



# National Council of HUD Locals

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES  
AFFILIATED WITH AFL-CIO

## Council 222

October 10, 2012

MEMORANDUM FOR: James M. Reynolds, Deputy Director  
Employee and Labor Relations Division

FROM: *Ricardo Miranda*  
Ricardo Miranda, Assistant Chief Steward  
AFGE National Council of HUD Locals #222

SUBJECT: Social Security Numbers Breach Preliminary Bargaining  
Proposals

Pursuant to Article 5 of the HUD-AFGE Council 222 Agreement, AFGE National Council of HUD Locals No. 222 (Council or AFGE Council 222) demanded to bargain on October 2, 2012 HUD's response to the security breach of bargaining-unit employees' Personally Identifiable information (PII) through an email sent inadvertently to all HUD employees containing an Excel spreadsheet with all employees' names and Social Security Numbers. The Council found out about this security breach on October 1, 2012 through an advisory email sent to all HUD employees by the HUD Office of the Chief Human Capital Officer.

The below proposals are preliminary bargaining proposals and are not to be considered all of the proposals that the Union can submit. A complete list of proposals may be presented prior to and at the time of bargaining in accordance with Article 5, Section 5.02(2) and (13) of the HUD-AFGE Council 222 Agreement and past practice.

### Initial Proposals:

1. **Confidentiality of Social Security Nos. in HUD Documents and Databases:** Except as required by law or government-wide regulation, HUD documents, databases, and identity verification procedures shall not use nor display employees' Social Security Numbers as an identifier to track employee records as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to prevent the adverse effects of possible security breaches of employees' Personally Identifiable Information that could lead to identity theft and financial fraud. This shall be accomplished within 60 days of the signing of this agreement.

2. **Encryption and Password Protection of PII sent through HUD email:** Any email sent through the HUD network containing bargaining-unit employees' Personally Identifiable Information (e.g., Social Security Number, home address, home telephone number, medical records, etc.) subject to the Privacy Act shall be encrypted and password-protected as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to prevent the adverse effects of possible security breaches of employees' Personally Identifiable Information that could lead to identity theft and financial fraud.
3. **Hold Harmless for Access to LOCCS and Other Systems:** HUD agrees that affected bargaining-unit employees whose Social Security Numbers were disseminated to all HUD employees via email on September 21, 2012 and are subsequently victimized by identity theft and fraud shall be held harmless with respect to having continuing access to the Line of Credit Control System (LOCCS) and other systems required to carry out the duties of their positions as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to minimize the adverse effects of the privacy breach.
4. **Credit-Monitoring Services:** HUD agrees to pay credit-monitoring services for ten (10) years for all affected bargaining-unit employees whose Social Security Numbers were disseminated to all HUD employees via email on September 21, 2012 as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to prevent the adverse effects of security breaches, possible identity theft and financial fraud. There shall be no deadline for affected employees to enroll in the credit-monitoring services during the ten-year period.
5. **Identity Theft Insurance:** HUD agrees to pay for identity theft insurance coverage of \$250,000 for ten (10) years for all affected bargaining-unit employees whose Social Security Numbers were disseminated to all HUD employees via email on September 21, 2012 as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to prevent the adverse effects of security breaches, possible identity theft and financial fraud.
6. **Restitution Prior to Identity Theft Insurance Coverage:** HUD agrees to pay full restitution to affected bargaining-unit employees for any financial fraud that occurred from September 21, 2012 until the identity theft insurance coverage became effective as a result of their Social Security Numbers being disseminated to all HUD employees via email on September 21, 2012 as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to address the adverse effects of the security breach of the privacy of employees' Social Security Numbers.
7. **Consumer Rights Information Training:** HUD agrees to provide appropriate training of at least 3 hours to affected bargaining-unit employees on consumer rights information about understanding liability, detecting and contesting financial fraud, and removing fraudulent activities from credit reports as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to address the adverse effects of the security breach of the privacy of employees' Social Security Numbers.
8. **Official Duty Time to Monitor and Dispute Credit Fraud:** HUD agrees that affected bargaining-unit employees shall receive a reasonable amount of official time of at least two hours per week to monitor their credit reports and contest financial fraud during duty

time for three years from October 1, 2012 when employees were notified that their Social Security Numbers were disseminated to all HUD employees via email on September 21, 2012 as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to address the adverse effects of the security breach of the privacy of employees' Social Security Numbers.

9. **Administrative and Restored Annual Leave to Dispute Credit Fraud:** HUD agrees that affected bargaining-unit employees shall receive a reasonable amount of administrative leave and/or restored annual leave on an as needed basis if they have to meet with creditors, credit-reporting bureaus, collection agencies, law enforcement agencies, and/or attend court proceedings to contest fraudulent activities as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to address the adverse effects of the security breach of the privacy of employees' Social Security Numbers.
10. **Legal Representation:** HUD agrees to provide legal representation to affected bargaining-unit employees if they are sued for financial liabilities related to identity theft as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to address the adverse effects of the security breach of the privacy of employees' Social Security Numbers.
11. **Full Restitution:** HUD agrees to provide full restitution to affected bargaining-unit employees if they are sued for financial liabilities related to identity theft as an appropriate arrangement pursuant to 5 U.S.C. § 7106(b)(3) to address the adverse effects of the security breach of the privacy of employees' Social Security Numbers.
12. **Email Recipients' Hold Harmless Statement:** HUD agrees to include the following two sentences in the statement signed by bargaining-unit employees who forwarded the September 21, 2012 email containing employees' Social Security Numbers to their personal or other email address: "The Department has represented to me that this memorandum is not disciplinary in nature nor a warning of misconduct. By signing this statement, I do not admit to any wrongdoing or fault."

These are preliminary bargaining proposals and there may be additional proposals once the bargaining is to take place. The Union's designated bargaining team is: Ricardo Miranda, Assistant Chief Steward of AFGE Council 222; Dorothy Crow-Willard, Vice President of AFGE Local 3972; and William Taylor, Assistant Chief Steward of AFGE Council 222.

If there are any other questions or concerns, please contact me. We look forward to working with you to respond to this privacy breach of employees' Social Security Numbers and address employees' concerns.