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Opening Statement

Rep. Stephen F. Lynch, Subcommittee on Federal Workforce

Hearing on “Examining Data Security at the United States Postal Service”

November 19, 2014

Thank you, Mr. Chairman. I would like to thank you for holding this hearing to examine the United States Postal Service’s mail covers program and the recent data breach of postal network information systems. I’d also like to thank our witnesses for helping this subcommittee with its work.

Through the mail cover process, law enforcement agencies may request that the Postal Service record information on the outside of a piece of mail to obtain evidence of a crime, locate fugitives, identify property, and protect national security. According to federal regulations, however, the Postal Service may not open or inspect the contents of sealed mail without a federal search warrant.

Importantly, the mail covers program can serve as a valuable investigative tool, through which postal investigators and law enforcement officials can further their investigations into the abuse of our mail systems for terrorist or other criminal activity. However, our constitutional commitment to individual privacy and due process require that we conduct meaningful oversight of this program in order to ensure that it is not unnecessarily broad in scope. Towards this end, the Postal Service Inspector General recently reported some program deficiencies.

The IG recommended that the Chief Postal Inspector: “(1) improve controls to ensure responsible postal inspection service personnel process mail covers as required; (2) establish procedures to ensure periodic reviews of.... Mail covers are conducted as required; (3) improve controls to ensure postal service facility personnel process mail covers in a timely manner; and (4) implement system controls to ensure data integrity in the postal inspection service mail cover application.”

The Postal Service has agreed with these recommendations and has fully implemented recommendation number two – establishing periodic review procedures. The agency has also made substantial progress on implementing the other three recommendations. Chief Inspector Cottrell expects all of the recommendations to be fully implemented by June 2015.

On October 27, 2014, the *New York Times* published a story asserting that the mail covers program was more extensive than had been previously reported. In response, the Postal Service has reported to Committee staff that the increase in mail covers was largely due to a change in accounting practices. According to the Postal Service, starting in 2012, the inspection service began using one-day mail covers on each individual piece of mail that law enforcement agencies requested. Previously, a single mail cover could reflect postal service monitoring of multiple pieces of mail.

This change in practice resulted in an increase in the number of total mail covers, without necessarily reflecting an increase in the use of the mail covers program. According to Chief Cottrell's testimony, there has been a reduction in the total number of mail covers used by law enforcement agencies over the past several years. I look forward to hearing the details of these changes and surrounding each of the Inspector General's recommendations.

On November 10, 2014, the Postal Service publicly announced that its computer networks had been significantly breached. Personally identifiable information of its employees may have been compromised, including names, addresses, dates of birth, social security numbers, dates of employment, and other information. News reports indicate that over 800,000 employees could be affected.

This data breach comes on the heels of several other attacks in both the public and private sector, including Home Depot, K-mart, Target, JP Morgan Chase, USIS, Community Health Partners, and most recently, the U.S. State Department.

On November 10, 2014, Ranking Member Cummings sent a letter to Postmaster General Donahoe requesting additional information about the breach, including the extent of the cyber-attack, the nature of data breached, the number of potential employees and customers affected, and the Postal Service's notification process regarding the breach. The Ranking Member also highlighted the need for greater collaboration to improve data security in light of the increased number of public and private sector data breaches.

I look forward to hearing from the Postal Service on how it plans to address the specific data security issues raised by the postal data breach and ensure that its employees and consumers are protected from such breaches in the future.

Thank you, Mr. Chairman, and I yield back.

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