

Statement of Peter Neffenger
Administrator
Transportation Security Administration
U.S. Department of Homeland Security
before the
U.S. House of Representatives
Committee on Oversight and Government Reform
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Good morning, Chairman Chaffetz, Ranking Member Cummings, and distinguished Members of the Committee. Thank you for the opportunity to appear before you today to discuss my vision for the Transportation Security Administration (TSA) and our role in securing transportation systems through the deployment of a dedicated, well trained, professional, and effective counterterrorism workforce. I appreciate the Committee's interest in ensuring TSA sets, meets, and exceeds professional standards for our employees.

TSA's mission is to protect the nation's transportation systems to ensure freedom of movement for people and commerce. TSA screens over 2 million passengers at more than 430 airports every day. Our agency faces a determined enemy and a persistent and evolving threat from terrorist groups around the world, exacerbated by homegrown violent extremists inspired by messages of hatred to do harm to the American people. Successfully executing our critical security mission in a challenging, dynamic environment requires the utmost dedication and professionalism from all of our employees, from frontline officers to the most senior leaders.

Throughout my 35-year career in government, I have emphasized professional integrity and duty to mission as foundational elements of service for myself and for the dedicated civil servants and military members I have been entrusted to lead. Like all civil servants and members of our armed forces, each TSA employee swears an oath upon entering office to support and defend the Constitution and to well and faithfully discharge the duties of office. Since taking office as Administrator on July 4, 2015, I have traveled throughout the country and met with employees at all levels of our agency, and I have been continually impressed by the passion, patriotism, and sense of duty among the men and women of TSA, who every day perform demanding tasks under enormously difficult circumstances.

TSA's greatest asset is its people. I have committed to investing in our people as a guiding principle of my leadership, as TSA must ensure our workforce remains ready to execute our counterterrorism mission. I am committed to ensuring they are expertly trained, deliberately developed, and led by value-based leaders. We must recruit and retain highly capable individuals reflective of the diverse public we serve, invest in training, provide career paths for growth and development, ensure fair personnel practices at all levels of the agency, and identify and hold accountable those who engage in misconduct.

Accountability is a central theme of my leadership, and it takes many forms—accountability to our oath of office; accountability to a well-defined and demanding set of standards; accountability to the American people by ensuring that employees perform their jobs; and accountability to fundamental legal, moral, and ethical standards. I hold myself accountable to these same standards. This is my calling and it is why I serve, to meet the selfless demands of duty to a mission and the people who execute that mission.

Recruitment and Hiring

TSA recruits and employs a diverse workforce with a range of talents tailored to our operating environments. With every challenge comes the demand to hire the finest talent, create best practices, and develop innovative approaches to problem solving from current and future employees. A key goal in our recruitment and hiring approach is to attract, develop, and retain a world-class workforce representative of the communities we serve.

Nearly one quarter of TSA employees have served our Nation honorably in uniform through military experience prior to joining the agency. TSA works collaboratively with the Department of Defense, veterans' groups, and other agencies to continue our commitment to recruiting and hiring veterans. In 2015, TSA attended 95 veteran and military recruitment events and hired 961 veterans, which is the most among all Department of Homeland Security (DHS) components.

TSA's recruitment and hiring strategy is focused on selecting the best available individuals for the job to support the demands of countering a dynamic threat and offering a positive experience to the traveling public. All of TSA's employees, hired across the agency's geographically dispersed duty stations, have successfully cleared an assessment process that ensures they have met the requirements of the Aviation and Transportation Security Act.

TSA subjects each individual identified as a candidate for hire to a robust background check, including vetting against terrorist watchlists and a criminal history records check. After hire, TSA recurrently vets all employees throughout their employment for unreported criminal activity or ties to terrorism. In order to mitigate the potential risk from insider threats, this recurrent vetting standard helps ensure continued employment eligibility of the workforce.

Unreported information that is identified during the review process is referred for appropriate resolution in accordance with established disciplinary procedures described below.

Diversity and Inclusion

A workplace culture of inclusivity encourages collaboration, flexibility, and fairness, enabling individuals to operate at their maximum potential. TSA works to educate all employees to value multiple viewpoints in the workplace and to show how varied perspectives are essential to creative thinking, problem solving, and decision-making. Our Office of Civil Rights and Liberties, Ombudsman, and Traveler Engagement partners with TSA offices to implement a framework that builds and maintains diversity and inclusion in the workforce. These partnerships are designed to create respectful and inclusive work environments and to weave principles of diversity and inclusion into policies, business plans, practices, performance expectations, programs, and services.

Training and Career Development

Since taking office, I have devoted my efforts to three core principles: focusing on mission, investing in people, and committing ourselves to excellence. Ensuring world-class training for employees throughout TSA is integral to developing an organizational culture focused on security effectiveness and unifying our approach to counterterrorism and security operations.

In the wake of security failures revealed by DHS Office of Inspector General (OIG) covert testing a year ago, TSA studied the root causes of the problems leading to checkpoint failures. As a result of the lessons learned from those efforts, TSA provided the entire frontline

workforce with Mission Essential training to ensure officers understand revised procedures as well as the capabilities and limitations of technology equipment. This training stressed the importance of resolving every alarm at the checkpoint and emphasized that the critical thinking skills of our workforce are integral to security effectiveness. The retraining of the entire frontline workforce in a short timeframe was an unprecedented undertaking for TSA. We built upon that success to plan and execute a series of Mission Essential trainings for the screening workforce. We recently completed the second block of classes in the series, and have just begun the third block of Mission Essentials training, with more to follow as part of our recurrent training regime.

In January 2016, TSA began sending newly hired officers to basic training at the TSA Academy, located at the Federal Law Enforcement Training Center in Glynco, Georgia. The shared experience of training alongside fellow officers from around the country will build morale and ensure a collective understanding of TSA's mission and operations. As of April 22, 2016, we have graduated over 2,000 officers from this course since its inception just four months ago.

Just as we revolutionized how we train our frontline officers, we have also instituted mandatory leadership training to drive my vision of a renewed agency-wide transformation in culture. TSA will be offering formal leadership development opportunities at every step of an employee's career progression. On May 2, 2016, the first cohort of TSA Transportation Security Executive Service (TSES) employees began attending an Executive Leadership Program designed to teach and instill ethical leadership in a complex and demanding homeland security environment. In September 2016, newly hired Federal Security Directors and Deputies will attend a new mandatory training program designed to prepare them to lead airport security and screening operations. In October, we will launch mandatory leadership training for all TSA

employees as they are promoted to the J-band, K-band, L-band, and TSES ranks. Additionally, for the first time in the history of TSA, we will field a new employee training program that will train headquarters and support staffs on our mission, history, values, and standards.

TSA is also expanding participation across its suite of existing leadership development offerings, including the Rising Leaders Development Program for entry level positions, the Mid-Level Leadership Development Program for mid-level employees, and the Senior Leadership Development Program for senior level employees. In addition, TSA actively participates in the DHS Senior Executive Service Candidate Development Program for future executives. These programs are designed to provide every TSA employee the opportunity to gain the requisite skills, capacities, and network for progression and advancement over the course of a career. Cohort sizes for mid-level and senior leader development programs will nearly double in upcoming iterations. These vital development programs will build and enhance the skills and competencies needed to advance in the agency as well as connect every employee to the fundamental principles of selfless service to a mission that requires their integrity and commitment to excellence.

Personnel Practices

To foster a culture of dedication, accountability, and ethical conduct, TSA must ensure its personnel and administrative practices provide fair and equitable treatment for all employees, including those who bring possible wrongdoing to light. Under my leadership, TSA will not tolerate retaliation against whistleblowers, and we will continue to encourage employees to voice their views through a variety of available tools and services and to provide opportunities for redress and due process. I strongly support and encourage employees to disclose any perceived

violations of law or gross mismanagement to the DHS OIG or the U.S. Office of Special Counsel.

During my tenure at TSA, I have received feedback from employees on personnel and administrative practices through several avenues, including the chain of command, surveys, workforce engagements, and employees exercising their legitimate right to have their grievances heard. This feedback brought to light several policies and procedures requiring additional scrutiny, so in February 2016, I directed a review of TSA's personnel and administrative practices.

One focus of employee grievances has been the practice of directed reassignments. The practice of reassigning personnel to meet agency needs is common throughout government, and its existence is necessary to ensure TSA is able to execute its mission effectively. However, reassignments must be subject to sufficient controls to ensure employees are treated fairly and that reassignments are not used as a form of retaliation. In February 2016, at my direction, TSA's Office of Human Capital (OHC) issued new guidance allowing for management reassignments of personnel only when reviewed and approved by the Assistant Administrator for Human Capital. My intent in making these changes was to ensure the proposed reassignment is justified, the employee receives adequate notification, and that the proposed move is in the best interests of TSA. The previous policy required OHC consultation prior to issuing a reassignment action, but it did not explicitly require OHC approval. The new policy will provide additional safeguards to make certain reassignments are justifiable, fair, and equitable.

I have also received feedback from the frontline workforce regarding performance awards and financial incentives for senior leadership. In January 2016, at my direction, OHC updated TSA's management directive on awards and recognition to ensure equitable

management of awards at all levels within the agency. The updated directive mandates that nominations and recommendations for awards and recognition for members of the TSES be made by the member's immediate supervisor, and requires review and concurrence by the Assistant Administrator for OHC and the Chief Financial Officer and approval by the Deputy Administrator. It further caps the amount of Special Act Awards for any TSA employee to \$10,000 in one year, halting what I considered an unjustifiable prior practice that placed no limits on these awards. While many TSA employees perform exceptionally under difficult circumstances and are deserving of special awards and recognition for their performance, these changes to awards and recognition policies are designed to ensure incentive programs are implemented equitably and in a manner that is appropriate and ethical.

TSA continues to scrutinize current policies and practices to make certain our personnel and administrative policies are appropriately crafted, clearly stated, and followed in practice.

Disciplinary Processes

To maintain the highest level of integrity, TSA employees are responsible for reporting any known or suspected violation of law, rule, regulation, policy, or Standard Operating Procedure to any manager and/or to the TSA Office of Inspection (OOI) whenever such violation has a nexus to the TSA mission or effective operation of the agency, or when it occurs in the workplace. Allegations of employee misconduct are investigated and, in some cases, OOI agents will work with responsible U.S. Attorney's Offices or State prosecutor's offices, as appropriate.

Under a standing agreement with the DHS OIG, OOI refers allegations of criminal misconduct, serious non-criminal offenses, employee theft above a certain threshold, and discharge or misuse of firearms, as well as all allegations against employees at the K-band level and above, to the DHS OIG for right of first refusal in investigating. If the OIG does not accept the case for

investigation, the matter is referred to OOI for an independent investigation. Certain alleged offenses such as allegations concerning time and attendance abuse are addressed through a supervisory review, including allegations against J-band and lower employees that are administrative in nature. After the completion of an investigation of alleged misconduct, OIG or OOI investigators produce a Report of Investigation, which generally contains witness statements, relevant documents, and other evidence as well as an agent's summary of investigative activities. Similar evidence may be collected during an administrative inquiry.

Completed reports and administrative inquiries are referred to TSA's Office of Professional Responsibility (OPR) or the appropriate management official for adjudication. TSA's OPR provides consistency in misconduct penalty determinations and facilitates an expeditious, standardized adjudication process. OPR adjudicates all allegations of misconduct investigated by the DHS OIG or involving senior-level employees or law enforcement officers. OPR may also exercise jurisdiction over any matter the Assistant Administrator for OPR determines should be reviewed and adjudicated by OPR. For cases that fall outside of OPR's jurisdiction, management at the airport or office where the employee is assigned handles adjudication.

TSA maintains a Table of Offenses and Penalties to provide guidance for determining appropriate corrective, disciplinary, or adverse actions for common offenses. The Table of Penalties is available to all TSA employees and identifies TSA policies and possible consequences of violation, including penalties for each type of offense. Disciplinary penalties range from a letter of reprimand to removal. With respect to screening workforce employees, TSA requires removal for certain offenses, including failed drug or alcohol testing, sleeping on duty while assigned to a security activity, and cases involving theft. When removal is not required, the Table of Penalties includes a recommended penalty range, as well as aggravated and mitigated penalty ranges.

Whether adjudicated by OPR or local management, if an investigation establishes employee misconduct, disciplinary and adverse actions are governed by TSA's management directive for addressing unacceptable performance and conduct.

TSA employs an important accountability tool for rapidly removing Transportation Security Officers (TSOs) when egregious or serious misconduct is substantiated. The one-step removal process allows management officials to expeditiously remove an employee while ensuring due process. In the one-step removal process, a TSO may be issued a removal action after a management official has a meeting with the employee to discuss the evidence supporting the removal action and to allow the employee to respond to the allegations. The offenses for which the one-step removal process may be used include validated failure of a drug or alcohol test; refusal to submit to TSA-ordered drug or alcohol testing; cases involving theft, illegal drug use, possession of illegal drugs, on-duty alcohol use, or being under the influence of drugs or alcohol while on duty; intentional serious security breaches and sleeping on duty while assigned to a security activity; and arrests for specific serious offenses set forth under 49 C.F.R. § 1542.209(d) (such as felony theft, fraud, aggravated assault, and sexual misconduct or exploitation involving a minor or child pornography).

Most disciplinary and adverse actions are handled through a two-step process. In a two-step process, a TSA management official will first issue a notice of the proposed action and provide the employee with the opportunity to review the evidence supporting the charge(s) and to respond orally and/or in writing. Second, another management official will consider the entire record, including the input from the affected employee, and will issue a written decision. OPR issues the proposal and decision notices in the matters it adjudicates.

TSA's disciplinary policies and processes are designed to hold accountable individuals who engage in misconduct while upholding due process rights and ensuring equitable treatment for employees at all levels of the agency.

Conclusion

TSA is comprised of tens of thousands of individuals with diverse backgrounds, experiences, and skillsets who join together every day to execute a complex, challenging mission through a commitment to a common set of values. Mission success is dependent on our ability to empower our people to perform by investing in training and professional development, providing for fair and equitable practices for all employees, and holding accountable those who fall short of our standards for conduct. Thank you for the opportunity to appear before you today and for the Committee's support of TSA's important mission.



Peter Neffenger

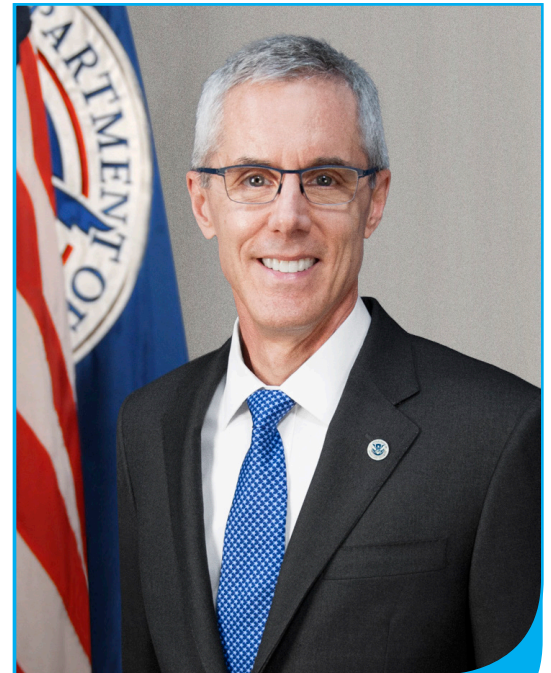
Vice Admiral Peter Neffenger was confirmed by the U.S. Senate as the Transportation Security Administration's sixth administrator in June 2015. He leads a workforce of nearly 60,000 employees, including the Federal Air Marshal Service, and is responsible for security operations at nearly 450 airports throughout the United States and shared security for highways, railroads, ports, mass transit systems and pipelines.

Under his leadership, TSA is continuing to evolve as a risk-based, intelligence-driven, professional counterterrorism agency dedicated to protecting the U.S. transportation systems.

Before joining TSA, Neffenger served as the 29th Vice Commandant of the U.S. Coast Guard, a position he held since May 2014. Prior to this, Neffenger served as the Coast Guard's Deputy Commandant for Operations, where he directed strategy, policy, resources and doctrine for the employment of Coast Guard forces globally. He is a recognized expert in crisis management and most notably served as the Deputy National Incident Commander for the 2010 BP Deepwater Horizon oil spill, the largest and most complex in U.S. history.

Neffenger has had extensive operational and command experience throughout his career, which began with his commissioning in 1982 through the Coast Guard Officer Candidate School.

He holds a Master of Public Administration from Harvard University, a Master of Arts in National Security and Strategic Studies from the U.S. Naval War College, and a Master of Arts in Business Management from Central Michigan University. He earned his Bachelor of Arts from Baldwin Wallace University. He is a member of the Pacific Council on International Policy and a former fellow on the Senate Appropriations Committee.



TSA Administrator Peter Neffenger

