

# WALL STREET JOURNAL

## **Obama Unveils Proposed Changes to NSA Phone Data Rules**

### **President Says 'Government Should Not Collect or Hold This Data in Bulk'**

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WASHINGTON—Phone companies would shoulder much of the workload under a revamped version of the National Security Agency's U.S. phone-data surveillance program, as detailed Thursday by the White House.

Under the proposal—much of which was revealed earlier this week—the government would no longer store phone records in bulk. Instead, those would remain at telecom companies, to be searched when officials obtain a court order or, in emergencies, without such an order.

"I have decided that the best path forward is that the government should not collect or hold this data in bulk," President Barack Obama said in a written statement, saying his approach would provide authorities "the information they need to keep us safe while addressing the legitimate privacy concerns that have been raised."

The changes would require congressional approval at a time when competing proposals already are being debated.

Some lawmakers and privacy advocates, however, said the plan addressed few of their concerns, and called for an across-the-board ban on so-called bulk collection of Americans' records.

"The president's proposal is promising, but true reform must be comprehensive," said Sen. Patrick Leahy (D., Vt.), chairman of the Senate Judiciary committee. "We must end the bulk collection of phone records, but we also must ensure that other authorities are not used for similar types of bulk collection."

The president's plan would, in effect, outsource database searches to the companies. But phone companies were wary about implementation details. Randal Milch, Verizon's executive vice

president for public policy and general counsel, applauded ending bulk collection but warned about placing greater demands on the companies. "Companies should not be required to create, analyze or retain records for reasons other than business purposes," he said.

One concern companies have is whether the government would impose strict requirements on things like data formatting and how fast data must be provided—steps that could compel companies to establish new databases to hold the data, said one telco executive.

Obama administration officials said that under the plan, a judge would "compel" phone companies to "format the data and produce it in a way that's useful and can be quickly analyzed" by spy and law-enforcement agencies. That may prove to be a stumbling block for phone companies. An administration official acknowledged the requirement is one the companies are "interested in."

Legislation similar to the president's bill has been proposed in Congress, but its future there is uncertain. Among sticking points is whether judicial review of data queries should come before or after a search is conducted. A House intelligence committee bill would do it after, while the president's plan requires it beforehand.

Among other issues, the Obama plan doesn't include a ban on all bulk collection. The House bill includes a ban on bulk collection of some types of data, including phone, Internet, email and certain other types of personal data. Mr. Leahy's bill would ban all types of bulk collection. The CIA, for example, has a program collects in bulk data on international money transfers, The Wall Street Journal reported last year.

Until Congress adopts changes, the administration will continue to seek reauthorization of the current program every 90 days. But without congressional action, the current surveillance program will expire in mid-2015.

Privacy groups backed the White House proposal, but said it is far too limited and only addresses some of their concerns.

"Although we appreciate the president's efforts and look forward to working with the White House to end the bulk collection of telephone records, t[T]he time has passed for half-measures that only address a small sliver of the NSA problem," said Kevin Bankston, policy director the New America Foundation's Open Technology Institute.

One effect of the proposed change is that it would allow the program to expand, a U.S. official said. The current program doesn't cover most cellphone calls and collects an estimated 20%-30% of U.S. phone records. The new arrangement could allow searches of data sets reaching beyond the current program.

Julian Sanchez, a research fellow at the libertarian Cato Institute who studies privacy and technology policy, said that with proper judicial oversight, he wasn't worried about wider searches. "That's not particularly of concern to me...if you have a process you're comfortable with," he said.

But Michelle Richardson, a legislative counsel with the American Civil Liberties Union, said the impact on the scope isn't clear, and that the administration needed to publicly explain how data-coverage issues would be handled under the new regime.

