U.S. DEPARTMENT OF HOMELAND SECURITY TRANSPORTATION SECURITY ADMINISTRATION

STATEMENT OF RADM DAVID M. STONE ACTING ADMINISTRATOR

BEFORE THE COMMITTEE ON GOVERNMENTAL AFFAIRS UNITED STATES SENATE

"Nomination Hearing for David M. Stone to be Assistant Secretary of Homeland Security, Transportation Security Administration"

Good morning Madame Chairman, Senator Lieberman, and distinguished Members of this Committee. I am grateful to you for the scheduling of this hearing on my nomination by the President for the position of Assistant Secretary of Homeland Security (Transportation Security Administration). I appreciated very much the opportunity to meet with several of the Members of this Committee after the President sent my nomination to the Senate, and to meet with and answer questions from your staff.

I am honored that President Bush has nominated me for this important position in the Department of Homeland Security. If confirmed, I will do everything in my power to serve the President and the Secretary faithfully. I have an outstanding team at the Transportation Security Administration (TSA) and I know that they will perform at even higher levels in the future.

Before I discuss my background with you, and the position for which the President has nominated me, I want to recognize my wife Faith, who has been my shining light during our 27 years of marriage. This period of time was spent in service to our country with many deployments and many days and nights at sea. I could not possibly thank her enough.

I have spent my entire adult life in service to our great Nation. At age 18, I was privileged to receive an appointment to the United States Naval Academy in Annapolis, and I proudly served for almost 28 years, retiring with the rank of Rear Admiral. During my Navy career, I served on a number of ships, including as the Commanding Officer of the Spruance Class Destroyer *USS John Hancock*, as the Commander of Middle East Force / Destroyer Squadron FIFTY homeported in Manama, Bahrain, as Commander of NATO's Standing Naval Force Mediterranean, homeported in Naples, Italy, and as the Commander of Cruiser Destroyer Group 5 / The Nimitz Battle Group . During these assignments, I was honored to serve with some of the finest men and women in our Armed Forces.

While not on ship assignments in the Navy, I served in several prominent positions both at the Pentagon and overseas, concluding my Navy career as the Director for

Environmental Protection, Safety and Occupational Health. My various assignments in the Navy have given me a thorough understanding of national security policy and a broad view of the requirements necessary to defend our national interests. I have worked closely with military and diplomatic representatives of many countries, helping me to understand the special issues involved in dealing with nations and peoples of different viewpoints and cultures. In assuming increasing command responsibility over the years, I have developed a firm knowledge of how large organizations function, and how to lead, manage, and motivate people to ensure that the strategic and operational goals of the organization are met.

After my retirement from active duty with the U.S. Navy, I was honored that Secretary Mineta selected me as one of the first Federal Security Directors (FSD) in the newly formed Transportation Security Administration. I agreed to serve as the first FSD for Los Angeles International Airport (LAX).

When I arrived at LAX in July 2002, our focus was meeting the two key Congressional deadlines found in the Aviation and Transportation Security Act (ATSA). The first required that we have all passenger screening performed by newly hired, trained, and deployed Federal screeners by November 19, 2002. The second deadline called for screening all checked baggage for explosives with electronic screening devices, manned by Federal baggage screeners, by December 31, 2002. In July 2002, all passenger screening at LAX was still performed by private contract screeners, most of whom were in place before September 11, 2001, and many of whom could not meet the new strict qualification standards of ATSA. TSA and LAX also began the immense task of purchasing, installing, and operating the Explosives Detection Systems (EDS) and Explosives Trace Detection (ETD) systems for screening checked baggage. Neither LAX, nor indeed virtually any other airport was constructed with a view towards satisfying the comprehensive aviation security measures that Congress and TSA envisioned. Meeting this deadline was an exceptional challenge.

I am pleased that, with the help of many dedicated people, LAX was able to meet both deadlines. This required the cooperation of not just TSA employees, but numerous others including the City of Los Angeles and its airport management staff, the air carriers, law enforcement officers, the many contractors involved in hiring, training, and deploying screeners and explosives detection equipment, and the hundreds of pre-9/11 screeners who agreed to stay on board until TSA screeners replaced them, and many who later joined us as TSA screeners. I must also recognize the cooperation of the millions of passengers who passed through LAX during that period. The support by all parties was indicative of the amazing level of cooperation that all of us have seen throughout the country following the attacks of 9/11.

Having met the goals of standing up the FSD organization at LAX and making the transition to Federal passenger and baggage screening requirements, I was later asked by ADM Jim Loy, then the Administrator of TSA, to take on one more assignment for TSA. In August 2003, I rejoined TSA at the headquarters staff as TSA Deputy Chief of Staff, with a particular focus on ensuring that TSA was responsive to the important concerns of

the Congress. In all of my dealings with the Members of Congress, I have been struck by their compelling desire to see that DHS and TSA fully succeed in their mission.

In December 2003, when ADM Loy moved to his current position as Deputy Secretary of Homeland Security, I was named Acting Administrator of TSA. I am grateful for the confidence that Secretary Ridge, Deputy Secretary Loy, and Under Secretary Hutchinson have shown in me in asking me to serve in this critical position. The continued support that I have received from each of them has been outstanding.

Recent events have reinforced the fact that we live in dangerous times. Last December, the national threat level was raised to Orange, due to concern over a number of potential threats to homeland security, particularly in the aviation sector. In February and March, terrorists attacked subway and rail systems in Moscow and Madrid, resulting in many lives lost. Clearly, the transportation sector remains an inviting target for terrorist attacks.

As Acting Administrator, I have worked to bring a more operational focus to TSA. The centralized hiring and management system that TSA adopted in order to startup the organization from scratch was effective during that period, but it requires revision now that we are a more mature organization. I am in the midst of giving our Federal Security Directors more authority in hiring, training, testing, and managing their screener workforce. If confirmed, I will continue down this road. I expect our FSDs to be fully responsible for the federal security program at their assigned airports. If confirmed, I will give them the necessary authority to carry out these functions, and I will hold them accountable for their actions.

Every morning, I chair a comprehensive review of the intelligence assembled on all sectors of transportation, and the threats that are signaled by this intelligence. Together with my senior staff, we review, in detail, daily reports from FSDs on incidents concerning aviation security, and daily reports of incidents affecting non-aviation modes of transportation. With the top-notch staff that we are assembling at our Transportation Security Operations Center, we coordinate intelligence, threat and risk assessments, and operational responses with necessary Federal, state, and local agencies, and with key non-Governmental stakeholders in the transportation sector. I take this daily briefing very seriously, and I use it to shape the course that I would like TSA to take. If confirmed, I plan to continue this practice so that every day we are focused on the threats to transportation security, enabling us to bring our resources to bear on mitigating those threats.

In my role as Acting Administrator, I have been guided by several key principles. The first of course is Leadership – leading people, leading the development and deployment of technology to more efficiently use our resources, and leading change. The second is Partnership. I have worked to develop and promote a spirit of partnership with all of the stakeholders that are involved in protecting, operating and using our transportation systems. Last, but just as critical, is the concept of Friendship. It is vital for the success of DHS and TSA that we inspire the trust and confidence of the American people, and

their elected representatives in Congress. I am fully engaged in building this foundation. Part and parcel of this foundation is the understanding that TSA will respect and preserve the individual privacy of our citizens while we work to enhance security. Another key element in the foundation of Friendship is customer service. We will better serve the overall interests of homeland security if we provide a high level of customer service. I have sought to instill this concept in my staff, whether in the field or in headquarters. If confirmed, I will continue to move forward with these principles in mind.

I would also like to address the attention that TSA is devoting to the non-aviation modes of transportation. Some have voiced a concern that TSA's operations may not give the same attention to the security needs of the five other transportation modes that we do to aviation. However, I firmly believe that TSA is fully attuned to the transportation security needs across transportation, and we are acting on these needs. As I have written with more specificity in my answers to the Committee's policy questions, the Secretary designated TSA with the responsibility to prepare an overarching Sector Specific Plan (SSP) for the transportation sector, as required under the National Infrastructure Protection Plan outlined in Homeland Security Presidential Directive 7 (HSPD-7). Staff throughout TSA is fully engaged in this major undertaking. In this effort, we are working under the leadership of the Department and in close coordination with DHS components including the U.S. Coast Guard, the Information Analysis and Infrastructure Protection directorate, the Science and Technology directorate, U.S. Customs and Border Protection, and the Border and Transportation Security directorate. The SSP is also being developed in collaboration with the Department of Transportation and its modal administrations, with other key Federal agencies, and with non-Federal stakeholders.

Obviously, as a result of the clear direction from Congress in ATSA and subsequent legislation, TSA will have a more prominent operational role in aviation security than we have in non-aviation modes of transportation. However, in coordination with the Department and our other partners, we will ensure that the appropriate level of security applies to other modes of transportation, commensurate with the threat and risks faced in those modes. If confirmed, I look forward to furthering the security of all modes of transportation, in concert with our many partners.

I welcome the cooperation that TSA has received from Congress since we were created. I fully recognize the critical oversight function of Congress and if confirmed, I hope to continuing forging this important partnership.

Madame Chairman, Senator Lieberman, and Members of the Committee. This concludes my prepared statement. I look forward to answering your questions.