

**BEFORE THE  
COMMITTEE ON HOMELAND SECURITY  
SUBCOMMITTEE ON TRANSPORTATION AND PROTECTIVE SECURITY  
UNITED STATES HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C.**

**Securing Air Cargo: Industry Perspectives**

**Testimony of Stephen A. Alterman  
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Chairman Katko, Ranking Member Coleman and Members of the Subcommittee:

Good Morning. My name is Steve Alterman and I am the President of the Cargo Airline Association, the nationwide organization representing the interests of the all-cargo segment of the aviation community.<sup>1</sup> I also have the honor of currently serving as the Chairman of the Aviation Security Advisory Committee (ASAC), the federal committee established by Congress to advise the TSA Administrator on issues relating to all areas of aviation security. Thank you for inviting me to testify today.

The all-cargo carriers, and the customers and airports they serve, are a unique portion of the aviation marketplace. Our member carriers employ upwards of one million workers worldwide, account for over 10% of the U.S. gross domestic product and approximately 4% of the world's gross product. Annual revenues of our members top \$100 billion. Customers depend on our services to transport high value, time sensitive, products such as medical devices and related components of the medical supply chain, computers and other electronics and automobile parts. In calendar 2016, all-cargo carriers operated 89.0% of domestic revenue ton miles (RTMs) and 70.8% of international RTMs.<sup>2</sup>

In operating these services, the safety and security of our cargo, our facilities and aircraft, and our employees and the public are of utmost importance. It is simply bad policy, and bad business, not to take these issues seriously. In the area of security, we strongly believe that the best security is achieved when government and industry work together to identify vulnerabilities and to design and implement mitigation strategies. Over the past few years, TSA has also moved in this direction

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<sup>1</sup> Association members include direct air carriers ABX Air, Atlas Air, Federal Express Corporation, Kalitta Air and United Parcel Service Co., as well as Associate Members Amazon, DHL Express, Memphis Airport, Louisville Airport, Ft. Wayne Airport, Columbus (OH) Airport, Spokane Airport and the Alaska Airport System.

<sup>2</sup> *FAA Aerospace Forecast, 2017-2037*, March 2017.

and we look forward to working with the Agency as the outcome-based model of regulation matures.

Having said that, it is important to understand that perhaps the most important element of providing effective security for the air cargo supply chain is the timely sharing of intelligence information both among government agencies and between the government and industry stakeholders. Without this intelligence, it is difficult to design the most effective counter-measures for identified threats. While progress has also been made in this area, much more needs to be done and members of our industry are in the forefront of this effort.

In terms of current specific challenges, probably the most pressing current need for the all-cargo carriers as business and cargo screening requirements expand is an ability to use third-party canines as a primary means of screening. The technology to screen freight in a manner consistent with the operational needs of the industry simply does not today exist. However, the “low tech” use of canines can fill this gap. Since there are not enough canines owned by the TSA to accomplish this objective, we continue to urge TSA to establish a program whereby TSA would establish standards that would be used by third-party vendors and certify other third-parties to ensure that the vendors are, in fact, correctly applying the standards established. TSA would also audit the process to ensure compliance with all applicable requirements. The vendors could then provide the dogs to stakeholders wishing to use them (at the carriers’ expense). TSA has taken the first steps in this direction, but the bureaucracy often moves slowly and our needs are becoming more urgent. We therefore thank this Committee for including a third-party canine mandate in the DHS Authorization bill (H.R. 2825) that overwhelmingly passed the House last week. We now look forward to similar action in the Senate. The establishment of this program would also be consistent with the recommendations of the ASAC that has, on several occasions, urged TSA to move forward with the program.

The third-party canine program is only one of many initiatives studied by ASAC over the past several years. By way of history, while ASAC has existed for many years, it was finally established as a permanent advisory committee by Congress several years ago with the passage of the Aviation Security Stakeholder Participation Act of 2014. At that time, Congress also exempted ASAC from the provisions of the Federal Advisory Committee Act (FACA), an exemption that has allowed committee members to discuss the details of security issues without the fear of public disclosure of sensitive information. ASAC membership is diverse with representatives from virtually every sector of the aviation community, as well as user and accident victims’ groups, and the Committee is supported by an array of subcommittees and *ad hoc* working groups that study specific issues that are either self-generated, requested by TSA, or sometimes required by Congress. One of the most active subcommittees is our Air Cargo Subcommittee that has a history of recommending important initiatives in the air cargo sphere. In addition, ASAC’s relatively new Security Technology Subcommittee has been charged with exploring

potential innovative technologies capable of performing improved screening of air cargo.

Finally, I would like to offer one suggestion for Congressional action in this session. In my opinion, one of the major impediments to positive change within TSA is instability at the top of the organization. In the last three years, there have been two Administrators and three Acting Administrators. When the new Administrator is confirmed, he will be the sixth head of the Agency in the last three years.

To provide stability, and to allow the Administrator the time to implement changes that may be necessary, the TSA Administrator should be given a fixed five-year term similar to that currently held by the Administrator of the Federal Aviation Administration. Such an action would go a long way to providing the stability needed to accomplish the very important objectives of the Agency. Again, we thank this committee for its action to make this goal a reality.

Thank you very much. I would be happy to answer any questions.