

Opening Statement of

**Senator Susan M. Collins
Chairman, Homeland Security and
Governmental Affairs Committee**

VA Data Privacy Breach: Twenty-Six Million People Deserve Answers

May 25, 2006

Chairman Craig, I commend you for your leadership and am pleased to join you in this effort to quickly address a matter that is of great concern to our nation's veterans, including 141,000 veterans in my home state of Maine.

We are here today not merely to examine one incident, one moment of carelessness – make that recklessness – by one federal employee. This specific incident compels us to confront the persistent and pervasive laxity with which the VA safeguards the personal information of the veterans it serves.

For five straight years, the VA Inspector General has criticized the Department for inadequate information security. On the annual federal computer security report card issued by the House Government Reform Committee, the VA has received a grade of “F” four of the last five years, including each of the last two years.

This ongoing failure during a time when identity theft has been such a high-profile problem throughout our society is simply appalling. The immediate result of this failure is what appears to be the largest theft of Social Security numbers ever. The fact that the information also included veterans’ names and dates of birth means that the stolen data could easily be used to commit identity theft and financial fraud.

The lingering result will be increased doubts among the American people about the federal government’s commitment to protecting their personal information. When we think of cyber-

security, we focus on protecting vital information systems against intrusion by criminals or terrorists. We now see that all the high-tech fixes in the world cannot protect these systems against one employee who disregards an established policy and one agency that does not take sufficient measures to ensure compliance with that policy.

I am also troubled by the VA's response to this particular incident. The burglary that led to this potentially massive intrusion occurred on May 3rd, yet it apparently was not reported to the FBI for two weeks. The American people and, most important, our veterans, were not informed for nearly three weeks. Some delay prior to disclosure could be reasonable to allow law enforcement authorities to hunt for the stolen information, or to put in place a system to respond to veterans' inquiries. However, much of the delay in this case appears to be because the VA did not promptly

investigate the nature and scope of the data breach. It did not handle this matter with the sense of urgency it deserved.

I also am concerned with the initiatives the VA has taken to address the immediate crisis. The accelerated schedule of computer security training for VA employees and the inventory of VA positions that require access to sensitive data are necessary steps, but they fall short of what is needed. The toll-free telephone hotline that has been set up for veterans to learn if their personal information has been compromised also is necessary, but already we are hearing from veterans who say they have called but have been unable to learn anything. We must ensure that remedies the VA puts in place – both short- and long-term – are real, and not merely cosmetic.

We also must view this incident as a wake-up call to the rest of the federal government. It is likely that the VA is not alone in the

potential to suffer a data breach of this magnitude. Federal managers must recognize that they are the stewards of large amounts of personal data on law-abiding citizens, and that they must guard this information wisely or lose the people's trust.

It is tragically ironic that this profound betrayal of trust occurs just as the American people are preparing to honor our veterans. On this Memorial Day, the pride our veterans should feel in their service to our nation will be dampened by anxiety and justifiable anger.

These are the people who served our nation yesterday and who serve today. They are brave, devoted to duty, and patriotic. They deserve our gratitude and much more. They certainly deserve better than this. We owe them our best efforts so that the deep problems this incident has exposed are fixed, and so that the trust they should have in their government can be restored.

