



**The Department of the Treasury  
Semiannual 2020 Report on Privacy and  
Civil Liberties Activities Pursuant to Section  
803 of the Implementing Recommendations  
of the 9/11 Commission Act of 2007**

**For the reporting period  
October 1, 2019 to March 31, 2020**

1. Introduction

The Assistant Secretary for Management (ASM) is the Department of the Treasury (Treasury) Privacy and Civil Liberties Officer (PCLO). As the PCLO, the ASM is responsible for implementing the 9/11 Commission Act of 2007's privacy and civil liberties requirements.

To assist the ASM with these responsibilities, Treasury Directive 25-04, "The Privacy Act of 1974, as amended," designates the Deputy Assistant Secretary for Privacy, Transparency, and Records (DASPTR) as the ASM's principal advisor on issues related to privacy and civil liberties. The DASPTR leads the Office of Privacy, Transparency, and Records (PTR) and provides the ASM with day-to-day support in executing PCLO duties.

This report is submitted pursuant to section 803 of the Implementing Recommendations of the 9/11 Commission Act of 2007,<sup>1</sup> which sets forth the following requirements:

- (f) Periodic Reports –
  - (1) In General –

The privacy officers and civil liberties officers of each department, agency, or element referred to or described in subsection (a) or (b) shall periodically, but not less than semiannually, submit a report on the activities of such officers—

(A)

- (i) to the appropriate committees of Congress, including the [Committee on the Judiciary of the Senate](#), the [Committee on the Judiciary of the House of Representatives](#), the [Committee on Homeland Security and Governmental Affairs of the Senate](#), the [Committee on Oversight and Government Reform of the House of Representatives](#), the [Select Committee on Intelligence of the Senate](#), and the [Permanent Select Committee on Intelligence of the House of Representatives](#);
- (ii) to the head of such department, agency, or element; and

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<sup>1</sup> 42 U.S.C. § 2000ee-1(f).

(iii) to the [Privacy and Civil Liberties Oversight Board](#); and  
(B) which shall be in unclassified form to the greatest extent possible, with a classified annex where necessary.

(2) Contents –

Each report submitted under paragraph (1) shall include information on the discharge of each of the functions of the officer concerned, including—

- (A) information on the number and types of reviews undertaken;
- (B) the type of advice provided and the response given to such advice;
- (C) the number and nature of the complaints received by the department, agency, or element concerned for alleged violations; and
- (D) a summary of the disposition of such complaints, the reviews and inquiries conducted, and the impact of the activities of such officer.

The Intelligence Authorization Act for Fiscal Year 2014, Pub. L. No. 113-126 (July 7, 2014), changed the reporting period from quarterly to semiannually. The semiannual reports cover the following time periods: April – September and October – March. This report covers PCLO activities from October 1, 2019 through March 31, 2020.

## 2. Privacy Reviews

Treasury reviews programs and information technology (IT) systems that may present privacy risks. Privacy and civil liberties reviews include the following Treasury activities:

- a) Privacy and Civil Liberties Threshold Analyses, which are the Treasury mechanism for reviewing IT systems, programs, and other activities for privacy protection issues to determine whether a more comprehensive Privacy and Civil Liberties Impact Assessment is required;
- b) Privacy and Civil Liberties Impact Assessments as required by the E-Government Act of 2002;<sup>2</sup>
- c) System of Records Notices, as required by the Privacy Act, and any associated Final Rules for Privacy Act exemptions;<sup>3</sup>
- d) Privacy Act Statements, as required by the Privacy Act,<sup>4</sup> to provide notice to individuals at the point of collection;
- e) Computer Matching Agreements, as required by the Privacy Act;<sup>5</sup>
- f) Data Mining Reports, as required by Section 804 of the 9/11 Commission Act of 2007;<sup>6</sup>
- g) Privacy Compliance Reviews;

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<sup>2</sup> 44 U.S.C. § 3501 note.

<sup>3</sup> 5 U.S.C. §§ 552a(j), (k). *See also* Office of Management and Budget (OMB) Circular No. A-108, “Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act,” 81 FR 94424 (Dec. 23, 2016).

<sup>4</sup> 5 U.S.C. § 552a(e)(3).

<sup>5</sup> 5 U.S.C. § 552a(o)-(u).

<sup>6</sup> 42 U.S.C. § 2000ee-3.

- h) Privacy reviews of IT and program budget requests, including Office of Management and Budget Exhibit 300s; and,
- i) Other privacy reviews, such as implementation reviews for information sharing agreements.

### 3. Privacy and Civil Liberties Impact Assessments (PCLIA)

The PCLIA process is one of Treasury's key mechanisms to ensure that programs and technologies sustain, and do not erode, privacy protections. During the reporting period, Treasury published 86 new, updated, or renewed PCLIA. All published Treasury PCLIA are available on Treasury's PCLIA website:

<https://www.treasury.gov/privacy/PIAs/Pages/default.aspx> (links are also provided to bureau websites where additional PCLIA are posted). One example of a new PCLIA is summarized below:

On December 19, 2019, the Departmental Offices (DO) published a PCLIA for HRConnect, a Treasury-wide Human Resources system. The purpose of the HRConnect system is to support the human resources functions for the Department of the Treasury and other federal agencies that use HRConnect as part of a cross-services initiative to reduce federal government expenditures. HRConnect is the Treasury's Government-wide Human Resources Line of Business Shared Services Center online personnel management system that provides managers, supervisors, employees, and personnel specialists with desktop access to personnel and payroll data. HRConnect consists of a general support system and a Major Application (also known as PaaS and SaaS); customized PeopleSoft HR software residing on the Oracle Cloud Infrastructure's GovCloud Infrastructure as a Service Cloud Service Provider.

The Office of Privacy, Transparency, and Records (PTR) worked closely with the bureau to address the accuracy and completeness of the HRConnect PCLIA as well as plain language requirements.

### 4. System of Records Notices (SORN)

During the reporting period, Treasury published or updated 21 SORNs. All Treasury SORNs, Notices of Proposed Rulemaking, and Final Rules for Privacy Act exemptions are available on Treasury's SORN website, <https://home.treasury.gov/footer/privacy-act/system-of-records-notices-sorn>. Treasury has determined that the information contained in its systems of records is accurate, timely, relevant, complete, and necessary to maintain the proper performance of a documented agency function. Please consult the SORN website or the Federal Register for the full text of our SORNs.

### 5. Computer Matching Programs (CMAs)

Treasury participates in 56 re-established and 3 active computer matching programs that were

renewed in accordance with the Privacy Act of 1974, as amended. The computer matching provisions of the Privacy Act improve oversight of the disclosure of automated Privacy Act records in inter-agency information sharing arrangements known as matching programs. These provisions also protect the due process rights of individuals whose records are exchanged in such programs. To comply with the Act, as well as all relevant regulations and guidance, Treasury established a Data Integrity Board to review and approve matching agreements. All Treasury CMAs are available on Treasury's CMA website, <https://home.treasury.gov/footer/privacy-act/computer-matching-programs>.

During the reporting period, the Data Integrity Board reviewed and approved 12-month renewals for certain CMAs.

- a) The Disclosure of Information to Federal, State and Local Agencies (IRS Project 066 - DIFSLA) CMA between the Internal Revenue Service (IRS) and 53 state agencies has been in effect since July 1, 2018 and was due to expire December 31, 2019. This CMA is actually 53 separate CMAs memorialized in a single document in the Federal Register (see citation below). In support of the renewal of these CMAs, IRS and the 53 state agencies certified that the program was operated in compliance with the existing CMA. Pursuant to 5 U.S.C. § 552a(o)(2)(D), the Treasury Data Integrity Board agreed to renew the existing CMA with the 53 State agencies for a 12-month period (January 1, 2020 through December 31, 2020). The CMA memorializing all 53 agreements is available at [83 FR 27082 \(June 11, 2018\)](#).
- b) The CMA for IRS Project 692 – Medicare Part D, between IRS and the Social Security Administration (SSA), has been in effect since November 27, 2017. It was due to expire May 26, 2019. The Data Integrity Board approved a Renewal CMA, extending the effective date of the current CMA through May 26, 2020. The original agreement is available at [82 FR 49691 \(10/26/2017\)](#).

## 6. Privacy Compliance Reviews (PCRs)

Treasury conducts PCRs to ensure that programs and technologies implement and maintain appropriate protections for personally identifiable information. The PCR is a collaborative effort that helps improve a program's ability to comply with existing privacy requirements by identifying and remediating gaps in compliance documentation, including PCLIAAs, SORNs, and formal agreements, such as memoranda of understanding and memoranda of agreement. Treasury conducts informal PCRs with its bureaus and offices when necessary. Informal PCRs are also sometimes done as part of other requirements, such as the Privacy Impact Assessment (Treasury PCLIAAs) requirement and reviews of particular issues required in external reports to Congress. For example, in preparing the social security number (SSN) Fraud Prevention Act Report each year, Treasury reviews the existing circumstances under which Treasury bureaus and offices include SSNs in mailings outside the Department to ensure that the Treasury bases for permitting the mailing of SSNs are still valid. Treasury policy only allows the collection, maintenance, and use of SSNs under the following circumstances: (1) security background investigations; (2) interfaces with external entities that require the SSN; (3) a legal/statutory basis (i.e., where collection is expressly required by statute); (4) when there is no reasonable, alternative means for

meeting business requirements; (5) statistical and other research purposes; (6) delivery of government benefits, privileges, and services; (7) law enforcement and intelligence purposes; and (8) aging systems with technological limitations combined with funding limitations render impossible system updates or modifications to add privacy risk reduction tools (partial/truncated/redacted or masked SSNs). In the absence of a compelling argument to the contrary, no other SSN uses are allowed. Treasury remains focused on eliminating the use of SSNs whenever possible and safeguarding SSNs that must be collected and maintained because no reasonable alternative exists. In preparation for the 2019 report (submitted to Congress in October of 2019) Treasury determined that the eight bases for using SSNs in external mailings remain valid.

## 7. Advice and Responses

Treasury provides privacy and civil liberties advice to its bureaus and offices throughout the year. Some of this advice originates from ad hoc responses PTR provides to bureaus and offices on a daily basis. Other advice originates from discussions within Treasury bureaus between the bureaus' privacy and civil liberties stakeholders (including legal counsel, as necessary) and systems owners, program managers and staff.

PTR and the bureau privacy and civil liberties stakeholders also provide advice during the PCLIA process, advising system owners and program managers on Privacy Act, records management, Paperwork Reduction Act and other requirements to ensure they fully comply with applicable law in the operation of their information systems.

## 8. Privacy Complaints and Dispositions

For purposes of Section 803 reporting, complaints are written allegations of harm or violation of privacy compliance requirements filed with Treasury's privacy and civil liberties programs. The categories of complaints are reflected in Appendix A below.

## 9. Conclusions

As required by the 9/11 Commission Act, and in accordance with the Intelligence Authorization Act for Fiscal Year 2014, this semiannual report summarizes Treasury's privacy activities from October 1, 2019 through March 31, 2020. Treasury will continue to work with Congress, colleagues in other federal departments and agencies, and the public to continue to protect privacy in all of our activities.



**Appendix A: Department of the Treasury**  
**Semiannual Report on Privacy and Civil Liberties Activities**  
**Under Section 803 of the 9/11 Commission Act of 2007**  
**October 1, 2019 through March 31, 2020**

Reviews	
Type	Number
Privacy (and Civil Liberties) Threshold Analysis (PTAs/PCLTAs)	49
Privacy (and Civil Liberties) Impact Assessments (PIAs/PCLIAAs)	86
System of Records (SOR) Routine Use/ SOR Notices (SORNs)	21
Computer Matching Agreements (CMAs)	2

Advice and Response		
Type	Number	Response
Provide advice and recommendation regarding proper handling of PII/limiting access based on need to know	40	Accepted
Provide advice and/or recommendation on relevance and necessity of data collection/ingestion	10	Accepted
Provided guidance to system owners or personnel on necessary privacy compliance documentation or appropriate NIST risk rating.	11	Accepted
Provide advice and recommendation on internal/external sharing of PII (including Privacy Act info)	6	Accepted
Provide advice and recommendation on web privacy policies/privacy notices	2	Accepted

Complaints		
Type of claim or assertion in complaint	Number of complaints	Disposition
PRIVACY: Unauthorized disclosure (internal/external)	Internal: 0 External: 0	NA
PRIVACY: Collection	External: 1	Complaint was regarding collection of last-4 of SSN for gambling deposits. IRS explained to complainant that it is a legal requirement and not up to the IRS.
PRIVACY: (Other: Describe)	0	NA
CIVIL LIBERTIES: Violation 1 <sup>st</sup> , 4 <sup>th</sup> , 5 <sup>th</sup> , 6 <sup>th</sup> , 14 <sup>th</sup> and/or 16 <sup>th</sup> Amendment rights	32	24 – Pending final decision 8 – Resolved in favor of the Government
CIVIL LIBERTIES: (Other: Describe)	0	NA