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WASHINGTON, TUESDAY, SEPTEMBER 26, 2006

House of Representatives

VETERANS IDENTITY AND CREDIT SECURITY ACT OF 2006

HON. BOB FILNER

OF CALIFORNIA
IN THE HOUSE OF
REPRESENTATIVES

Mr. BUYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5835) to amend title 38, United States Code, to improve information management within the Department of Veterans Affairs, and for other purposes, as amended.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. *Buyer*) and the gentleman from California (Mr. *Filner*) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana.

Mr. BUYER. Mr. Speaker, as chairman of the Committee on Veterans' Affairs, I rise in strong support of H.R. 5835, and I yield myself such time as I may consume.

Mr. Speaker, having moved H.R. 5835, as amended, the Veterans Identity Credit Security Act of 2006, I, along with Ranking Member *Lane Evans* and Acting Ranking Member *Bob Filner*, Chairman *Davis*, and Ranking Member *Waxman* of the Committee on Government Reform, Chairman *Walsh* and Ranking Member

Edwards on the Appropriations Subcommittee on Military Quality of Life and Veterans Affairs, and other members of this body introduced this legislation on July 19, 2006.

Since 2000, the Veterans' Affairs Committee and our subcommittees have held 16 hearings on information technology at the Department of Veterans Affairs, and as a subset, information security issues. These hearings have covered a variety of IT issues, including the budget, organization, authorities, actions VA has taken regarding its IT programs, and of course information security.

Last year, the House passed H.R. 4061 to address problems in IT at the VA. The Senate and the administration can best be described as having stiff-armed us in our proposals to centralize the IT architecture at the VA, opting for more of what they call now a federated model, or what I will also refer to as an incremental approach. That is how they wanted to proceed. Then bad things happened.

This summer, we held 8 hearings in response to the May 3 theft of a loaned lap-top belonging to the VA that held the sensitive personal data of 26.5 million veterans and 2.2 million Guard and Reserve component service members and families. We heard from 23 witnesses during our hearings. These witnesses included the VA's Secretary, the Inspector General, the General Counsel, as well as others from academia, the Government Accountability Office, and experts in data security, information technology management, and identity theft.

Mr. Speaker, I applaud Secretary of Veterans Affairs Jim Nicholson for his stated commitment to making the VA the gold standard in information security. H.R. 5835, as amended, will provide the Secretary with some of the tools needed to make the VA that gold standard and set an example for the Federal Government.

H.R. 5835, as amended, provides the chief information officer the authority to enforce information security in the Department. It also requires a monthly briefing to the Secretary on VA's compliance with the Information Security Management Act of 2002, which we refer to as FISMA.

Mr. Speaker, Chairman *Tom Davis* of the Committee on Government Reform and I have worked together cooperatively, and our staffs, on a provision in the bill, and the Committee on Government Reform has waived consideration of H.R. 5835. Included in this bill is a part of Chairman *Davis*' work product, and I want to thank him for his cooperation, along with Mr. *Waxman*.

I would, in addition, also like to thank Chairman *Mike Oxley* of the Committee on Financial Services, who has waived consideration on this bill, and the committee will continue to work with these two committees on this legislation as we move forward with the Senate.

Mr. Speaker, the letters that I have here in my hand between the two committees and the Veterans' Affairs Committee regarding H.R.

5835, in which they have waived jurisdiction, are submitted as follows for the *Congressional Record*.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, September 12, 2006.

Hon. *Tom Davis*,

Chairman, House Committee on Government Reform, Washington, DC.

DEAR CHAIRMAN DAVIS: I am writing regarding your committee's jurisdictional interest in H.R. 5835, the Veterans Identity and Credit Security Act of 2006, and would appreciate your cooperation in waiving consideration of the bill by the Committee on Government Reform in order to allow expedited consideration of the legislation next week under suspension of the rules.

I acknowledge your committee's jurisdictional interest in section 2 of H.R. 5835, as ordered reported by the Committee on Veterans' Affairs. Any decision by the Committee on Government Reform to forego further action on the bill will not prejudice the Committee on Government Reform with respect to its jurisdictional prerogatives on this or similar legislation. I will support your request for an appropriate number of conferees should there be a House-Senate conference on this or similar legislation.

Finally, I will include a copy of this letter and your response in the Congressional Record when the legislation is considered by the House.

Thank you for your assistance.

Sincerely,

Steve Buyer,

Chairman.

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CONGRESS OF THE UNITED STATES,

HOUSE OF REPRESENTATIVES,
Washington, DC, September 12, 2006.

Hon. *Steve Buyer*,

*Chairman, House Committee on Veterans
Affairs, Washington, DC.*

DEAR STEVE:, On July 20, 2006, the House Veterans' Affairs Committee reported H.R. 5835, the "Veterans Identity and Credit Security Act of 2006." As you know, the bill includes provisions within the jurisdiction of the Committee on Government Reform including Section 2 of the bill regarding federal agency data breach notification amendments under the Federal Information Security Management Act (FISMA).

In the interest of moving this important legislation forward, I agreed to waive sequential consideration of this bill by the Committee on Government Reform. However, I do so only with the understanding that this procedural route would not be construed to prejudice the Committee on Government Reform's jurisdictional interest and prerogatives on this bill or any other similar legislation. I understand this will not be considered as precedent for consideration of matters of jurisdictional interest to my Committee in the future.

I respectfully request your support for the appointment of outside conferees from the Committee on Government Reform should this bill or a similar bill be considered in a conference with the Senate. Finally, I request that you include this letter and your response in the Congressional Record during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

Tom Davis.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,

Washington, DC, September 26, 2006.

Hon. *Steve Buyer*,

Committee on Veterans Affairs,

House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN, I am writing to confirm our mutual understanding with respect to the consideration of H.R. 5835, the Veterans Identity and Credit Security Act of 2006. This bill was introduced on July 19, 2006, and referred to the Committees on Veterans Affairs and Government Reform. I understand that committee action has already taken place on the bill and that floor consideration is likely in the near future.

Portions of section 4 of the bill as reported involve remedies for breaches in data security. Some of these remedies, such as a credit security freeze, fall within the jurisdiction of this Committee and could have caused the referral of this bill to the Committee on Financial Services. However, given the importance and timeliness of this bill, and your' willingness to work with us regarding these issues as the legislative process continues, proceedings on this bill in this Committee will not be necessary. However, I do so only with the understanding that this procedural route should not be construed to prejudice the jurisdictional interest of the Committee on Financial Services on these provisions or any other similar legislation and will not be considered as precedent for consideration of matters of jurisdictional interest to my committee in the future. Furthermore, should these or similar provisions be considered in a conference with the Senate, I would expect members of the Committee on Financial Services be appointed to the conference committee on these provisions.

Finally, I would ask that you include a copy of our exchange of letters in the Congressional Record during the consideration of this bill. If you have any questions regarding this matter,

please do not hesitate to call me. I thank you for your consideration.

Yours truly,

Michael G. Oxley,

Chairman.

HOUSE OF REPRESENTATIVES,

COMMITTEE ON VETERANS' AFFAIRS,

Washington, DC, September 26, 2006.

Hon. **MICHAEL G. OXLEY**,

Chairman, House Committee on Financial Services, Washington, DC.

DEAR CHAIRMAN OXLEY, Thank you for your recent letter regarding your committee's jurisdictional interest in H.R. 5835, the Veterans Identity and Credit Security Act of 2006. I appreciate all of your efforts to expedite consideration of this important legislation.

I acknowledge your committee's jurisdictional interest in portions of section 4 of the bill as ordered reported by the Committee on Veterans' Affairs, which involve remedies for breaches in data security. I further acknowledge that some of these remedies, such as a credit security freeze, fall within the jurisdiction of your committee, and could have been referred to the Committee on Financial Services. I appreciate your cooperation in allowing speedy consideration of the legislation. We will continue to work with your Committee regarding these issues as the legislative process continues.

I agree that your decision to forego further action on the bill will not prejudice the Committee on Financial Services with respect to its jurisdictional prerogatives on this or similar legislation. I will support your request for an appropriate number of conferees should there be a House-Senate conference on this or similar legislation.

Finally, I will include a copy of your letter and this response in the Congressional Record when the legislation is considered by the House. Thank you for your assistance.

Sincerely,

Steve Buyer,

Chairman.

Mr. Speaker, H.R. 5835, as amended, requires notification to Congress and individuals in the event of a data breach. The bill would require the VA to conduct a data breach analysis, and if the Secretary deems necessary, to provide credit protection at the request of affected individuals. This protection may include a credit freeze, identity theft insurance and/or credit monitoring.

The bill also requires a report on the feasibility of using an independent number for identification in lieu of the Social Security Number.

This bill also includes a scholarship and loan repayment program to provide the Secretary with a recruitment and retention tool to attract qualified people in the area of information technology and information security to work at the VA.

Mr. Speaker, I reserve the balance of my time.

Mr. FILNER. Mr. Speaker, I yield myself such time as I may consume.

As Chairman *Buyer* stated, a near catastrophe occurred in early May of this year when a lap-top containing 26 million names and data, Social Security data and some medical data, was stolen from a VA employee's home. Now, this theft of data was not just human error, it was not just an accident, it was not just bad luck. As Mr. *Buyer* had been pointing out for many years, this was a systemic problem, a problem of incredibly bad management of cyberinformation at the VA, a lack of cybersecurity, a lack of centralization of responsibility for cybersecurity, and it could have