established a billing and collection platform to bill customers as stipulated in the agreement. As required under Office of Management and Budget Circular A-11, private partners will be required to provide a cash advance for estimated service costs prior to any services being provided by TSA. The advance funding for services will be offset by the TSA Chief Financial Officer as services are provided and reconciled. Payments will be due no later than 30 days in advance of conducting screening services in compliance with the MOU.

Funds received through this program will be used solely to finance the reimbursable screening services provided. TSA will maintain appropriate accounting and tracking and will share regular reports with the requesting entity.

Annual Performance Report

Consistent with Section 225, at the end of each fiscal year in which the pilot programs are in operation, TSA will provide annual performance reports regarding the operation of the pilot program to the House Committees on Homeland Security and on Appropriations, and the Senate Committees on Commerce, Science, and Transportation and on Appropriations. The reports will include the following information:

- The amount of reimbursement that TSA receives from each entity in the pilot program for the preceding fiscal year, delineated by personnel and nonpersonnel costs;
- An analysis of the results of the pilot programs corresponding to the evaluation plan required;
- Any 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.

IV. Conclusion

TSA will evaluate the Reimbursable Screening Services Pilot Program to ensure that there is no reduction in the security or efficiency of screening services already provided in primary passenger terminals at any affected airport. The pilot will evaluate if this activity is in furtherance of TSA's mission. The evaluation will inform TSA's recommendation to Congress on whether to expand the pilot or to establish a permanent program.