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U.S. GOVERNMENT
INFORMATION
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Calendar No. 690

119TH CONGRESS
2D SESSION

S. 2378

[Report No. 119–157]

To amend title 49, United States Code, to establish funds for investments in aviation security checkpoint technology, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 22, 2025

Mr. MORAN (for himself, Mr. VAN HOLLEN, Mr. BENNET, Mr. BOOZMAN, Mr. DAINES, Mr. SHEEHY, Mrs. CAPITO, Mr. HICKENLOOPER, Mrs. HYDE-SMITH, Ms. ROSEN, Mr. CRAPO, Mr. RISCH, and Mr. YOUNG) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

NOVEMBER 9, 2026

Reported by Mr. CRUZ, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To amend title 49, United States Code, to establish funds for investments in aviation security checkpoint technology, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Spending Aviation Fees for Equipment, Guaranteeing Upgraded and Advanced Risk Detection and Safety Act of 2025'' or the ''SAFEGUARDS Act of 2025''.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the fee collected in accordance with section 44940 of title 49, United States Code (commonly known as the ''9/11 Security Fee''), is an airline passenger-paid fee established with the express purpose of enhancing the safety and security of the aviation system of the United States;

(2) revenue generated from the 9/11 Security Fee should be used exclusively to fund activities, programs, equipment, and initiatives that directly improve the security of commercial aviation, including passenger and baggage screening, security technology upgrades, and the support of personnel responsible for aviation security;

(3) the use of the 9/11 Security Fee for purposes unrelated to aviation security undermines public trust and the original intent of the fee, and all proceeds from the fee should be reserved and expended solely for measures that strengthen the safe-

ty and security of the traveling public within the aviation sector; and

(4) the diversion of 9/11 Security Fee revenue to other purposes should be ended no later than 2027, in accordance with section 44940(i)(4) of title 49, United States Code, as it read on the date of the enactment of this Act.

SEC. 3. IMPROVING THE AVIATION SECURITY CAPITAL FUND.

Section 44923(h) of title 49, United States Code, is amended to read as follows:

''(h) AVIATION SECURITY CAPITAL FUND.—

''(1) IN GENERAL.—There is established within the Department of Homeland Security a fund to be known as the Aviation Security Capital Fund (in this subsection referred to as the 'Fund').

''(2) SOURCE OF FUNDING.—

''(A) In each of fiscal years 2004 through 2025 the first $250,000,000 derived from fees received under section 44940(a)(1) shall be available to be deposited in the Fund in paragraph (1). The Administrator of the Transportation Security Administration shall impose the fee authorized by section 44940(a)(1) so as to

collect at least $250,000,000 in each of such fiscal years for deposit into the Fund; and

''(B) Beginning in fiscal year 2026, and for each fiscal year thereafter, the first $500,000,000 derived from fees received under section 44940(a)(1) shall be available to be deposited in the Fund under paragraph (1). The Administrator of the Transportation Security Administration shall impose the fee authorized by section 44940(a)(1) so as to collect at least $500,000,000 in each of such fiscal years for deposit into the Fund.

''(3) GRANT AUTHORITY.—Amounts in the Fund shall be available to the Administrator of the Transportation Security Administration to make grants under this section.''.

SEC. 4. ESTABLISHMENT OF THE AVIATION SECURITY CHECKPOINT TECHNOLOGY FUND.

Section 44923 of title 49, United States Code, is amended by—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection (i):

''(i) AVIATION SECURITY CHECKPOINT TECHNOLOGY FUND.—

''(1) IN GENERAL.—There is established within the Department of Homeland Security a fund to be known as the Aviation Security Checkpoint Technology Fund (in this subsection referred to as the 'ASCT Fund').

''(2) FUNDING.—Beginning in fiscal year 2026, and for each fiscal year thereafter, after the first $500,000,000 is deposited into the Aviation Security Capital Fund pursuant to subsection (h)(2), the next $250,000,000 from fees received under section 44940(a)(1) shall be available to be deposited in the ASCT Fund. The Administrator of the Transportation Security Administration shall impose the fee authorized by section 44940(a)(1) so as to collect not less than $250,000,000 in each of such fiscal years for deposit into the ASCT Fund. Amounts in the ASCT Fund shall be available until expended to the Administrator of the Transportation Security Administration to fund the procurement, deployment, and sustainment of aviation security checkpoint and exit lane technology.

''(3) GRANT AUTHORITY.—

~~"(A) IN GENERAL.—Amounts in the ASCT Fund shall be available to the Administrator of the Transportation Security Administration to make grants under this section.~~

~~"(B) RETROACTIVE APPLICATION OF GRANT FUNDS.—The Administrator may retroactively approve the use of grant funds under this subsection for projects to support the procurement, deployment, and sustainment of aviation security checkpoint and exit lane technology that were implemented on or after January 1, 2023.".~~

SECTION 1. SHORT TITLE.

This Act may be cited as the "Spending Aviation Fees for Equipment, Guaranteeing Upgraded and Advanced Risk Detection and Safety Act of 2026" or the "SAFEGUARDS Act of 2026".

SEC. 2. IMPROVING THE AVIATION SECURITY CAPITAL FUND.

Section 44923(h) of title 49, United States Code, is amended to read as follows:

"(h) AVIATION SECURITY CAPITAL FUND.—

"(1) IN GENERAL.—There is established within the Department of Homeland Security a fund to be

known as the Aviation Security Capital Fund (in this subsection referred to as the 'Fund').

"(2) SOURCE OF FUNDING.—

"(A) FISCAL YEAR 2004 THROUGH 2025.—In each of fiscal years 2004 through 2025, the first $250,000,000 derived from fees received under section 44940(a)(1) shall be available to be deposited in the Fund in paragraph (1). The Administrator of the Transportation Security Administration shall impose the fee authorized by section 44940(a)(1) so as to collect at least $250,000,000 in each of such fiscal years for deposit into the Fund.

"(B) FISCAL YEAR 2026 THROUGH FISCAL YEAR 2036.—In each of fiscal years 2026 through 2036, the first $400,000,000 derived from fees received under section 44940(a)(1) shall be available to be deposited in the Fund under paragraph (1). The Administrator of the Transportation Security Administration shall impose the fee authorized by section 44940(a)(1) so as to collect at least $400,000,000 in each of such fiscal years for deposit into the Fund.

"(3) GRANT AUTHORITY.—Amounts in the Fund shall be available to the Administrator of the Trans-

portation Security Administration to make grants for projects under subsection (a).".

SEC. 3. ESTABLISHMENT OF THE AVIATION SECURITY CHECKPOINT TECHNOLOGY FUND.

(a) IN GENERAL.—Section 44923 of title 49, United States Code, is amended by—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection (i):

"(i) AVIATION SECURITY CHECKPOINT TECHNOLOGY FUND.—

"(1) IN GENERAL.—There is established within the Department of Homeland Security a fund to be known as the Aviation Security Checkpoint Technology Fund (in this subsection referred to as the 'ASCT Fund').

"(2) FUNDING.—In each of fiscal years 2026 through 2036, after the first $400,000,000 is deposited into the Aviation Security Capital Fund pursuant to subsection (h)(2)(B), the next $250,000,000 from fees received under section 44940(a)(1) shall be available to be deposited in the ASCT Fund. The Administrator of the Transportation Security Administration shall impose the fee authorized by section 44940(a)(1) so as

to collect not less than $250,000,000 in each of such fiscal years for deposit into the ASCT Fund. Amounts in the ASCT Fund shall be available until expended to the Administrator of the Transportation Security Administration to fund the procurement, sustainment, and deployment of—

"(A) aviation security checkpoint technology, including computed tomography scanners, explosives trace detection equipment, liquid explosive detection systems, advanced imaging technology, or credential authentication technology machines; and

"(B) exit lane technology.

"(3) GRANT AUTHORITY.—Amounts in the ASCT Fund shall be available to the Administrator of the Transportation Security Administration to make grants under this section.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 44940(i) of title 49, United States Code, is amended—

(1) in paragraph (1), by striking "section 44923(h)" and inserting "subsections (h) and (i) of section 44923"; and

(2) in paragraph (4), by redesignating subparagraphs (M) and (N) as subparagraphs (I) and (J), respectively.

SEC. 4. REPORTS TO CONGRESS.

(a) INITIAL REPORT.—Prior to carrying out the use of funds and disbursements for fiscal year 2026 under subsections (h) and (i) of section 44923 of title 49, United States Code, the Administrator of the Transportation Security Administration shall provide a briefing to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives and submit to such committees a report that includes—

(1) a detailed description of the use of funds and disbursements authorized by section 44923(h) of title 49, United States Code, for fiscal year 2004 through fiscal year 2025, including a detailed description of projects and capital needs addressed through the Aviation Security Capital Fund for each airport security category; and

(2) projected aviation security project and capital needs for each airport security category for fiscal year 2026 through fiscal year 2036.

(b) ANNUAL REPORT.—Not later than 1 year after the date of the enactment of this Act, and each fiscal year there-

after, the Administrator of the Transportation Security Administration shall provide a briefing to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives and submit to such committees a report that includes—

(1) a detailed description of the projects and capital needs addressed pursuant to subsections (h) and (i) of section 44923 of title 49, United States Code; and

(2) an identification of the most critical aviation security capital needs for each airport security category as determined by the Administrator.

SEC. 5. BIENNIAL INSPECTOR GENERAL AUDITS.

(a) IN GENERAL.—Not later than the date that is two years after the date of the enactment of this Act, and every 2 years thereafter through fiscal year 2036, the Inspector General of the Department of Homeland Security shall conduct an audit of the oversight by the Transportation Security Administration of any applicable grant and disbursements made pursuant to subsections (h) and (i) of section 44923 of title 49, United States Code.

(b) CONSIDERATIONS.—In conducting an audit under subsection (a), the Inspector General shall assess the efficacy

of such oversight of grant and disbursements made with respect to—

(1) satisfying the statutory direction in subsections (h) and (i) of section 44923 of title 49, United States Code;

(2) addressing aviation security capital needs at airports representative of each airport security category; and

(3) preventing fraud, waste, and abuse of funds allocated for such purposes.

(c) BRIEFINGS TO CONGRESS.—Not later than 30 days after completing an audit pursuant to subsection (a), the Inspector General shall provide to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security of the House of Representatives a briefing on the findings of such audit.

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