
THIRD READING

Bill No: SB 1372
Author: Newman (D)
Amended: 4/30/24
Vote: 21

SENATE TRANSPORTATION COMMITTEE: 8-4, 4/23/24
AYES: Cortese, Archuleta, Blakespear, Gonzalez, Laird, Limón, Newman,
Umberg
NOES: Niello, Dahle, Dodd, Seyarto
NO VOTE RECORDED: Allen, Nguyen, Portantino

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SUBJECT: Airports: third-party vendors: security lanes

SOURCE: Author

DIGEST: This bill prohibits a public airport from entering into an agreement authorizing a private third-party vendor to provide expedited security screening that uses the existing security lanes unless: (1) there was an agreement in place before January 1, 2025; or, (2) the third-party vendor has obtained dedicated Transportation Security Administration (TSA) security lanes.

ANALYSIS:

Existing law:

Recognizes the authority of the federal government to regulate the operation of aircraft and to control the use of the airways. (Public Utilities Code Section 21240)

This bill:

- 1) Prohibits a public airport from entering into an agreement authorizing a private third-party vendor to provide expedited security screening that uses the existing security lanes unless:
 - a) There was an agreement in place at the airport before January 1, 2025, or
 - b) The third-party vendor obtains dedicated TSA security lanes.

Comments

- 1) *Author's Statement.* According to the author, "CLEAR, the expedited screening service provider, sold its services to airports and the Transportation Security Administration (TSA) as a tool to enhance security and improve efficiency. Counter to their claims of enhanced security, however, CLEAR has in recent years been the source of numerous security violations, including at least one incident where a person using a boarding pass they had found in the trash was escorted through security by CLEAR personnel. Moreover, counter to CLEAR's claim of enhanced efficiency, while CLEAR may save time for its high-paying customers, it does so at the direct expense of average airport travelers who, having finally made it to the front of a security line, often find themselves being pushed aside to make way for a CLEAR subscriber. SB 1372 would place a moratorium on CLEAR's expansion into any other California airport unless it operates in a dedicated security lane, separate from general security and TSA PreCheck passengers, thereby ensuring a consistent and equitable experience for all air travelers. California's airports should of course be encouraged to find creative ways to raise revenues, but not at the expense of the public's interest."
- 2) *Clearly Convenient.* Clear Secure is a publicly traded company that operates a service known as "Clear Plus" which provides a biometric identity verification service for about \$200 annually. At major airports Clear Plus customers have their identify verified and their boarding pass scanned by a Clear Secure employee who then escorts the customer to the TSA agent, thereby skipping the TSA and TSA PreCheck lines. As the customer's identity has already been verified by Clear, the TSA agent generally¹ only looks at the boarding pass and then allows the customer to advance to the TSA scanner lane with the other

¹ After several security breaches the TSA has recently required additional identity vetting of a portion of Clear customers.

passengers. Clear Plus customers who also have TSA PreCheck go to the TSA PreCheck lane; those without PreCheck go to the regular lane. About 10% of airport patrons are Clear Plus customers. Clear provides service at most of California's biggest airports, with the exceptions of John Wayne International Airport, Hollywood/Burbank Airport, Fresno International Airport, and Santa Barbara Municipal Airport.

- 3) *Paying for Convenience.* Consumers can often pay to jump lines. Southwest customers can pay to pre-board. Disneyland customers can purchase the Genie+ service to minimize the time standing in lines. The author contends that cutting TSA lines is different because the TSA is a government service, not a private service.
- 4) *Follow the Money.* Airports oppose the bill because they earn fees from leasing their space to Clear Secure. This creates a tension in that longer TSA lines encourage more Clear Plus customers, which raises additional revenue for the airports. Clear Secure reports that they have paid California airports \$13 million in 2023. Were airports to lose the Clear revenue, they would make it up by charging other customers, such as rental car companies, other concessionaires, or airlines.
- 5) *Making American Airports Great.* The TSA, or Transportation Security Administration, is an entity of the federal government under the Department of Transportation created after the terrorist attacks in New York, Pennsylvania and Virginia on September 11, 2001. It is responsible for security screening operations for passenger air transportation nationwide. As a federal agency, the TSA is part of the federal budget so increasing TSA staffing requires an act of Congress.

While TSA lines are inevitable, they are still frustrating. Insufficient TSA staffing has been an ongoing concern of airlines and passengers. Even if staffing were available, there are also physical limitations on the number of TSA lines and lanes because of limited airport space. Most airports were designed prior to the 9/11 attacks and therefore had no dedicated space for security screening. Adding additional lines and lanes for Clear or other third-party security providers is not always possible.

- 6) *Some Opposition Removed.* This bill was amended in policy committee (Senate Committee on Transportation) to narrow the prohibition to airports that do not

already have a contract with Clear as of January 1, 2025. With that amendment, Clear removed their opposition though other opponents remain.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 5/13/24)

American Federation of Government Employees Local 1230
Association of Flight Attendants - Cwa (AFA)

OPPOSITION: (Verified 5/13/24)

Alaska Airlines
Burbank-glendale-pasadena Airport Authority
California Airports Council
California Business Roundtable
California Chamber of Commerce
California Travel Association
Chamber of Progress
Delta Air Lines, INC
Hawaiian Airlines
Jetblue
LAX Coastal Chamber of Commerce
Los Angeles Area Chamber of Commerce
North San Diego Business Chamber
Oakland Chamber of Commerce
San Deigo Regional Chamber of Commerce
San Francisco Chamber of Commerce
Southwest Airlines
Technet
The Bay Area Council
United Airlines, INC.

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