

109TH CONGRESS
2^D SESSION

H. R. 5577

To enhance protection of records of the Department of Veterans Affairs containing personal identifying information that is required by law to be confidential and privileged from disclosure except as authorized by law.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 2006

Mrs. CAPITO introduced the following bill; which was referred to the
Committee on Veterans' Affairs

A BILL

To enhance protection of records of the Department of Veterans Affairs containing personal identifying information that is required by law to be confidential and privileged from disclosure except as authorized by law.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Veterans Identity Pro-
5 tection Act of 2006”.

6 **SEC. 2. SENSE OF CONGRESS.**

7 It is the sense of Congress that—

1 (1) the Department of Veterans Affairs is re-
2 sponsible by law for safeguarding and holding con-
3 fidential the records of the Department that contain
4 personal identifying information about present and
5 former members of the Armed Forces and their fam-
6 ily members; and

7 (2) it is the responsibility of the Department
8 when such identifying information is lost or com-
9 promised due to the carelessness of the Department
10 or its employees to assist those individuals whose
11 identifying information is affected in mitigating any
12 affect of that loss or compromise.

13 **SEC. 3. OFFICE OF IDENTITY PROTECTION IN DEPART-**
14 **MENT OF VETERANS AFFAIRS.**

15 (a) **ESTABLISHMENT.**—There is established within
16 the Department of Veterans Affairs an Office of Identity
17 Protection. The Office shall be administered by a Director
18 who shall be appointed by the Secretary.

19 (b) **PURPOSE.**—The purpose of the Office shall be—

20 (1) to prevent the loss or compromise of per-
21 sonal identifying information (including name, social
22 security number, financial records, and health
23 records) about present and former members of the
24 Armed Forces and their family members that is re-
25 quired by section 5701 of title 38, United States

1 Code, or any other provision of law to be held con-
2 fidential and privileged and protected from disclo-
3 sure except as authorized by law; and

4 (2) to assist any person whose personal identi-
5 fying information referred to in paragraph (1) is or
6 may have been compromised by the Department or
7 a Department employee in mitigating the effect of
8 any such compromise.

9 (c) RESPONSIBILITIES.—The Secretary of Veterans
10 Affairs, acting through the Office of Veterans Identity
11 Protection, shall—

12 (1) whenever there is a loss or compromise of
13 personal identifying information described in sub-
14 section (b)(1), notify each individual whose personal
15 identifying information was lost or compromised of
16 that loss or compromise;

17 (2) contract with national credit reporting
18 agencies to provide one credit report every six
19 months for three years, without charge to the recipi-
20 ent, to any individual whose personal identifying in-
21 formation held by the Department of Veterans Af-
22 fairs is or may have compromised due to the care-
23 lessness of the Department or its employees in viola-
24 tion of section 5701 of title 38, United States Code,
25 or any other provision of law;

1 (3) offer a 24-hour toll-free telephone number
2 and a website for individuals described in paragraph
3 (2) to provide them information regarding access to
4 credit reporting services;

5 (4) work in coordination with the Department
6 of Defense and the Federal Trade Commission to
7 ensure that active-duty military personnel, especially
8 those deployed in combat zones, have access to cred-
9 it reporting services; and

10 (5) make available to present and former mem-
11 bers of the Armed Forces and their family members,
12 through internet web pages, outreach activities, and
13 other appropriate means, information on possible
14 fraudulent consumer credit or reporting services that
15 may be aimed at present or former members of the
16 Armed Forces.

17 (d) AGENCIES TO BE NOTIFIED.—The Office shall
18 be responsible for ensuring that the Department of Justice
19 and the Federal Trade Commission are notified imme-
20 diately when the Department of Veterans Affairs knows
21 or suspects that personal data in the records of the De-
22 partment have been compromised.

1 **SEC. 4. INSPECTOR GENERAL REPORT ON DATA SECURITY**
2 **PRACTICES OF DEPARTMENT OF VETERANS**
3 **AFFAIRS.**

4 (a) **STUDY.**—The Inspector General of the Depart-
5 ment of Veterans Affairs shall conduct a study of the data
6 security practices of the Department, including practices
7 relating to access to personal identifying information held
8 by the Department and the authorization process for re-
9 moving such data from secure custody in the files of the
10 Department.

11 (b) **REPORT.**—Not later than six months after the
12 date of the enactment of this Act, the Inspector General
13 shall submit to the Committees on Veterans' Affairs of
14 the Senate and the House of Representatives a report pro-
15 viding the results of the study under subsection (a).

16 **SEC. 5. CRIMINAL PENALTY.**

17 Any officer or employee of the Department of Vet-
18 erans Affairs who, except as authorized by law or by the
19 Secretary of Veterans Affairs, removes from the custody
20 of the Department of Veterans Affairs any file, record,
21 report, or document of the Department of Veterans Af-
22 fairs that is subject to section 5701 of title 38, United
23 States Code, shall be fined as provided in title 18, United
24 States Code, or imprisoned not more than 2 years, or both.

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