

May 19, 2004

Nuala O'Connor Kelly
Chief Privacy Officer
Department of Homeland Security
Washington, D.C. 20528

Re: Department of Homeland Security and the MATRIX program

Dear Ms. O'Connor Kelly:

We are writing to urge you to investigate the involvement of the Department of Homeland Security with the Multi-State Anti-Terrorist Information Exchange (MATRIX).

The MATRIX is an effort to aggregate millions of commercial and government records into a database that law enforcement can use to investigate crime and identify terrorists. The Department's involvement with the MATRIX is extensive. Not only has DHS provided MATRIX with \$8 million in federal funding, it has also entered into a cooperative agreement with the program. According to this agreement, signed on July 25, 2003 between the Department's Office of Domestic Preparedness and the MATRIX program, in return for \$8 million in funding, DHS will "provide the services of a ODP Project Manager as a single point of contact for administration of the Cooperative Agreement and maintain Managerial oversight and control of the activities, including redirection of the MATRIX activities or resources to ensure that activities or resources support the mission and goals of ODP in an efficient and cost effective manner." We believe that under this agreement DHS has assumed direct administrative control over the MATRIX.

The MATRIX program raises significant privacy concerns. As articulated in the original Department of Justice grant, one of the four functions of the program is to "develop and pilot test a model data mining and integration system for terrorist and other intelligence information." According to a PowerPoint presentation by the Florida Department of Law Enforcement, the private contractor behind MATRIX, Seisint Inc, created this data mining tool by utilizing the Terrorist Handbook (apparently a terrorist's manual on penetrating and living in American society), as well as the following data:

- o "Age & Gender;
- o What they did with their driver's license;
- o Either pilots or associations to pilots;

- Proximity to “Dirty” addresses/phone numbers;
- Investigational Data;
- How they shipped, How they received;
- Social Security Number Anomalies;
- Credit Histories; and
- Ethnicity.”

Seisint compiled a list of 120,000 names that merited further investigation and shared that list with the Immigration and Nationalization Service, the FBI, the Secret Service and the FDLE. According to this PowerPoint presentation use of this quotient has resulted in scores of arrests.

A second purpose of the MATRIX is to exchange terrorism and other intelligence information. According to Department of Justice Progress Reports, the MATRIX is connected to other intelligence databases such as Florida’s anti-terrorism database, ThreatNet, and the RISS system of law enforcement databases. These databases often contain raw, inaccurate intelligence information that may implicate Americans protected 1st amendment rights. This type of information requires significant and ongoing oversight to prevent abuse.

When the Department deeply involves itself in a program as fraught with significant privacy problems as the MATRIX, your office must investigate. As these documents make clear, the MATRIX program raises a number of questions that deserve scrutiny:

- What types of searches, either by a computer software or police investigators, are being performed by the MATRIX?
- What type of commercial, private and government data is contained in the MATRIX?
- How was the Terrorism Quotient created?
- How is DHS using the MATRIX?
- Has the MATRIX and its Terrorism Information Quotient resulted in scores of arrests? How were those individuals targeted for investigation?
- What procedures exist to prevent improper use and dissemination of information in the MATRIX? How are those procedures enforced?

If you would like additional information or copies of these documents, please visit the ACLU’s website at:

<http://www.aclu.org/Privacy/Privacy.cfm?ID=14240&c=130>.

As you know security and privacy are not mutually exclusive. In fact according to an upcoming report by a federal advisory committee to the Department of Defense, “In developing and using data mining tools, the government can and must protect privacy.” In light of the central role that DHS will likely play in the ongoing debate on proper methods for fighting terrorism, we urge you to begin the process of exploring the benefits and pitfalls of data mining by thoroughly investigating the MATRIX program.

Sincerely,

Barry Steinhardt
Director, Technology & Liberty Program

Christopher Calabrese
Counsel, Technology & Liberty Program