

U.S. OFFICE OF SPECIAL COUNSEL 1730 M Street, N.W., Suite 300 Washington, D.C. 20036-4505

July 30, 2025

The President The White House Washington, D.C. 20500

Re: OSC File No. DI-23-001125

Dear Mr. President:

I am forwarding to you a report transmitted to the Office of Special Counsel (OSC) by the Department of Homeland Security (DHS) in response to the Special Counsel's referral of a disclosure of wrongdoing by employees at the Transportation Security Administration (TSA), George Bush Intercontinental/Houston Airport (IAH), Houston, Texas. OSC has reviewed the disclosure, the agency report, and the whistleblower comments, and, in accordance with 5 U.S.C. § 1213(e), I have determined that the report's findings appear reasonable. The following is a summary of the allegations, the agency's findings, and the whistleblower's comments.

, a former TSA employee who consented to the release of his name, alleged that TSA leadership violated the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 when they improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the Houston Airport System, which operates the airport and whose activities TSA regulates under 49 C.F.R. § 1542.

disclosed that in January 2022, Deputy Federal Security Director and Assistant Federal Security Director-Inspections requested parking at IAH at no cost for official TSA vehicles, their personal vehicles, and the personal vehicles of Federal Security Director and Transportation Security Inspector. In response to that solicitation, HAS provided 11 parking tags, with an estimated value of \$80 each per month, to TSA IAH leadership at no cost. TSA IAH leadership later solicited more parking spaces and in March 2023 received 9 additional parking tags, bringing the total number of free spaces for TSA IAH leadership to 20.

¹ The allegations were referred to then-Secretary Alejandro Mayorkas for investigation pursuant to 5 U.S.C. § 1213(c) and (d). Then-Secretary Mayorkas delegated the authority to review and sign the report to the TSA Administrator. Then-Deputy Administrator Holly Canevari, who is authorized to act for the Administrator, signed and transmitted the report. TSA Investigations investigated the allegations.

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The agency confirmed that TSA leadership had received no-cost parking at IAH for government-owned vehicles and privately-owned vehicles used for transit from their off-site offices to the airport for the purpose of performing official government business. However, the agency did not substantiate the allegations, concluding that the solicitation and acceptance of no-cost parking from the Houston Airport System was consistent with TSA's statutory authority. The agency found that pursuant to Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Section 511), TSA has specific authority to engage in negotiations with airport sponsors for "below-market" rates for expenses and items, including space. As there is no statutory limitation on the "below-market" rates, the agency determined that TSA could negotiate and accept no-cost parking.

In concluding there was no violation of ethical conduct, the agency explains that because TSA has the authority to secure the no-cost parking under Section 511, the parking is not considered a gift under 5 CFR § 2635.203(b)(9). Further, while the report acknowledges that given the plain language of Section 3.101-2(b), TSA's request for free parking from IAH would constitute solicitation of an item of monetary value from regulated entity, the agency concluded TSA reasonably interpreted its authority to negotiate below market rates for expenses to include parking fees under Section 511, and reasoned that any conflict between the regulation and the statute is resolved in favor of the statute.

In response to OSC's referral and the investigation, TSA's Assistant Administrator for Domestic Aviation Operations provided written guidance to TSA airport leadership concerning the appropriateness of solicitation and acceptance of "below-market" rate parking from airport authorities. Among other things, TSA airport leadership was advised that below-market rate parking can only be used for official governmental purposes and should be monitored by Federal Security Directors (FSDs) to ensure no TSA employees are using access to this parking for personal use. TSA airport leadership was also advised that while it is acceptable for an FSD or their designee to request and receive below-market rate parking from an airport authority, the guidance should not be construed as a requirement for airport authorities to provide below-market rate parking.

Although the agency found that TSA employees utilized the no-cost parking for privately-owned vehicles only when used for official government business, in his comments, the whistleblower stated that the use of no-cost parking for personal vehicles creates an appearance that the employees have failed to place ethical principles above their own private gain. He reiterated the unfairness of TSA leadership receiving no-cost parking while there are hundreds of hard-working, loyal, and dedicated TSA employees who are required to pay to park their personal vehicles at IAH daily for work.

I thank the whistleblower for bringing this allegation to OSC. It is unclear whether TSA's interpretation that their authority to negotiate with airport sponsors for "below-market" rates includes asking for and accepting no-cost parking conforms to the Congressional intent of

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Section 511. Nevertheless, in view of the steps TSA leadership took to ensure that no TSA employees used access to the parking for personal use and its cautions against potential coercion in negotiating below-market rate parking, I have concluded the agency report includes the information required by statute and the findings appear reasonable.

As required by 5 U.S.C. § 1213(e)(3), I have sent a copy of this letter, the agency report, and whistleblower comments to the Chairs and Ranking Members of the Senate Committee on Homeland Security and Governmental Affairs, and the House Committee on Homeland Security. OSC has also filed redacted copies of these documents and the letter referring the matter to DHS in OSC's public file, which is available online at www.osc.gov. This matter is now closed.

Respectfully,

Charles N. Baldis

Senior Counsel and Designee

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of Acting Special Counsel Jamieson Greer

Enclosures