

NTEU

The National Treasury Employees Union

October 30, 2006

W. Ralph Basham
Commissioner
Bureau of Customs and Border Protection
1300 Pennsylvania Avenue, NW
Washington, DC 20229

RE: Identity Theft in the Port of New Orleans

Dear Commissioner Basham:

The National Treasury Employees Union (NTEU) is deeply concerned about a serious problem of identity theft among Customs and Border Protection (CBP) employees whose personnel records were maintained at the Customs House in New Orleans prior to Hurricane Katrina. At least 41 employees represented by NTEU and two supervisors have learned this year that their social security numbers (SSNs) and other personal information have been misused. CBP thus far has refused to take any steps to assist employees adversely affected by illegal uses of their personal identifying information.

As you are undoubtedly well aware, Hurricane Katrina caused massive damage to the Customs House in New Orleans. Files and other records were not secured before the storm hit. During the chaotic period after the hurricane and subsequent flooding, we are told that the building was not always secured properly or sufficiently guarded. Contractors subsequently packed and stored some material, but we understand that no inventory was kept and some files later disappeared. The building had to be gutted, as a result of water and mold damage, and file cabinets, desks, and their contents were simply tossed out of the building into unguarded dumpsters. These dumpsters were highly vulnerable to scavenging and looting.

NTEU has reason to believe that sensitive personal identifying information, both paper and electronic, was not adequately safeguarded during the post-Katrina period. CBP's reckless disregard of its responsibilities under the Privacy Act

and other government-wide directives has exposed highly sensitive information to misuse. Its failure to take ameliorating steps afterwards has compounded the problem.

Employees have informed us that they first learned of the theft of their SSNs when they tried to file their tax returns with the IRS and, discovered, for example, that their refunds had already been claimed. Credit bureaus have also confirmed misuse. Employees have repeatedly complained to local CBP management, beginning in early 2006, about the identity theft, but to no avail. CBP has not notified other potentially affected employees that their SSNs are vulnerable and may have been disclosed; it has offered no credit monitoring; it has not contacted the IRS about the problem; and only recently has Internal Affairs (IA) become involved. We are told that an IA agent is now investigating, not because of a request by CBP managers, but because his wife was personally affected by the identity theft.

NTEU calls on CBP to step up to its responsibilities, as outlined in the Privacy Act; the September 20, 2006 Memorandum from the Office of Management and Budget to the Heads of Departments and Agencies, relaying the September 19 recommendations of the President's Identity Theft Task Force; and the Federal Incident Reporting Guidelines of the United States Computer Emergency Readiness Team. Specifically, it requests that CBP take the following steps to assist employees:

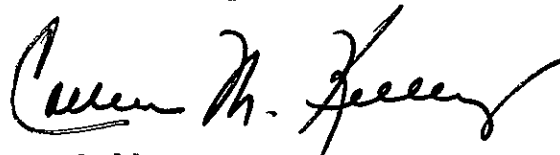
- Have an independent team conduct a formal study of the scope of the risk presented by unsecured information at the Customs House during and after Hurricane Katrina, including an investigation into how this personal sensitive information was stolen.
- Notify all potentially affected employees and provide clear information as to steps that they can take to protect themselves.
- Provide free credit monitoring services to affected employees.
- Notify law enforcement agencies and government agencies, including the IRS.

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I hope that you will take as seriously as we do the substantial harm, embarrassment, and inconvenience to which your employees are being subjected as a result of the fraudulent use of personal identifying information lost at the Customs House. The measures outlined above may help considerably in minimizing the damage caused by the loss of this information. We would prefer to work with CBP to address this highly sensitive issue, without the need for litigation. NTEU therefore urges you to act immediately.

I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Colleen M. Kelley". The signature is fluid and cursive, with a large initial "C" and a long, sweeping tail.

Colleen M. Kelley
National President

cc: Christopher Melan, President, NTEU Chapter 168