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**OMB Directs Agencies on How to Best Safeguard Personally Identifiable Information;
Respond to Security Breaches**

WASHINGTON – Today, the Office of Management and Budget (OMB) Deputy Director for Management Clay Johnson issued a memo to Federal agencies on safeguarding against and responding to the breach of personally identifiable information.

“Safeguarding personally identifiable information in the possession of the government and preventing its breach are essential to ensure the government retains the trust of the American public,” Johnson wrote in the memo. “This is a responsibility shared by officials accountable for administering operational and privacy and security programs, legal counsel, Agencies’ Inspectors General and other law enforcement, and public and legislative affairs.”

Recognizing that safeguarding against breaches from happening in the first place has greater value than responding to breaches when they occur, this memorandum focuses on several key principles, including that the Federal government should not unnecessarily collect or maintain personally identifiable information. As a result, agencies are required to reduce the volume of personally identifiable information to the minimum necessary, including establishment and implementation of plans to eliminate unnecessary use of Social Security numbers (SSN).

Another key principle of this memorandum is job-specific training. The risk-based approach to security requires Federal employees receive training regarding their respective responsibilities relative to safeguarding personally identifiable information and the consequences and accountability for violation of these responsibilities.

The memo and its attachments require agencies to take actions that will address the issue of data breaches, including:

- Develop and implement a risk-based breach notification policy within the required framework presented through the attachments;
- Review and reduce current holdings of all personally identifiable information (PII) and ensure, to the maximum extent practicable, such holdings are accurate, relevant, timely, and complete. Develop and make public a schedule by which the agency will periodically update the review of their holdings of PII;
- Review use of SSN and, within 120 days from the date of the memo, establish a plan to eliminate the unnecessary collection and use of SSN within eighteen months. Agencies must also participate in government-wide efforts to explore alternate personal identifiers;
- Protect Federal information accessed remotely; and

- Develop and implement an appropriate policy outlining the rules of behavior and identifying consequences and potential corrective actions for failure to follow these rules.

The memo from Deputy Director Johnson to Agencies can be found at:
<http://www.whitehouse.gov/omb/memoranda/fy2007/m07-16.pdf>

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