

IRS: TIGTA UPDATE, PART TWO

HEARING

BEFORE THE

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

JUNE 25, 2015

Serial No. 114-33

Printed for the use of the Committee on Oversight and Government Reform



Available via the World Wide Web: <http://www.fdsys.gov>
<http://www.house.gov/reform>

U.S. GOVERNMENT PUBLISHING OFFICE

95-658 PDF

WASHINGTON : 2015

For sale by the Superintendent of Documents, U.S. Government Publishing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
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IRS: TIGTA UPDATE, PART TWO

Thursday, June 25, 2015

HOUSE OF REPRESENTATIVES,
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
WASHINGTON, D.C.

The committee met, pursuant to call, at 9:00 a.m., in Room 2154, Rayburn House Office Building, Hon. Jason Chaffetz [chairman of the committee] presiding.

Present: Representatives Chaffetz, Mica, Duncan, Jordan, Walberg, Amash, DesJarlais, Gowdy, Farenthold, Lummis, Massie, Meadows, DeSantis, Mulvaney, Buck, Walker, Blum, Hice, Russell, Carter, Grothman, Hurd, Palmer, Cummings, Maloney, Norton, Lynch, Connolly, Cartwright, Duckworth, Kelly, DeSaulnier, Welch, and Lujan Grisham.

Chairman CHAFFETZ. The Committee on Oversight and Government Reform will come to order.

And, without objection, the chair is authorized to declare a recess at any time.

Today's hearing is about the IRS and the targeting that has happened there. We have had updates from the Inspector General's Office, and we are here for another such update. We appreciate Mr. George and Mr. Camus for being here with us.

And, as we start this hearing, I would like to walk through why we are here at this particular time.

There was targeting of people who were trying to exercise their First Amendment rights. This was done because of their political beliefs.

Dave Camp and the Ways and Means Committee did some exceptional work unearthing this and talking to then the IRS Commissioner, Mr. Shulman, about this. He had assured the committee, assured the Congress—which, when you talk to Congress, you are talking to the American people—that none of this targeting had ever occurred.

That is when the Inspector General's Office started to get involved and they started to look at it. Later, they came back and provided a report, and that report happened in, I believe, 2013.

Now, keep in mind, when we had this information going on, there was a preservation order that was put in place asking and requiring the IRS to preserve these documents. Chairman Issa, then the chairman of the Oversight and Government Reform Committee, in August of 2013 issued a subpoena asking for this information and these documents.

But then you move forward, and this is where it just sort of starts to get unbelievable. It stretches the imagination beyond com-

parison. And we are supposed to believe this wide array of facts just happened to come together in such an odd and peculiar way.

Again, remember the IRS Commissioner said, “There is absolutely no targeting.” Now, when this first came to light, the President was actually very good on this topic. He said that he would work with Congress and then somehow magically concluded, even though the Department of Justice had not completed their investigation, the Inspector General had not concluded their investigation, the United States Congress had not concluded an investigation either in the House or the Senate, but somehow, magically, the President came to the conclusion that there was, “not even a, smidgen of corruption.”

Now, interesting thing about that timing, that happened to be Super Bowl Sunday. So Super Bowl Sunday in 2014, the President makes his comment. We have heard from an IRS official where she said, “That’s the exact same day that I remember looking and realizing that there were some emails missing.” Now, this thing has gone on for years. It is just coincidental that the President is on national television, and she says and has told us that, “Whoops, there’s some emails missing.”

Again, remember, for 10 months there was a preservation order in place; for 7 months there was a subpoena in place. We have been assured multiple times by the IRS that they were doing everything, bending over backwards, giving us all kinds of stats and metrics about how many emails and how many people were working hard on this. But the one thing we wanted to have, evidence, to let the facts take us wherever they may be, that one thing just went missing the exact same time, just within hours of the President making that comment.

But what we are going to hear today makes it even more stunning, because what the Inspector General has evidently learned is that that evidence on that day that the President said that, on the day that the Inspector General—or the day that the IRS person said there are missing emails, they weren’t missing at that point. They weren’t destroyed. What we are going to hear from the Inspector General’s Office today is that those emails were destroyed 30 days later. February 4, Super Bowl Sunday—or the 2nd, Super Bowl Sunday, pardon me, you know, they are missing. But they weren’t missing. They got destroyed just about 30 days later.

Twenty-two days after that, the IRS Commissioner, on March 26—I remember because it was my birthday—IRS Commissioner comes here and testifies and tells us essentially that they have the emails, it’s going to take years to provide them, but they will get us those emails, in a direct question that I had asked him. But they had destroyed them 22 days prior. They knew that there was a problem with it back in February, supposedly.

And it wasn’t until June that the IRS then confirmed or buried in the back of a letter to the United States Senate, to Senator Orrin Hatch’s committee, Senator Wyden’s committee, that, oops, we think there’s a problem with the emails.

Then the Inspector General, that catches their attention, so what do they do? They put a team together, and they say, you know what? Let’s go see if we can find those emails. Because, remember,

at this point, the IRS has had years to do it, and they couldn't find them. They think there's a problem.

The Inspector General's Office puts a team together, and within about 2 weeks they go and find them. They show up at this so-called cage and go ask and go look for these emails. Nope, they have been sitting there the whole time. Has anything ever happened to those? No, nobody even asked us for them. That is the testimony we heard in a previous hearing.

And we are supposed to believe all this in the context of an FBI investigation that is led by a max-out donor to the Obama administration; a contempt from Lois Lerner—the House of Representatives, in a very unprecedented—it doesn't happen very often around here—holds Lois Lerner in contempt; a statute that says they shall refer that to the grand jury. The U.S. Attorney for the District of Columbia looks at that for 10 months and, 2 days or so, roughly, before Mr. Machen steps away from that job, says, "You know what? We just think it shouldn't be referred," even though the statute says it shall. And that is a potential hearing and maybe something that we will look at later.

But part of what we are going to find today is that there are some 24,000 emails, potential emails, that were destroyed. It is a destruction of evidence.

We want to pursue the facts. I know there are Democrats on the other side of the aisle that say, hey, there is nothing here, let's move on, it is no big deal. Let the evidence speak. But when there is a destruction of evidence, that goes to a whole other level.

One of the things we are going to hear from the Inspector General today is that five of the six sources where they could find this email the IRS didn't even look. And yet we have heard multiple, multiple testimonies from the IRS Commissioner saying, oh, we are working so hard, we got all these people, we are spending millions of dollars, it is taking all these resources. They didn't even look in the most obvious places, like her phone.

You add this all in combination, it just defies any sense of logic. It gets to the point where it truly gets to be unbelievable. Somebody has to be held accountable.

Imagine if this was all reversed. Right? Imagine if you were on the receiving end of an inquiry from the IRS, and they asked you for documents, and they issued you a subpoena and you destroyed the evidence, and you had that evidence. What would happen to you? You would be prosecuted to the fullest. You would end up in jail. And you probably should.

That is what we are dealing with here. This should have been disposed of a long time ago. But we have been misled; there has been evidence that has been destroyed.

And so we appreciate this hearing today. These two men who are here before us have done some exceptional work. They are supported by a great number of people on their staff who do very important, impartial work. And we count on their opinions.

Let me be fair in this conclusion. Part of what they are going to say today is they have found no evidence that this was done willfully, that this was some purposeful direction from any one person, whether it be the White House or below. Understood. But the bottom line is they had the evidence, there was a preservation order

in place, there was a subpoena in place, and that evidence was destroyed.

And we are going to hear this testimony. My understanding is next week they are going to issue a rather lengthy report. We look forward to seeing that report. Given that next week is the Fourth of July recess, we thought it appropriate to bring them before us here to get their verbal comments, an opportunity to question them. We look forward to hearing and reading their report in its totality. And then we are going to have to figure out a way of moving forward.

But people need to be held accountable, and we are going to get to the truth.

With that, I am going to yield back and recognize our ranking member, Mr. Cummings.

Mr. CUMMINGS. Thank you very much, Mr. Chairman.

And I am very glad that we are having this hearing. And I am glad that at the very end of your statement you said that there would be testimony, I take it from Mr. George, that these documents were not destroyed willfully. And I am glad you said that, because you had said a number of things already. And I think that there are many IRS employees who are working very, very hard, short of staff, giving it everything they got so that they can do their job so that we can have the resources, as a government, to exist.

And I want to take a moment to thank all of those employees who are working so very hard.

This Oversight Committee is now holding our 22nd IRS hearing—22. Some people tuning in today may not realize it, but this investigation is still going on. They also may not realize that they, the American taxpayers, have spent more than \$20 million on this investigation so far—\$20 million. The total does not include the millions of additional dollars spent by the Inspector General, who is here to testify before us yet again.

And I want to thank you, Mr. George, for your hard work and all the work you have done in regard to this investigation.

This investigation has squandered tens of millions of taxpayer dollars in a failed scavenger hunt for any possible evidence to support Republican accusations against Lois Lerner, the IRS, and the White House. More than 250 IRS employees have now spent more than 160,000 hours producing more than a million pages of documents to Congress—250 employees, who could be doing audits, making sure that people are paying their rightful share of taxes, making sure that the collection process is done properly, answering questions of our constituents as they try to make sure that they are doing the right thing. But 250 folks, 160,000 hours.

Yet the Inspector General will testify again today that his conclusions remain the same.

The chairman said, let the facts—let the evidence speak. I agree with that. There is still no evidence to support Republican allegations that the White House was involved, that Ms. Lerner ordered the targeting of conservative groups for political reasons, or that she intentionally crashed her computer to conceal her emails.

Today, the Inspector General will testify about this investigation into the status of Ms. Lerner's emails. Unfortunately, the Inspector

General's Office has repeatedly overstated the number of, "new," emails they recovered from backup tapes and other sources.

In February—and we need to listen to this. In February, officials from the Inspector General's Office briefed our committee and others, reporting that they had found 80,000—80,000—emails from Ms. Lerner, a fact that was leaked to the press with great fanfare, headlines—80,000.

Then, on February 26, the Deputy Inspector General for Investigations testified before this committee that many of those emails were actually duplicates. So we went from 80,000, and he testified there was only 32,000. February.

Last week, on June 16, the Inspector General's chief counsel sent a letter to this committee stating that the total number of new emails went down again, keep in mind, from 32,000, this time explaining that only 6,400 emails, "appear to not have been produced to Congress."

You guessed it. But today we have gone from the 6,400 only 9 days ago, and the Inspector General will testify that the total has plummeted to a little more than 1,000 emails that Congress did not already have. Boy, that is a hell of a drop, from 80,000 to 1,000.

Inspectors general are not supposed to provide speculative, unconfirmed, and inaccurate information to Congress. I think Mr. George would agree with that. They are not supposed to provide information they know is not credible. Yet that is what happened in this case. Based on this record, I do not know why anyone would have confidence in any of the numbers issued by the Inspector General.

For those who want to cut to the bottom line, you need to turn to page 6 of the Inspector General's written testimony for today's hearing. It is buried, I got to tell you, it is buried now, but it says, "A review of these emails did not provide additional information for the purposes of our investigation." And I hope that Mr. George will explain that.

So, after all of this work and after spending millions of dollars, Republicans still have no new information to support their allegations.

Some people may be wondering, if these new emails do not advance the investigation in any way, then what are they? What are they? Let me give you a few examples which the Inspector General provided to us this week. I didn't do this; the Inspector General gave them to us.

On December 25, 2012, Christmas Day, Ms. Lerner received an email from eBay with an advertisement for holiday shopping deals. In another newly discovered email sent a few days earlier, on December 22, Ms. Lerner received an offer from the Web site flowershopping.com for some very nice bouquets. Not quite the smoking gun the Republicans alleged.

The fact is that Ms. Lerner's computer crashed—and we need to keep this in mind—the fact is that Ms. Lerner's computer crashed before she was informed that IRS employees in Cincinnati were using inappropriate criteria to screen tax-exempt applicants. This is not my finding. It is not mine. That is the finding of Mr. George, our Inspector General, in his original report from May 2013, more than 2 years ago.

Today, this hearing is our 22nd on this issue—22. And I cannot imagine what possible reason there might be to have a 23rd. So I hope we will finally be able to move forward and focus on bipartisan investigations that will help the American families in their daily lives.

And to the IRS employees: I hope that all these efforts do not have a chilling effect on you doing the job that the American people have paid you to do and expect you to do and the job that you want to do.

And, with that, Mr. Chairman, I yield back.

Chairman CHAFFETZ. I will hold the record open for 5 legislative days for any member who would like to submit a written statement.

Chairman CHAFFETZ. We will now recognize our panel of witnesses. We are pleased to welcome the Honorable J. Russell George, Inspector General at the Treasury Inspector General for Tax Administration; and Mr. Tim Camus, Deputy Inspector General for Investigations at the Treasury Inspector General for Tax Administration.

We welcome you both. Appreciate your work.

Pursuant to committee rules, all witnesses are to be sworn before they testify. If you will please rise and raise your right hands.

Do you solemnly swear or affirm that the testimony you are about to give will be the truth, the whole truth, and nothing but the truth?

Thank you. Please be seated.

And let the record reflect that the witnesses both answered in the affirmative.

We would appreciate your verbal comments, and any additional comments or written statements will be, obviously, made part of the complete record.

Do you have one statement, or are you going to combine that into—

Mr. GEORGE. I have a very brief opening statement, Mr. Chairman, and then I'm going to defer to Mr. Camus to provide more substance to the facts.

Chairman CHAFFETZ. Very good. Mr. George, we recognize you, and then we will turn it over to Mr. Camus and go from there.

WITNESS STATEMENTS

STATEMENT OF THE HON. J. RUSSELL GEORGE

Mr. GEORGE. Thank you, Chairman Chaffetz, Ranking Member Cummings, members of the committee. At your request, we are here again to update you on the progress of our efforts to recover former IRS Exempt Organization Unit Director Lois Lerner's missing emails.

With me again is Tim Camus, TIGTA's Deputy Inspector General for Investigations. Tim has led this investigation, which was initiated on June 16, 2014. This was shortly after the IRS reported gaps in a production of Lois Lerner's emails, citing as the reason a crash of her computer's hard drive.

One week later, as was noted, then-Chairman Wyden and then-Ranking Member Hatch of the Senate Finance Committee re-

quested that TIGTA investigate the matter, including us to, “perform our own analysis of whether any data can be salvaged and produced.”

This morning’s testimony will provide you with information about the extent of our investigative efforts as well as the evidence we have gathered to date.

At the outset, it is important to note that, even as we believe we have reached certain conclusions and determinations in our findings, this investigation is not yet concluded. Should anything of note be discovered, we will review it for its impact on the investigation, produce a supplemental report, and provide the new information, including emails, to all appropriate parties.

Overall, this investigation included interviewing over 118 witnesses, extensive document reviews, and the processing and analysis of over 20 terabytes of data. As a result of these efforts, we have determined the following:

TIGTA was successful in recovering over 1,000 emails that the IRS did not produce to Congress, the Department of Justice, or TIGTA’s Office of Investigations. We have also determined that, prior to our investigation and our efforts to recover Ms. Lerner’s missing emails, the IRS did not search for, review, or examine the backup tapes, server hard drives, or sources that ultimately produced new previously undisclosed emails.

Four hundred and twenty-two tapes that likely contained Ms. Lerner’s emails from the years 2010 and 2011 were erased and most likely will never be recovered. These 422 tapes were magnetically erased around March 4, 2014. As was pointed out, this was 1 month after the IRS realized they were missing emails from Lois Lerner and about 8 months after this committee requested all documents and communications sent by, received by, or copied to Lois Lerner.

As was noted, our investigation did not uncover any evidence that the erasure of these 422 backup tapes was done to conceal information from Congress or law enforcement.

In addition, it is important to note that it is remotely possible that our continuing review of data from the initial set of 735 backup tapes could result in discovery of additional emails not previously provided to Congress by the IRS.

I will now turn to Mr. Camus, who will provide a detailed discussion on the findings of our investigation and the search for the missing emails.

STATEMENT OF TIM CAMUS

Mr. CAMUS. Thank you, Chairman Chaffetz, Ranking Member Cummings, and members of the full committee. I appreciate the opportunity to come here today to provide updated testimony on my agency’s investigation of the Internal Revenue Service’s production of the emails of the former Director of Exempt Organizations as well as our efforts thus far in recovering missing emails.

Throughout our investigation, we have updated the tax-writing and oversight committees of Congress, including this committee, concerning our progress in recovering emails. As the Inspector General noted, we are now in position to provide information about our investigation.

My special agents determined that there were six possible sources of information in order to recover missing emails. Those sources are Ms. Lerner's crashed hard drive, the backup or disaster recovery tapes, a decommissioned IRS email server, the backup tapes for the decommissioned email server, Ms. Lerner's Black-Berry, and loaner computers that may have been assigned to her while her laptop was being repaired. My testimony will provide an overview of some of those sources, all of which are covered in the written testimony.

With respect to Ms. Lerner's crashed computer hard drive, we determined that, on Saturday, June 11, 2011, between 5 p.m. and 7 p.m., Ms. Lerner's IRS laptop was more than likely in her office and it stopped communicating with the IRS server system.

The following Monday, June 13, 2011, Ms. Lerner reported that she found her computer inoperable, and the malfunction was reported to the IRS information technology staff. The assigned IT specialist determined the hard drive had crashed and, following standard protocol, placed a new hard drive in Ms. Lerner's laptop.

A Hewlett-Packard technician also worked on the laptop for other repairs. When interviewed, both technicians reported they did not note visible damage to the laptop computer itself. Because we were unable to locate and examine the hard drive, we do not definitively know why it crashed.

On July 19, 2011, Ms. Lerner requested IRS IT to attempt to recover data from her crashed hard drive to retrieve, "personal information. After receiving the hard drive from the IRS technician, an IRS criminal investigation technician was unsuccessful in recovering data. IRS IT management determined additional efforts to recover data from Ms. Lerner's hard drive were not worth the expense.

It is important to point out the IRS does not track individual hard drives by their serial numbers. Our investigation revealed that Ms. Lerner's hard drive was more than likely sent for destruction with a shipment of other IRS electronic media on April 13 of 2012. The shipment was traced to the UNICOR Recycling Facility in Marianna, Florida. We determined that this shipment of hard drives was destroyed using a shredder that cut the inserted hard drives into quarter-size pieces. According to the facility manager, those pieces are then sold for scrap.

Understanding the limitation on the investigation without having the hard drive, our investigation did not uncover any evidence of sabotage of Ms. Lerner's hard drive. Our investigation included attempts to determine if anybody entered Ms. Lerner's office prior to the date and time of her hard drive crash. Unfortunately, those logs were erased after 1 year of retention.

I will now provide an overview of our investigative efforts relating to the backup or disaster recovery tapes.

On June 30, 2014, TIGTA demanded the IRS provide all backup tapes used for Ms. Lerner's IRS email account, specifically during the period January 1, 2008, through December 31, 2011. On July 1, 2014, the IRS identified 744 backup tapes, and TIGTA took possession of all of them. Initially, it appeared as though nine tapes may have contained valuable data, but they turned out to be blank.

The IRS executive in charge of the IRS email backup program and his staff identified the 13 specific backup tapes that would contain the earliest copies of Lois Lerner's email. When we took those tapes to the recognized industry expert for electronic data recovery and extraction, they then provided TIGTA with Exchange database files from these tapes.

At the conclusion of the process, TIGTA identified 79,840 Lois Lerner emails, of which nearly 60 percent were, in fact, duplicates or copies of each other, leaving approximately 32,700 Lois Lerner emails.

As was pointed out in our February testimony, TIGTA compared those 32,700 emails to what the IRS has already produced to Congress in an effort to identify unique emails that had not been produced to the Congress. Due to technological challenges, TIGTA agents had to create a specialized program script that initially identified as many as 6,400 emails that appeared to have not been previously provided to Congress.

It is important to point out, at each stage when we identified emails, we informed the recipients of that information that it was early in the investigation and additional technical work needed to be done.

To further refine the population, we then manually compared the 6,400 emails that were previously produced to the emails that were previously produced by the Congress—to the Congress by the IRS. We removed the obvious spam emails and additional duplicates that we found during the manual process.

At the conclusion of this review, we determined that over 1,000 emails that were recovered by TIGTA from backup tapes were not previously provided to Congress. Using the analysis of email transaction logs, we estimate that there may still be 23,000 to 24,000 emails missing.

Another potential source of emails that I will highlight is the decommissioned New Carrollton email server. Based on our review of this source, our agents identified 58 new emails not previously produced to Congress.

The final source that I will discuss is the backup tapes for the decommissioned email server. As the IG stated, during our investigation, we obtained the 424 backup tapes associated with the decommissioned New Carrollton email server, and it is important to note that that server was in operation until approximately May 2011.

We determined that 422 of the 424 tapes were degaussed or magnetically erased and, therefore, had no data on them. This was done by—the erasure was done by IRS employees in Martinsburg, West Virginia, on or about March 4, 2014, 1 month after the IRS realized it was missing emails.

One of the 424 tapes contained backup files created in 2011, but they did not pertain to Lois Lerner. Due to encryption or damage to the other tape, we were unable to read it.

Our investigation found no evidence to prove that the erasure of the 422 tapes was done in furtherance of an effort to purposely destroy evidence or to conceal information from Congress and law enforcement.

Sworn testimony and reviews of the involved IRS employees' emails indicate that the employees did not know about, understand, or follow the Chief Technology Officer's May 2013 email directive to halt the destruction of electronic media due to ongoing investigations.

Our investigation also revealed that the IRS did not put forth an effort to locate and preserve the backup tapes.

Lastly, there is a remote possibility, as the IG pointed out, that further review of the information obtained from the initial set of 735 backup tapes could result in the recovery of additional emails that were not previously produced. We are also following up on a discrepancy in the count of hard drives that we hope to have resolved prior to finalizing our report of investigation.

Chairman Chaffetz, Ranking Member Cummings, and members of the committee, thank you for the opportunity to discuss this matter, and I look forward to answering your questions.

[prepared joint statement of Mr. George and Mr. Camus follows:]

**HEARING BEFORE THE
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES**

"IRS E-mails: Part II"



**Testimony of
The Honorable J. Russell George
Treasury Inspector General for Tax Administration**

and

**Timothy P. Camus
Deputy Inspector General for Investigations
Treasury Inspector General for Tax Administration**

June 25, 2015

Washington, D.C.

TESTIMONY
of
THE HONORABLE J. RUSSELL GEORGE
TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION
and
TIMOTHY P. CAMUS
DEPUTY INSPECTOR GENERAL FOR INVESTIGATIONS
TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION
before the
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES

"IRS E-Mails: Part II"

June 25, 2014

Chairman Chaffetz, Ranking Member Cummings, and members of the full committee, We appreciate the opportunity to come here today to provide testimony on my agency's investigation of the Internal Revenue Service's (IRS) production of the e-mails of the former Director of Exempt Organizations, Ms. Lois Lerner, as well as our efforts thus far in recovering the missing e-mails.

BACKGROUND

On June 13, 2014, in a letter to the Senate Finance Committee, the IRS reported that as it was completing its document production for Congress concerning allegations that the IRS targeted certain 501(c)(4) applicants, it realized that the production of the e-mails of Lois Lerner had gaps. IRS officials reported that in their attempts to find missing e-mails, they determined that Ms. Lerner's IRS laptop computer suffered a hard drive crash in June 2011, and therefore some of her e-mails could not be recovered.

The following Monday, June 16, 2014, the Treasury Inspector General for Tax Administration's (TIGTA) Office of Investigations initiated an investigation into the circumstances surrounding the hard drive crash and the missing e-mails. One week later, on June 23, 2014, TIGTA received a letter from then-Chairman Ron Wyden and then-Ranking Member Orrin Hatch of the Senate Finance Committee requesting TIGTA to formally investigate the matter, including to "perform its own analysis of whether any data can be salvaged and produced to the committee."

Throughout our investigation, when appropriate, we have updated the tax-writing and oversight committees of Congress, including this Committee, concerning our progress in recovering the e-mails. However, during those updates, we did not discuss the investigation itself. As we are at the end of the investigative process, we are now in a position to provide information about our investigation.

TIGTA's investigation included the interview of over 113 witnesses, some witnesses on multiple occasions, extensive document reviews, and the processing and analysis of over 20 terabytes of data. As a point of comparison, one terabyte of data is the equivalent of one million standard books.

There are six possible sources that were examined in an effort to recover the missing e-mails: Ms. Lerner's crashed hard drive, the backup (disaster recovery) tapes, a decommissioned IRS e-mail server, the backup tapes for the decommissioned e-mail server, Ms. Lerner's BlackBerry, and loaner computers that may have been assigned to Ms. Lerner while her laptop was being repaired.

Following a logical sequence, we will first provide our investigative findings about Ms. Lerner's hard drive crash and the probable final disposition of the hard drive. Our investigation determined that on Saturday, June 11, 2011, between 5:00 pm and 7:00 pm, Ms. Lerner's IRS issued laptop computer stopped communicating with the IRS server system. The IRS server system sends messages out to all of the network-connected computers every two hours. The last communication between Ms. Lerner's laptop and the server system occurred around 5:00 pm, and at that time, based on consistent network reporting for more than a week, the laptop computer was likely located in Ms. Lerner's office. The laptop failed to respond to the server at 7:00 pm.

Computer Hard Drive

On Monday, June 13, 2011, Ms. Lerner reported that she found her computer inoperable when she entered her office, and the malfunction was reported to the IRS Information Technology (IT) staff. The assigned IT specialist determined the hard drive had crashed, and following standard protocol, he placed a new hard drive in Ms. Lerner's laptop. In addition to the hard drive, a Hewlett Packard (HP) contractor replaced the laptop's keyboard, track pad, heat sink, and fan. When interviewed, both the IRS IT technician and the HP technician reported that they did not note any visible damage to the laptop computer itself. When asked about the possible cause of the hard drive failure, the HP technician opined that heat-related failures are not seen often, and based on the information provided to him, the hard drive more than likely crashed due to an impact of some sort. However, because the HP technician did not examine the hard drive as part of his work on the laptop, it could not be determined why it crashed.

On July 19, 2011, Ms. Lerner requested IRS IT to attempt to recover data from her crashed hard drive because, according to her, she had "personal information" on the drive. The IRS IT management agreed and requested assistance from the Internal Revenue Service Criminal Investigation Division (IRS-CI). After receiving the hard drive from the IT technician, the IRS-CI technician attempted, but was unsuccessful in recovering data, so he returned the hard drive to the IT depot at the IRS headquarters building for its ultimate destruction. According to the IRS-CI technician, he noted some scoring on the top platter of the drive, and he believed there were additional steps that could have been taken to attempt to recover data. IRS IT management determined the

extra effort to recover data from Ms. Lerner's hard drive was not worth the expense. It is critically important to point out that we determined the IRS does not track individual hard drives by their serial number(s), nor was the serial number recorded by the IT technician or the IRS-CI technician when they handled and examined Ms. Lerner's hard drive.

On August 8, 2011, the hard drive was received back at the IT depot, and placed into a box with other failed hard drives and electronic equipment that IRS IT was gathering, bundling and holding for destruction by an IRS vendor. After August 8, 2011, the next identified bulk shipment of materials to be destroyed was on April 13, 2012. Following the timeline, Ms. Lerner's hard drive would have been in the April 13, 2012 shipment of materials sent for destruction. TIGTA traced this bulk shipment to the Marianna Recycling Facility in Marianna, Florida. This facility is operated by the Federal Prison Industries, Incorporated, also known as UNICOR, a Federal Bureau of Prisons sponsored program. We determined by obtaining the certificate of destruction dated April 16, 2012, interviews with the facility manager, and a search of the facility, that this shipment of hard drives was destroyed using an AMERI-SHRED AMS-750HD shredder. TIGTA agents observed the shredder in operation and noted that the shredder cut the inserted hard drives into quarter-sized pieces, and according to the facility manager, those pieces are then sold for scrap.

As the hard drive was likely destroyed at the UNICOR Recycling Facility in April 2012, it was not available for TIGTA's e-mail recovery efforts or further examination of it to determine the cause of the hard drive failure. Attempts were made to determine if anyone entered Ms. Lerner's office prior to the hard drive crash on June 11, 2011; however, the entry logs that would have recorded any entry into the building were destroyed by the building security vendor after one year of retention, or sometime in 2012. The destruction of the logs after one year falls within the vendor's standard operating procedures.

Backup (Disaster Recovery) Tapes

The IRS manages the e-mail for its approximate 91,000 employees by routing the e-mails through Microsoft Exchange Servers that are backed up periodically using backup tapes. These Microsoft Exchange Servers, save e-mail data to large data arrays, which consist of hundreds of hard drives that are placed into server racks. Until May 2011, the e-mail server that handled Lois Lerner's e-mail traffic was located at the New Carrollton, Maryland, Federal Building. In May 2011, the IRS migrated its e-mail processing from the e-mail server at New Carrollton to a new e-mail server located at the IRS's Martinsburg, West Virginia, Computing Center. After migrating its e-mail system to Martinsburg, the IRS turned off the e-mail server at New Carrollton, but left it in place. Early in the investigation, an interview with the IRS Director of Data Management Support and Services revealed that it was his team's belief that the New Carrollton e-mail server hard drives and backup tapes had likely been destroyed.

On June 30, 2014, TIGTA demanded that the IRS provide all backup tapes used to back up Ms. Lerner's IRS e-mail account, specifically all backup tapes used for e-mails during the time period of January 1, 2008 through December 31, 2011. These date ranges were selected to ensure that we obtained any overlapping e-mails or accounted for mid-year equipment changes. As a result of this demand, on July 1, 2014, the IRS identified 744 backup tapes that met this criterion and TIGTA took possession of all of them.

With regard to nine of the 744 backup tapes, based on how they were configured in the backup machine, the IRS was unable to determine the dates they were used. As a result, IRS technicians believed it was possible that the nine tapes had been untouched for years and thus could contain clear data relevant to the investigation. As TIGTA did not have the necessary unique hardware to examine the nine tapes, they were provided to the Federal Bureau of Investigation (FBI) for determination as to whether they contained any data and, if so, to retrieve it. After the FBI analyzed the nine tapes, they reported all nine contained no logical information. TIGTA then provided those same nine tapes to a recognized industry leader on electronic data recovery, and they confirmed the FBI's findings.

After confirming the initial nine tapes contained no logical information, and fearing that the remaining 735 tapes were overwritten, TIGTA interviewed the IRS executive in charge of the IRS e-mail backup program, his staff identified the specific backup tapes that would contain the earliest copies of Lois Lerner's e-mail box. The backup tapes consist of five sets of tapes. These five sets were created in sequential weeks from November 20, 2012 through December 25, 2012.

We hand carried the backup tapes to the recognized industry expert for data recovery and extraction. After their examination and extraction of data, they provided TIGTA with Exchange Database files from these tapes. On November 13, 2014, TIGTA searched the database files and identified the first Lois Lerner e-mail box. As expected, the backup sets contained one Lerner e-mail box per set for a total of five mailboxes. At the conclusion of the process, TIGTA identified 79,840 Lois Lerner e-mails, of which nearly 60 percent were duplicates. Our removing of the duplicates resulted in approximately 32,774 Lois Lerner unique e-mails.

In order to determine if any of the e-mails had not been previously produced to the Congress, and were therefore new information, TIGTA compared the recovered e-mails to the e-mails the IRS produced to Congress. This proved to be a significant technological challenge even using state-of-the-art software. When the IRS produced its e-mails to Congress, the process they used to prepare the e-mails modified some of the necessary data elements to an extent that made the possibility of a discreet comparison infeasible. TIGTA agents created a specialized programming script and initially identified as many as 6,400 e-mails that appeared to have not been provided to the Congress. We provided these 6,400 e-mails to the requesting Committees of Congress with authority to receive return information under section 6103 of Title 26, the Department of Justice (DOJ) for their review in their ongoing investigation, and the IRS.

We are currently reviewing them and redacting return information for production to the non-tax writing committees. In addition, we manually compared the 6,400 e-mails to the e-mails that were previously produced by the IRS to Congress and we removed the obvious spam e-mails. At the conclusion of this manual review process, we determined that over 1,000 e-mails that were recovered by TIGTA were not previously provided to Congress, DOJ, or TIGTA. A review of these new e-mails did not provide additional information for the purposes of our investigation.

Decommissioned E-mail Server

On July 11, 2014, TIGTA agents were informed by IRS management at the Martinsburg Computing Center that they had located the hard drives from the decommissioned New Carrollton e-mail server and that they were not destroyed as previously reported. On the same day, TIGTA secured the 760 hard drives that are believed to have been part of the old, decommissioned New Carrollton e-mail server. We conducted a preliminary examination of a limited selection of the hard drives and determined, based on information that could be seen from these hard drives, that more than likely, these were from the e-mail server that processed Ms. Lerner's e-mails from mid-2011 and prior.

The e-mail servers process and keep copies of e-mail traffic on the hundreds of drives that are specifically positioned in server racks; however, the IRS did not retain a record of the layout indicating where each of the specific hard drives was positioned in the racks. Without understanding the exact order in which the hard drives were placed in the server racks, finding any complete and relevant e-mails would be very difficult and labor-intensive. In addition, if any of the hard drives are damaged, it could potentially be near-impossible to recover any usable e-mails. We determined that due to the nature of the technological challenge and the sheer number of server drives to be examined, we needed to use a recognized industry expert on data recovery to examine and recover data from the server drives. The expert was able to recover a portion of the e-mail data from some of the hard drives. The expert did not find Lois Lerner e-mail boxes, but they did find e-mail boxes for four of the identified information custodians and one other individual who had a significant amount of e-mail traffic with Ms. Lerner. Examination of these mailboxes resulted in the identification of 58 new e-mails not previously produced to Congress.

BlackBerry

On June 13, 2013, TIGTA took possession of Ms. Lerner's BlackBerry and although the forensic recovery of the BlackBerry produced 2,972 e-mails. After performing a comparison to the e-mails the IRS previously produced to Congress, the examination of the BlackBerry produced 190 new e-mails, of which 169 are from after 8:30 am on May 16, 2013. Six of the 190 e-mails mentioned Exempt Organizations business matters, but they were not otherwise pertinent to the investigation. The investigation determined that Ms. Lerner was issued the BlackBerry on February 14,

2012. TIGTA's records research and interviews indicate that the BlackBerrys issued to Ms. Lerner prior to February 14, 2012, were more than likely destroyed in conformance with IRS policy.

Loaner Computers

TIGTA forensic agents located and examined the 10 laptops that were used as loaners when IRS employees in the Washington, D.C., area suffered laptop failures. One laptop was wiped clean through the installation of a new operating system. The other nine laptops were forensically examined and yielded some material, but nothing from Ms. Lerner's e-mail boxes. Although none of the laptops appeared to have been used by Ms. Lerner, a small amount of e-mail referencing Ms. Lerner was recovered. We reviewed the e-mails and determined that after comparison to what the IRS previously provided to Congress, 75 of them had not been previously provided by the IRS. The e-mails were reviewed, but they were determined to not be pertinent to this investigation.

Backup Tapes for Decommissioned E-mail Server

During the investigation we also obtained the 424 backup tapes associated with the decommissioned New Carrollton e-mail server meaning that these tapes were older than the original 744 backup tapes we obtained in July 2014. TIGTA took possession of the 424 backup tapes and determined that 422 of the 424 tapes were degaussed (i.e., magnetically erased) by IRS employees in Martinsburg on or around March 4, 2014, one month after the IRS realized they were missing e-mails from Lois Lerner, and approximately eight months after the House Committee on Oversight and Government Reform requested "all documents and communications sent by, received by, or copied to Lois Lerner." The tapes were examined, but because 422 of the tapes were successfully degaussed, there was no recoverable data on them. One of the 424 tapes looked as if it might be encrypted; however, because the identifying labels were removed from the tape as part of the degaussing process, we were unable to determine the actual source or business unit owner of the tape or the possible location of its encryption keys. The other tape contained backup files created in 2011 that were e-mail accounts, but they did not pertain to Lois Lerner, or other custodians having information relevant to the investigation.

Document examination, contemporaneous e-mail reviews, and sworn testimony from the IRS employees who were directly involved in the handling, management, transportation and the ultimate erasure of the 422 tapes did not uncover evidence that the erasure was done in furtherance of an effort to destroy evidence or conceal information from Congress and/or law enforcement. The investigation uncovered testimony and e-mail traffic between IRS employees that indicate that the involved employees did not know about, comprehend, or follow the Chief Technology Officer's May 22, 2013, e-mail directive to halt the destruction of e-mail backup media due to "the current environment" and ongoing investigations.

CONCLUSION

As Ms. Lerner's hard drive could not be recovered and the 422 tapes most likely to have contained Ms. Lerner's e-mails from 2010 and 2011 were erased in March 2014, we were unable to recover all of the missing e-mails. Comparing the IRS e-mail transaction logs to the IRS production to the Congress revealed there could be as many as 23,000 to 24,000 additional missing e-mails. As a result of the investigative process, TIGTA was successful in recovering over 1,000 e-mails that the IRS did not produce to the Congress, DOJ, or TIGTA. The investigation also revealed that prior to our investigation and our efforts to recover Ms. Lerner's missing e-mails; the IRS did not search for, review or examine the two separate sources of backup tapes, the server hard drives, or the loaner laptops that ultimately produced new, previously undisclosed e-mails.

Lastly, we are in the process of finalizing the Report of Investigation and will have the document completed in the very near future. In addition, we are still reviewing all 15.1 terabytes of e-mail data we obtained from the initial set of 735 backup tapes. There is a remote possibility that this review could result in the recovery of additional e-mails that were not previously produced to Congress, DOJ or TIGTA; however, this process could take as long as an additional two months. If this process produces new material, we will review it for its impact on the investigation, produce a supplemental report, and provide the new e-mails to all appropriate parties.

We at TIGTA are committed to our mission of ensuring an effective, efficient and fair tax administration system by conducting investigations of the IRS and its operations. Chairman Chaffetz, Ranking Member Cummings, and Members of the Committee, thank you for the opportunity to discuss this matter.

Chairman CHAFFETZ. Thank you.

I now recognize myself for 5 minutes.

Mr. Camus, the IRS had these emails. And you said they didn't purposely destroy them, but what did they do with these emails?

Mr. CAMUS. To the best that we can determine through the investigation, they just simply didn't look for those emails. So, for the 1,000—over 1,000 emails that we found on the backup tapes, we found them because we looked for them.

Chairman CHAFFETZ. But there was a preservation order in place, correct?

Mr. CAMUS. That's what we understand, yes, sir.

Chairman CHAFFETZ. There was a subpoena in place some 7 months before, correct?

Mr. CAMUS. Correct.

Chairman CHAFFETZ. Would you consider that these emails are evidence? It is what we are seeking.

Mr. CAMUS. They would be—we would consider them responsive to the subpoena and the preservation order, yes, sir.

Chairman CHAFFETZ. Is it fair to say that that is evidence?

Mr. CAMUS. When we looked through our investigation, emails that are responsive to a subpoena may or may not be evidence. It depends on the content of the emails. They were certainly responsive to your subpoena and your preservation order.

Chairman CHAFFETZ. And what did they end up doing with those in March of 2014?

Mr. CAMUS. There were 424 backup tapes, and—

Chairman CHAFFETZ. And what did they do with them?

Mr. CAMUS. They erased them.

Chairman CHAFFETZ. Is that destroying them?

Mr. CAMUS. They have an unusual terminology at the IRS. When they magnetically erase them, making them useless, they call that "degaussing" them. "Destroying" them means they physical chunk them up into quarter-size chunks.

So, on March 4, 2014, they magnetically erased all the tapes, but they had not destroyed them. Therefore, my agents were able to obtain them, and that allowed us to conduct the analysis of those tapes.

Chairman CHAFFETZ. So the new IRS term is that they degaussed them. They degaussed them is what they did.

Mr. CAMUS. Correct.

Chairman CHAFFETZ. They had them. They were under subpoena. They were supposed to give them to us. The IRS Commissioner told us he was going to give us everything. But they degaussed them so that we wouldn't be able to see this.

This just magically happened 30 days—we are supposed to believe this happened 30 days after the President makes his public comments that there is not even a smidgen of evidence? What a coincidence.

Let me ask you about the potential electronic media backup that they could have. What happened with the Lerner loaner laptop? She had a loaner laptop. Did they search for the emails on that?

Mr. CAMUS. There were actually 10 loaner laptops that were in service during that period of time, one of which should have been assigned to her as a backup. We took possession of all 10 of those

laptops that were used for that purpose, were unable to find one that was assigned to her.

Chairman CHAFFETZ. Did the IRS look and search there?

Mr. CAMUS. I'm not aware that they did, no, sir.

Chairman CHAFFETZ. Did they look at her BlackBerry, her phone?

Mr. CAMUS. They did not. We took possession of her BlackBerry shortly after she left the IRS in June of 2014—'13.

Chairman CHAFFETZ. So the IRS Commissioner, who assured us that there was this dragnet out there looking for all this, they're working hard, thousands of efforts and millions of dollars going out the door, but they didn't look at her BlackBerry?

Mr. CAMUS. Actually, we had possession of her BlackBerry as of June 13, 2013.

Chairman CHAFFETZ. But they didn't look for it before then.

So what about the IRS server? Did they look for it there? Did they look for her backups there, her tapes?

Mr. CAMUS. They did not.

Chairman CHAFFETZ. So you have a server; seems like a logical thing to do, go check that out, but they didn't look for it there.

When you started to look for the emails, start to finish—remember, they had years to get this done—start to finish, how long did it take for you to find the tapes when you started in June? I believe it was June of 2014.

Mr. CAMUS. Correct. We took possession of the 740—the initial set of backup tapes on July 1, roughly 15 days after we started our investigation.

Chairman CHAFFETZ. So you guys—paint the picture for me. They are sitting around the table, “Hey, we should probably go see if we can find these emails.” And it took you 15 days? That's it?

Mr. CAMUS. That's it.

Chairman CHAFFETZ. And what happened when you went up there to go find those tapes?

Mr. CAMUS. We were escorted to the machine that make the backups, that uses the tapes and writes the emails to them. And when they opened the machine that made the backups, they noted that nine of those tapes were in an unusual configuration, which led the witnesses, IRS employee witnesses, to believe that they may contain data that had never been overwritten. So we were initially very excited that those nine tapes would have everything the investigation needed. Unfortunately, those tapes were defective, and they turned out to be blank.

So then we had to go back and figure out, of the 735 tapes, which of those were the most likely to have contained any Lois Lerner email. Once we determined that, we identified 13 tapes. We sent those off to the industry expert, and within a couple months we had our first glimpse of emails.

Chairman CHAFFETZ. And there were emails there.

Mr. CAMUS. Yes, sir.

Chairman CHAFFETZ. How many of these cages and places that they store these tapes are there throughout the country? How many of those are there?

Mr. CAMUS. Generally—at one time, they were located in many, many locations, but the IRS was trying to consolidate their email

processing primarily to the service centers. And Martinsburg, West Virginia, is one of the service centers.

Chairman CHAFFETZ. So the one place where they would put the tapes is one place that the IRS didn't even bother to go look and ask.

So my time has expired. I yield back and recognize the gentleman from Maryland, Mr. Cummings.

Mr. CUMMINGS. Mr. Camus, the degaussing, you talked about that. Now, did they just degauss Lerner tapes?

Mr. CAMUS. No, sir. We found that they degaussed tapes before they degaussed the Lerner 424 tapes, and they degaussed tapes afterwards. And they were degaussing tapes up until about June of 2014.

Mr. CUMMINGS. Now, you mentioned a little earlier that there was some type of directive that they did not know about. Is that what you said?

Mr. CAMUS. Yes, sir, I did.

Mr. CUMMINGS. And so you are saying that this was not something to obstruct our investigation or block information intentionally from getting to us? Is that—

Mr. CAMUS. The directive was issued by the IRS Chief Technology Officer—

Mr. CUMMINGS. Right.

Mr. CAMUS. —Terry Mulholland. And, in his directive, he was advising his management team to stop destroying—in essence, stop destroying electronic backups and evidence. He issued that directive in May 2013.

Mr. CUMMINGS. Uh-huh. You never answered my question, though. The people that actually did the degaussing, you are saying that they did not—they weren't intentionally trying to stop information from getting to us.

Mr. CAMUS. As far as the—absolutely correct. The investigation did not show they had any intent to do that.

Mr. CUMMINGS. And you looked into that?

Mr. CAMUS. Yes, we did.

Mr. CUMMINGS. And it would have been malpractice on your part, almost, if you didn't look into it, wouldn't it?

Mr. CAMUS. It was a significant part of the investigation.

Mr. CUMMINGS. Very well.

Now, Mr. George, over the past year, I believe you and your staff have been highly irresponsible in speculating about the number of new emails you recovered from Lois Lerner. I got to tell you, you heard in my opening statement, it should concern all of us because we rely very heavily on the IG's information. You repeatedly put out numbers prematurely without verification, and, time and time again, your numbers were just wrong—were wrong.

In February of this year, your office briefed this committee and other committees in the Senate, and you reported recovering as many as 80,000 emails to and from Ms. Lerner. Then, on February 11, the headline appeared in the press, "Senator Ron Johnson to IRS: Why Did IG Find 80,000 'Lost' Emails."

Mr. George, you didn't find 80,000 new emails, did you?

Mr. GEORGE. Mr. Cummings, what we did is we attempted to keep Members of Congress with relevant jurisdiction over this mat-

ter informed at every stage. And I can assure you that at every opportunity where I participated I made a request—I admonished staff that this was preliminary information, and we requested that they not repeat this information publicly. And, unfortunately, that was done.

So, while we were in the process of refining, trying to keep Congress informed—because we’ve been criticized in the past for not keeping Congress informed, so we made an effort, at my direction, to do so. And it was during the process of keeping Congress informed. And, with every new discovery and every time my investigative staff was able to parse out, find duplicates, find things that were not necessarily responsive, the numbers changed.

Mr. CUMMINGS. So you recovered these emails, but you had no idea how many had already been turned over to Congress. And that’s why you say it was ongoing?

Mr. GEORGE. Precisely. We made it quite clear that there were—at the outset that there was a good chance that many of these were duplicates, had already been turned over to Congress, and that it would take a process not just by us but also by the Internal Revenue Service to help determine what had already been turned over.

Mr. CUMMINGS. So, just a few weeks later, on February 26, you, Mr. Camus, testified before this committee that you, found 32,774 unique emails that were—unique emails that were backed up from Lois Lerner’s email box. And you added that you were still in the process of determining how many of these emails had already been produced to Congress. Is that right?

Mr. CAMUS. That’s correct. And I think I also said if any, if there were any of those would turn out to be new. We were trying—still trying to determine that. Yes, sir.

Mr. CUMMINGS. So, meanwhile, the headlines continued. They continued. One of them reads, “Thousands of New Emails Found.”

Then, on June 16, about a week ago, your chief counsel sent a letter to this committee with yet another new number. And she wrote this, “The recovered emails that appear to not have been previously provided to Congress total approximately 6,400.”

But you didn’t find 6,400 new emails. In your testimony today, you talk about a thousand. Is that right?

Somebody talk to me. A thousand?

Mr. CAMUS. Over 1,000, that is correct, sir, from the backup tapes.

Mr. CUMMINGS. So now we have gone from 80,000 to 1,000; is that right?

Mr. CAMUS. That would be accurate.

Mr. CUMMINGS. And you talked a little bit earlier about 23,000 still being out there possibly; is that right?

Mr. CAMUS. That’s correct.

Mr. CUMMINGS. Now, how do we now that number is accurate? I mean, we went from 80,000 to 1,000. That’s a pretty steep drop, wouldn’t you agree?

Mr. CAMUS. I would totally agree, yes, sir.

Mr. CUMMINGS. So where did that 23,000 come from? Because I guarantee you there is going to be a headline, so we might as well try to get the facts to match up with the headline.

Mr. CAMUS. The 23,000 number was derived when my staff, shortly after opening our investigation, determined that the Government Operations Security Center, or GSOC—Government Security Operations Center, or GSOC, at the Department of the Treasury logs every single email incident in or out of the IRS.gov domain. And we felt that that was a critically important source of information to determine the total universe of emails.

So we obtained that log, and we compared it to what has already been produced to Congress. And that's how we came up with our estimate of the log activity compared to what has already been produced. And the estimate is between 23,000 and 24,000 emails that we can't find.

Mr. CUMMINGS. And, last but not least, Mr. George, I mean, why—I think you already said it, but the reason why you put these numbers out there is because you want to keep Congress informed. But you see what it does, right?

I mean, it really—I mean, I understand what you are saying, but that is not how it is used. I mean, I know you are giving it with all these caveats in red and gold and, you know, bold print, but you see how it ends up in print.

Hello?

Mr. GEORGE. No, I do.

Mr. CUMMINGS. So why give any number?

Mr. GEORGE. You may recall, sir, because you were ranking member when the previous chairman was here and read me—

Mr. CUMMINGS. Oh, I remember the previous chairman.

Mr. GEORGE. —and read me the riot act because he said I wasn't complying with the 7-day-letter rule pursuant to the IG Act. And while we strongly disagree with his interpretation of that provision, this was a way to try to draw some compromise because we know of the intense interest of Congress in this subject, both by committees with direct authorization over the IRS as well as general oversight over the—

Mr. CUMMINGS. In fairness to you, then, can you—is there a caveat that goes with that 23,000 that you're talking about?

Mr. GEORGE. Most definitely.

Mr. CUMMINGS. Talk about—tell us so we will know, so that when the headline is written we've got all of the caveat that goes with it. Go ahead.

Mr. CAMUS. Sir, the 23,000 to 24,000 estimate involves just simply email headers. That's what the transaction logs can record. When you take that limited amount of information—they have the transaction log, which is the header of the email and the subject line and maybe one or two features underneath—it does limit your ability to compare.

But I've been assured by my staff that we went through the process, we checked it twice, and that it is a fair estimate of the email activity that went through the IRS.gov domain and that has not yet been produced to Congress.

Mr. CUMMINGS. Thank you very much, Mr. Chairman.

Chairman CHAFFETZ. Will the gentleman yield?

Mr. CUMMINGS. Of course. Of course.

Chairman CHAFFETZ. I am sensitive to the idea that we want to have as accurate of information as we can possibly have, but let's

remember why we are here. There was a preservation order in place; there was a subpoena in place. They've never complied with it.

We've had testimony from the IRS Commissioner that we would get all this, only to find out they have been degaussing these tapes. And they destroyed evidence. That is what they did. And that is why we continue to have this.

We haven't even got into the content of the emails. We are just trying to get them so we can actually read them and figure out what was going on.

Mr. CUMMINGS. Yeah. Would the gentleman—
Chairman CHAFFETZ. Sure.

Mr. CUMMINGS. Just one—and I am so glad you said that.

One of the things that I have always done in this committee for the, my God, 20 years since I have been on this committee is make sure that when we are talking about employees and where there is an issue of their credibility, whether it is a possibility that they are being accused—and I am not saying it has happened yet—of a crime, I try to make sure that is clear. Because it sends a—because it has a tremendous impact on that individual and a chilling effect on the entire agency.

And so one of the things I am concerned about is that, while there have been the degaussing, the destruction in West Virginia and whatever, that there was nobody who did anything intentionally to hinder our investigation. I want to make sure that is clear for no other purpose than what I just said.

Is that right?

Mr. CAMUS. That would be accurate. Our investigation found no purposeful destruction by the employees who put the tapes through the degaussing machine.

Mr. CUMMINGS. Thank you very much, Mr. Chairman.

Chairman CHAFFETZ. And would the gentleman—

Mr. CUMMINGS. Of course I will yield. I will yield to you.

Chairman CHAFFETZ. We've got thousands of IRS employees in Utah. They work hard. They are patriotic. And most of the IRS employees are.

But when the IRS Commissioner Shulman comes and says there is no targeting and the Inspector General says there is targeting, when Mr. Koskinen as the IRS Commissioner comes here and says that we will provide you all the tapes and meanwhile they're degaussing them, then you can understand, we are not trying to pick on the rank and file here, but when you lie to Congress, you mislead us, we are going to hold you accountable.

And so, yeah, our focus is on Mr. Shulman, it is on Mr. Koskinen, and it really does mystify why, with all these orders in place, a subpoena in place, these things get destroyed.

Mr. CUMMINGS. Mr. Chairman, my last—

Chairman CHAFFETZ. Is that fair?

Mr. CUMMINGS. That's fair.

My last comment, Mr. Chairman—and I appreciate this dialogue—is that, as you know, you and I have joined in on many instances where we felt that we were not getting the information that we are supposed to get, and I backed you up, and you backed

me up. As a matter of fact, just yesterday you did it. And I appreciate that.

So I agree. I mean, I am concerned, too, as to why things were not looked into. That really does concern me, and I am hoping that we will get some answers to that.

Thank you very much.

Mr. CONNOLLY. Would the ranking member yield one more time?

Chairman CHAFFETZ. We need to keep—

Mr. CUMMINGS. Thank you, Mr. Chairman.

Chairman CHAFFETZ. We need to move on. Thank you.

I now recognize the gentleman from Ohio, Mr. Jordan, for 5 minutes.

Mr. JORDAN. Thank you, Mr. Chairman.

I want to walk through the timeline here real quick.

On May 10, 2013, Lois Lerner, unprecedented, goes to a bar association meeting here in town 3 days before you are going to issue your report.

Mr. GEORGE. Correct.

Mr. JORDAN. They wanted to get ahead of it, get their spin on it.

So, right from the get-go, the IRS is not being transparent, not helping the American people get to the truth, because she goes and lies, and she says it's line agents in Cincinnati. May 10, 2013.

Twelve days later, there is a preservation notice sent to people in the IRS. It wasn't followed, we found out. So 12 days later, May 22, 2013, notice that says, don't destroy any evidence. Right? We want all the emails, we want all the documents preserved.

Is that right, Mr. Camus?

Mr. CAMUS. Yes, sir.

Mr. JORDAN. Okay.

August 2, 2013, there's a subpoena for the same documents they are supposed to preserve. There's a subpoena to give them to Congress.

Right, Mr. Camus?

Mr. CAMUS. Yes, sir.

Mr. JORDAN. February 2, 2014, the IRS learns, not just anybody at the IRS, the chief legal counsel learns that there's a problem with Lois Lerner's hard drive and emails are missing.

Right, Mr. Camus?

Mr. CAMUS. That's correct.

Mr. JORDAN. One month later, despite the preservation order, despite the subpoena, 1 month after the chief counsel knows we're missing some emails, 422 tapes containing those emails are destroyed.

Right, Mr. Camus?

Mr. CAMUS. That's right.

Mr. JORDAN. And 3 weeks after that, March 26, 2014, the head of the IRS, Commissioner Koskinen, sits right where you are sitting, Mr. Camus, and he tells this committee: We are going to get you every single email Lois Lerner has sent.

Right, Mr. Camus?

Mr. CAMUS. That's what I understand. Yes, sir.

Mr. JORDAN. So, preservation order, subpoena, "don't destroy anything," they destroy it. Three weeks later, the guy in charge

tells us, "We're going to get you everything," and they've already been destroyed.

So here's the question: How in the world could that happen? This is the biggest story in the stinking country at that time. How in the world, with the preservation order and the subpoena, do they destroy 422 tapes containing, according to your investigation, potentially 24,000 emails?

How does that happen, Mr. Camus?

Mr. CAMUS. It's an unbelievable set of circumstances that would allow that to happen. It is going to be fully documented in our report, and I'm not sure I could describe it to you in 5 minutes.

Mr. JORDAN. The reason you can't describe it is because there's no explanation for that other than they were trying to not help the American people get to the truth. They were trying to hide something. They were trying to hinder the—I don't know any other explanation unless it's the most—I mean, it's unbelievable, when you have a subpoena, a preservation order, and you destroy 24,000 emails.

Who is responsible, ultimately? Might it be the guy—Mr. Camus, might it be the guy who sat where you are sitting, the Commissioner of the IRS, and assured this committee and, more importantly, assured the American people that he would get us all the evidence? Might he be the guy who is responsible?

Mr. CAMUS. It's possible. The management team—

Mr. JORDAN. Might it be the head of the IRS, who didn't, according to your testimony, didn't even look at all the sources for potential Lois Lerner emails? Isn't that correct; they didn't look at all the sources?

Mr. CAMUS. They did not.

Mr. JORDAN. Might it be the guy who said this under oath in this committee: "We will get you every single Lois Lerner email?" Might it be that guy?

Mr. CAMUS. The management team is certainly someplace to look.

Mr. JORDAN. But doesn't the buck stop with the guy at the top?

Mr. CAMUS. That could be said.

Mr. JORDAN. I think it can certainly be said when he is the one who assured us that it was all going to happen in spite of this fact pattern.

What is next, Mr. Camus?

Mr. CAMUS. We're going to generate our report of investigation that will clearly delineate step by step how this occurred, where the breakdowns were, and it will provide the evidence that I've been describing in our—both our written and oral testimony here today.

Mr. JORDAN. Do you believe there is criminal activity here, Mr. Camus? Because it sure looks like it to the American people, in my judgment.

Mr. CAMUS. Our investigation did not uncover any at this time.

Mr. JORDAN. But do you believe you might uncover that?

Mr. CAMUS. There are always times at the conclusion of an investigation, especially when an investigation gets a public forum, that somebody hears something and they come forward with new infor-

mation. But, after a very thorough investigation, we have not uncovered any evidence.

Mr. JORDAN. But it might have helped if we had 24,000 emails to look at, mightn't it?

Mr. CAMUS. It would've certainly been useful to have that material.

Mr. JORDAN. Yeah, I would think so, too.

With that, Mr. Chairman, I yield back.

Chairman CHAFFETZ. Thank you.

I now recognize the gentleman from Pennsylvania, Mr. Cartwright, for 5 minutes.

Mr. CARTWRIGHT. Thank you, Mr. Chairman.

Mr. George, I want to ask you about your ever-changing estimates of the new emails that you recovered from Mrs. Lerner. Your numbers started at 80,000 emails in February. Then it dropped to 32,000 emails at the end of February. Then, last week, it fell to 6,400. And, 9 days later, now, it has sunk to about 1,000. Your new number today is 98 percent lower than the first number you gave us.

You know, this is a room where we like to hear the truth. There was a great Justice of the Supreme Court of the United States, Oliver Wendell Holmes, and he talked about the truth. He said, "The truth is tough. It's not like a bubble that you can prick and it will explode. It's more like a rugged football that you can kick around all day and it doesn't lose its shape and it doesn't lose its form and it stays the same." The truth doesn't change.

And when you are talking about a story that's true, Mr. George, it's the same the first time you tell it, the second time you tell it, the third time you tell it, and the fourth time you tell it. The truth doesn't go 80,000 and then 32,000 and then 6,400 and now 1,000. In fact, in the last 9 days, you dropped from 6,400 discovered emails to 1,000.

And I am looking at the letter dated June 16 from your office. This is not from you; this is from Gladys Hernandez, your chief counsel. Is she your chief counselor, Mr. George?

Mr. GEORGE. Yes, she is.

Mr. CARTWRIGHT. Okay.

Hello, Gladys. How are you? Thanks for the letter.

But, Mr. Chairman, I would ask for unanimous consent to enter this June 16 letter from Gladys Hernandez into the record.

Chairman CHAFFETZ. Without objection, so ordered.

Mr. CARTWRIGHT. And I was reading the letter, Mr. George, from Attorney Hernandez that says 6,400, and there is no caveat. There is nothing in there that says, oh, this could be fewer, you know, could be fewer than 6,400. There is no proviso in there. Doesn't say, there could be duplicates in here, stand by for the next number, it could be coming next week. We didn't hear that from you either.

Now, this is not new to you, Mr. George. You were a Republican staffer for this committee. You understand that headlines are generated out of this committee. You understand how irresponsible it can be to throw out numbers with little or no basis, because you know they will work their way into headlines, and folks who like

to make insinuations, like the previous questioner, will throw that into headlines intentionally.

And there was also a question about the prior chairman pressuring your office—pressuring your office to come up with quick, fast, turnaround information. Well, news flash: The previous chairman is the previous chairman. He is no longer here. You are no longer under that kind of Republican pressure to turn over headline information to this committee.

And it certainly doesn't say anything about that in Gladys Hernandez's June 16 letter.

The question is: Why, why, Mr. George, would you send out letters and put out numbers that you hadn't fully checked, knowing full well, as you do, that these numbers will work their way into these fabulous headlines that we see every day, the breathless reporting of all of these huge numbers of emails that have been discovered? Why, Mr. George? Why do you do that?

Mr. GEORGE. Well, first of all, I would like to point out that when I had the honor of serving as a staffer here—it was with Congressman Stephen Horn, the late Congressman from Long Beach, California, who admonished us—we never leaked information during the course of an investigation prior to a hearing. So I comported myself in that way. I made a request of staffers during the course of this investigation to do likewise. They did not do so. I can't control their behavior.

Secondly, this, it was a response to a request that we received. In all candor, this was a transmittal letter, Congressman. I hadn't seen this before. It was simply a transmittal letter from our counsel to the committee. So I would have the—I request the opportunity to review this and to respond precisely.

But thirdly—

Mr. CARTWRIGHT. You've heard of Oliver Wendell Holmes, haven't you?

Mr. GEORGE. I went to Harvard Law School, yes.

Mr. CARTWRIGHT. And you agree with his statement about the truth, don't you?

Mr. GEORGE. I agree.

Mr. CARTWRIGHT. And don't you agree that when you keep changing your story the way your office has, you lose your credibility and people stop believing that you're telling the truth?

Mr. GEORGE. Congressman—

Mr. CARTWRIGHT. I yield back, Mr. Chairman.

Chairman CHAFFETZ. Gentleman yields back.

Recognize the gentleman from Michigan, Mr. Walberg, for 5 minutes.

Mr. WALBERG. Thank you, Mr. Chairman.

And thanks for the panelists for the work that you've done. It's been intimidated; it has been held up; it has been frustrated all across the many, many months we've been dealing with it.

I would also start with a quote from a famous Chief Justice of the Supreme Court as well as one of the most famous trial lawyers and former Members of Congress, Daniel Webster, and Justice Marshall, who both said, "The power to tax is the power to destroy." I'm not sure they were talking about degaussing, but they

were certainly talking about the power of a taxing entity to impact the lives of people. And that's something we've had here.

I also want to remind our whole committee again, as we talk about numbers and we talk about degaussing, and we talk about tapes and we talk about hard drives, remember, the fact of the matter is that Lois Lerner sat at that very table and pled the Fifth. And what does the Fifth Amendment refer to? The right to not self-incriminate. That says to me, Lois Lerner was worried about the fact that what she had done could be construed as illegal at the very least, and she chose not to share the truth with us. She didn't kick the football; she walked off the field. And so we're left with trying to deal with tapes that have been degaussed—oh, sorry. I understand it. My people understand it—they've been destroyed.

When Congress began its investigation on May 2013, the IRS issued a preservation notice to ensure the documents relevant to the investigation were not destroyed. Is that not correct?

Mr. GEORGE. That is our understanding.

Mr. WALBERG. We want to rehearse this again to, cut through the clutter to get back to what the situation is. Who sent out this preservation notice?

Mr. CAMUS. That was the chief technology officer, Terry Milholland.

Mr. WALBERG. So based on your investigation, what efforts did the IRS, Terry Milholland or anyone else, make to ensure that the CTO's email notice to cease routine destruction of electronic records was actually followed by low-level employees?

Mr. CAMUS. There was very much confusion, and I'm not certain that there was appropriate management oversight of that directive.

Mr. WALBERG. Well, who was responsible for the preservation of these emails?

Mr. CAMUS. Every IRS manager, in my view.

Mr. WALBERG. Every IRS manager. Every IRS. Plenty of them could've followed this out.

Has anyone been reprimanded for emails being destroyed despite the preservation notice?

Mr. CAMUS. Inasmuch as we're finishing our investigation, we have not provided the IRS with the results of what we found during our very thorough investigation in these matters.

Mr. WALBERG. But they know the law relative to the preservation notice? They should know it.

Mr. CAMUS. I believe they do, and they will get our full report.

Mr. WALBERG. And we don't know of any reprimand that they've taken.

If these instructions had been followed, would more Lois Lerner emails be available to Congress for investigation?

Mr. CAMUS. I believe there would be.

Mr. WALBERG. That's a fact of the matter.

How many potential sources for recovering Ms. Lerner's emails existed for the IRS?

Mr. CAMUS. We believe there were six.

Mr. WALBERG. Namely?

Mr. CAMUS. The hard drive would have been a source, BlackBerry source, backup tapes a source, server drives a source, the

backup tapes for the server drives, and then finally, the loaner laptops.

Mr. WALBERG. How many of these six did the IRS search?

Mr. CAMUS. We're not aware that they searched any one in particular. They did—it appears they did look into initially whether or not the hard drive had been destroyed, but they didn't go much further than that.

Mr. WALBERG. They found out it had been destroyed. But the other six we don't know that they even attempted a search on it.

Did the IRS personnel ever state a reason why they did not attempt these alternative methods of retrieving Lerner's missing emails?

Mr. CAMUS. They believed at a high level that attempting to get emails off of the backup tapes was a futile attempt. But they did not determine that the very backup tapes that would have contained the emails still existed, and they would have yielded the very emails everybody's been interested in.

Mr. WALBERG. They wouldn't do this with a common citizen taxpayer, would they? I'm not asking you to answer that one. I'm suggesting that they would not have followed their pattern of course with Lois Lerner's tapes and email records with any of us in the room.

Given the IRS's failure to attempt the methods TIGTA used to recover the missing emails, would you characterize IRS efforts as extraordinary?

Mr. CAMUS. I would not.

Mr. WALBERG. The power to tax is the power to destroy.

I yield back, Mr. Chairman.

Chairman CHAFFETZ. Thank the gentleman.

Recognize the gentleman from Virginia, Mr. Connolly, for 5 minutes.

Mr. CONNOLLY. Yes. And I would also remind my friend another quote from a very distinguished Justice Supreme Court, Oliver Wendell Holmes, "Tax is the price we pay for civilization." Taxes aren't always bad things.

Mr. WALBERG. Would my friend yield back?

Mr. CONNOLLY. Real briefly.

Mr. WALBERG. Real briefly. I agree with you. We're not talking about that. We're talking about destroying people's lives.

Mr. CONNOLLY. Well, I don't know that any lives have been destroyed. We can assert it; that doesn't make it true. But thank you.

Mr. Camus, we submitted questions to you on March 4 after the last hearing. The committee informed you and Mr. George, those answers were due on March 18. We were—I find it very interesting that we're complaining about responsiveness. Let's start with the IG's office. Because if you're not pure as Caesar's wife, you have no credibility and no business, frankly, testifying about somebody at IRS. So you need to be punctilious about your responsiveness.

And I heard Mr. George say, oh, my goal is to be responsive to Congress. Your questions, Mr. Camus, we were informed, were ready for delivery on March 27; nine days late, but ready. Is that correct?

Mr. CAMUS. I diligently worked on the questions, I prepared them, and I submitted them for review.

Mr. CONNOLLY. And why was there a 3-month delay between the completion of your answers to those questions and delivery to this committee 2 days ago?

Mr. CAMUS. I don't know.

Mr. CONNOLLY. Would you call that responsive?

Mr. CAMUS. I don't know the circumstance for nondelivery.

Mr. GEORGE. I mean, I do, and I can give that to you.

Mr. CONNOLLY. I'll get to you in a second, Mr. George. I promise. Don't worry. I won't leave you out.

Okay. I just find it interesting, Mr. Camus, because I would think that would be a pretty declarative answer one way or another, responsive or not.

Let me ask you this: In any way, shape or form, were your answers with that delay changed or suggestions made to be changed in order to conform to somebody else's answers?

Mr. CAMUS. No, sir.

Mr. CONNOLLY. So to your knowledge, they remain unchanged but just delayed?

Mr. CAMUS. That's correct.

Mr. CONNOLLY. Mr. George, why did you delay this process? Because we only got your answers 2 days ago, and I just heard you assure the chairman in this committee your commitment to making sure Congress has everything it wanted, except from you.

Mr. GEORGE. Yeah. Well——

Mr. CONNOLLY. Why did we have to wait 3 months for your answer, and why did you delay Mr. Camus' answers?

Mr. GEORGE. Well, because the request came to both of us——

Mr. CONNOLLY. Yes.

Mr. GEORGE. —in a single document, so we wanted to respond in a single document, one; two, as pointed——

Mr. CONNOLLY. Excuse me. Even if it is delayed by 3 months?

Mr. GEORGE. Well, the delay, sir, and I have to beg your indulgence, and I've expressed this with Chairman Chaffetz, my mother had a severe stroke and is in intensive care unit for now 2-1/2 months nearing death. And so yes, I've had to put aside some of my professional responsibilities while attending to her, my elderly mother, who is States away, and I have that primary responsibility, sir.

Mr. CONNOLLY. I'm very sympathetic. I have——

Mr. GEORGE. That is the——

Mr. CONNOLLY. I have elderly parents too who suffer health issues.

Mr. GEORGE. That is the explanation. And my apology to the committee for the delay.

Mr. CONNOLLY. But could that not have been communicated to the committee? We had nothing but silence, Mr. George.

Mr. GEORGE. Well, there are certain parts of my life that I don't want communicated.

Mr. CONNOLLY. Well, you could have said, because of personal concerns, I can't do my job for 3 months, with respect to responding to the——

Mr. GEORGE. But, there were also reviews to make sure that Privacy Act and 6103 issues were addressed, so there were a combina-

tion of factors. But the primary one was my personal family situation.

Mr. CONNOLLY. Well, again, I'm always sympathetic to somebody's personal circumstances.

Mr. GEORGE. I appreciate that, sir. Thank you.

Mr. CONNOLLY. But there is a concern, frankly, as you know, and Mr. Cartwright and I filed a complaint about you with respect to your behavior throughout this entire thing. And the latest delineation of email numbers that Mr. Cummings provided is very troubling in terms of credibility.

You met with Republican members of the staff without Democrats present. You talked to the chairman and took direction from the then-chairman without consulting with the Democrats, even though standards of conduct for IGs specifically say you should avoid that; that you should always have not only the appearance but the reality of nonpartisanship so that your credibility and integrity is, in fact, adhered to.

And from our point of view, there are real questions about whether you actually lived up to that standard. And you've indicated that your own answer to CIGIE, which investigated you, or supposedly investigated you, exonerated you, but you've refused to provide that answer to the committee. Another evasion.

So we're having a hearing ironically about whether IRS was transparent, whether there was any attempt to prevent the release of relevant material requested by the committee, while you, yourself, have, in fact, been guilty of the same thing. You have not been transparent. You have refused to provide information. You have been unresponsive for whatever reason. And you held up Mr. Camus' answers in the process, which at least could've partially satisfied the committee demand.

And I renew my request to you. You claim that it's a violation of your rights under the Privacy Act, but if indeed your answer exonerated you before CIGIE, why would you want to keep it secret? Why wouldn't you share it?

Chairman CHAFFETZ. The gentleman's time is expired.

I want the gentleman to know that Mr. George had informed the committee, had informed me that he was dealing with a personal situation. It's hard to communicate that with everybody en masse, but I was aware of that.

Mr. CUMMINGS. Would the chairman yield?

Chairman CHAFFETZ. Sure.

Mr. CUMMINGS. And I just want the gentleman to know too that he did inform me on more than one occasion that he was going through this. And certainly, Mr. George, we all wish your mother well. But you definitely kept this side informed also. Thank you.

Mr. GEORGE. Thank you.

Chairman CHAFFETZ. Thank you. Sorry you are going through that.

As the chairman, I'd like to inform you that there is a vote on the floor. It is my intention to recognize Mr. DesJarlais for 5 minutes, then we will recess. There are three votes on the floor. Upon recess, we will not reconvene again before 10:45, sometime after that, a few minutes after the last vote, then we will resume. But we will have to adjourn briefly.

But for now, let's recognize the gentleman from Tennessee, Mr. DesJarlais for 5 minutes.

Mr. DESJARLAIS. Thank you, Mr. Chairman.

I thank the gentleman for being here again today.

Mr. George, how long has this investigation been ongoing?

Mr. GEORGE. At least since—well, it depends upon how you—oh, the investigation of the missing emails as opposed to the overall issue of the tax exempt organizations?

Mr. DESJARLAIS. Both.

Mr. GEORGE. So it was, 2 years? Yeah, so since May of 2013, the exempt organizations and since roughly June of 2014 the exempt missing emails.

Mr. DESJARLAIS. Okay. And apparently, according to the ranking member, we've had 22 hearings now and we've spent \$20 million. And sometimes it's hard to remember what the focus is of why we're even here because it's drug on so long, and it's drug on so long because the IRS has not been cooperating with us.

And also, I've got to wonder as investigators like yourself, how hard it is to conduct an investigation when the President informed you that there's not a smidgeon of corruption. Does it make it difficult to conduct an interview when our Commander in Chief, the leader of this country, the leader that was benefited by the fact that the IRS admittedly targeted conservative groups that were going to work against his presidency, has informed you that there's not a smidgeon of corruption? Does that make it difficult for you?

Mr. GEORGE. Well, I won't address the President's comments, Congressman. I will say that there's a drip, drip, drip here because with every new uncovering of information, whether it's from testimony or interviews to the finding of backup tapes, this extends the course of the investigation. And so that is why this has—it's still ongoing.

Mr. DESJARLAIS. Okay. And there was a comment about the cost of the hearings and number of hearings. Watergate had 250 hours of aired testimony gavel to gavel. We have not approached that yet. Watergate, in today's terms, cost a lot more than this. And I think we have an incident here that's every bit or more serious than Watergate. So it disheartens me that we have such opposition to these hearings. Eventually, democracy affects all of us, regardless of party, and maybe at some point we'll get to the bottom of something that will matter to people on the other side of the aisle.

There's been a lot of comments today about the numbers, the numbers of emails you're throwing out. There are 10,000, 30,000, and that you're being criticized for that. As investigators, how many emails does it take to incriminate somebody of wrongdoing?

Mr. GEORGE. One.

Mr. DESJARLAIS. One. Yeah, one email. So what does it matter how many numbers are being thrown out there? We're trying to get to the truth. So I commend you guys for working hard and doing that.

Who at the IRS was overseeing the destruction of the backup tapes, or who was in charge of that?

Mr. CAMUS. There was a group of individuals, but the first-line manager was a manager out of West Virginia named Charles Stanton.

Mr. DESJARLAIS. What was Kate Duval's role?

Mr. CAMUS. Kate Duval was the chief counsel to the Commissioner, and she was in charge of the email production to the Congress.

Mr. DESJARLAIS. Okay. Did you interview Ms. Duval?

Mr. CAMUS. We did.

Mr. DESJARLAIS. And was she aware that there was a problem with the collections of the emails?

Mr. CAMUS. Yes, she was.

Mr. DESJARLAIS. Okay. And what was her response?

Mr. CAMUS. Well, when they realized—because she was running the effort at that time to gather the emails to produce them—when they realized there was a hole in their production, she's the one that informed the Treasury that they were having difficulty with the emails. And she is also the one that informed the Commissioner that they were having troubling gathering the emails.

Mr. DESJARLAIS. Was she held accountable for the fact that they're missing, that these have been destroyed?

Mr. CAMUS. Ms. Duval, I understand, is no longer at the Interval Revenue Service. And at the conclusion of our investigation, the IRS will get our report, and I believe they will take appropriate action based on what we found in the report concerning individuals.

Mr. DESJARLAIS. Okay. Do you feel that in your investigation to this point, knowing that the IRS has admittedly targeted conservative groups, they admitted wrongdoing. Lois Lerner came here and sat in your chair. She took the Fifth. She didn't want to incriminate herself. Do you agree with the President's statement that there's not a smidgeon of corruption going on in the IRS?

Mr. CAMUS. It's difficult to agree with a broad statement at any time. Our job in the Office of Investigations is to root out corruption at the IRS. So whether it's this matter or any other matter, we take great pride conducting thorough investigations, and if there is corruption, we're determined to find it and root it out.

Mr. DESJARLAIS. All right. Well, I certainly appreciate the work that you're doing, and I know the American people appreciate the work that you're doing. This was an assault on democracy, the Democratic process, and the way elections are conducted, so I commend you two gentlemen.

And I yield back.

Chairman CHAFFETZ. Thank the gentleman.

There are votes on the floor. The committee will stand in recess. We will reconvene no sooner than 10:45, but honestly, probably going to be a little bit longer.

Mr. GEORGE. No problem, sir.

Chairman CHAFFETZ. We stand in recess.

[Recess.]

Chairman CHAFFETZ. The Oversight and Government Reform Committee will come back to order.

We were in the midst of the hearing regarding the IRS and appreciate the inspectors general being with us here today.

There was a point of clarification, I believe, Mr. Camus wanted to make. I'd like to recognize him to clarify a previous statement.

Mr. CAMUS. Thank you, Mr. Chairman.

When Dr. DesJarlais asked me the name of the manager at the IRS at the time the tapes were erased or destroyed, I shared the name Charles Stanton. Charles Stanton wasn't actually the manager at that time. We're working on getting that name. We'll provide it for the record. Stanton has actually been very cooperative.

Chairman CHAFFETZ. Thank you. Appreciate the clarification.

Mr. CAMUS. Thank you, sir.

Chairman CHAFFETZ. We do.

We now recognize the gentleman from South Carolina, Mr. Gowdy, for 5 minutes.

Mr. GOWDY. Thank you, Mr. Chairman.

Mr. George, I want to start by encouraging you to take heart when the other side makes ad hominem attacks. It's generally because they have neither the facts nor the law nor, frankly, logic. So I know it is difficult for you to sit there and absorb ad hominem attacks, but the reality is that is kind of the last vestige of folks who have nothing else left to argue.

I'm going to ask a series of questions, and Mr. Camus, or Mr. George, either one can answer them. And I'm a simple man, so I'm going to start kind of simply. With respect to the IRS investigation/targeting investigations, were there at some point subpoenas in place?

Mr. GEORGE. There were.

Mr. GOWDY. Okay. Were there requests to preserve evidence in place?

Mr. GEORGE. Yes.

Mr. GOWDY. Were there ongoing congressional investigations?

Mr. GEORGE. There were, sir.

Mr. GOWDY. Were there ongoing IG investigations?

Mr. GEORGE. Definitely.

Mr. GOWDY. And purportedly, there was an ongoing DOJ investigation, although we've seen scant evidence of that, at least that's the allegation, right?

Mr. GEORGE. Yes. And I'll ask Mr. Camus to further respond to that.

Mr. CAMUS. That's correct, sir. There is an ongoing DOJ investigation.

Mr. GOWDY. Okay. So you have subpoenas in place. You have requests to preserve evidence in place. You have ongoing congressional investigations. You have ongoing IG investigations. And you may very well have an ongoing DOJ investigation, all of which leads me to ask, what does it mean, "Do not destroy/wipe/reuse any of the existing backup tapes for email?" What does that mean?

Mr. CAMUS. That means do not destroy, rewipe or do anything to that material, as it could be evidence or of import.

Mr. GOWDY. Oh, so it means exactly what it says?

Mr. CAMUS. Yes, sir.

Mr. GOWDY. There's no hidden meaning?

Mr. CAMUS. No, sir.

Mr. GOWDY. Even I can understand that sentence. Don't do it, right? I mean, you can call—you can use fancy words like degauss if you want to, but don't destroy, wipe, reuse any of the existing backup tapes.

Now, was that done?

Mr. CAMUS. Yes, sir.

Mr. GOWDY. Was it done after any of the following were in place: Subpoenas, requests to preserve, ongoing congressional investigations, ongoing IG investigations, or purported DOJ investigation?

Mr. CAMUS. Yes, sir, it was done March—on or about March 4 of 2014, well after the commencement of all those activities.

Mr. GOWDY. Wow. Now, I want to ask you about an individual in a minute, but I want to ask you this: Sometimes things can be done accidentally. Let's go ahead and rule that out. Are we talking about just kind of a misstroke on a keyboard? Is that what causes these things to disappear and be wiped? You just—you type in a word and hit the wrong key? Does that do it?

Mr. CAMUS. No, the destruction that we're talking about required the employees involved to actually pick up tapes and place them into a machine, turn the machine on that magnetically destroyed and obliterated the data.

Mr. GOWDY. Well, sounds like it'd be hard to accidentally do that.

Mr. CAMUS. That's correct.

Mr. GOWDY. All right. So we can rule out accident. That leaves negligence or intentional, willful, wanton. Do you know whether it was just sheer negligence, incompetence, or was it a higher level of scienter or mens rea?

Mr. CAMUS. Our investigation has shown that the two employees who physically put those tapes into that machine are lower-graded employees at the Martinsburg, West Virginia, computing center. They continued to erase media throughout the period of time; as a matter of fact, they did not stop erasing media, including these 424 tapes, until June of 2014. When interviewed, those employees said that, "Our job is to put these pieces of plastic into that machine and magnetically obliterate them. We had no idea that there was any type of preservation from the chief technology officer."

Mr. GOWDY. Was Mr. Koskinen in charge of the IRS at the time?

Mr. CAMUS. Yes, sir.

Mr. GOWDY. I want to ask you about another name. Have you ever heard the name Kate Duval?

Mr. CAMUS. Yes, sir.

Mr. GOWDY. Who is Kate Duval? Because I think I've heard that name before too.

Mr. CAMUS. Kate Duval is the chief counsel representative, the IRS's counselor, concerning the production issues to Congress. So she was—

Mr. GOWDY. Oh.

Mr. CAMUS. —the lawyer in charge of making sure that counsel made production to Congress.

Mr. GOWDY. So she's in charge of making sure that emails and other matters get produced?

Mr. CAMUS. Yes, sir.

Mr. GOWDY. Is she still with the IRS?

Mr. CAMUS. She is not. I don't recall the date that she left, but she is no longer—

Mr. GOWDY. Do you know where she is now?

Mr. CAMUS. —part of the Internal Revenue Service. I can get that information for you.

Mr. GOWDY. No, I know where she is now. She's at the Department of State in charge of their email productions. Wow.

I yield back.

Chairman CHAFFETZ. Thank the gentleman.

We'll now recognize the gentleman from Kentucky, Mr. Massie for 5 minutes.

Mr. MASSIE. Thank you, Mr. Chairman.

I want to ask about the date that Lois Lerner's hard drive failed, because he gave us more specificity here today, and I appreciate that. Is it—what day did her hard drive fail?

Mr. CAMUS. We believe it failed on June 11, which is a Saturday, between 5:00 and 7:00 p.m.

Mr. MASSIE. So this hard drive failed conveniently. Do you know where it was when it failed?

Mr. CAMUS. We believe, based on log activity, that the laptop was in her office at the time that the hard drive failed.

Mr. MASSIE. So on a Saturday, it was just sitting there and it just sort of failed on its own, on a Saturday, on June 11?

Can you tell if there was any computer activity at the time that it failed from log activity?

Mr. CAMUS. There was—we were unable to determine if a program was in place that would remove another program from the computer. It was a silent deployment, if you will. That deployment was scheduled to occur between two dates, but we weren't able to definitively say there was any computer activity on that computer on July—or I'm sorry, June 11, 2013—or 2011, when it was destroyed.

Mr. MASSIE. So here's what I find interesting. On June 3, the chairman of Ways and Means sent a letter to Doug Shulman, who was a Commissioner of the IRS at the time. Are you familiar with that letter?

Mr. CAMUS. I'm not.

Mr. MASSIE. June 3, just briefly says—it's chairman of the Committee on Ways and Means, and this was sent by the—Mr. Camp, the chairman at the time. He was concerned that the IRS appears to have selectively targeted certain taxpayers who engaged in a political speech. Not only does this threaten political speech, it casts doubt on the IRS credibility. He sent that on June 3, which is—I looked it up on the calendar—a Friday. So it's likely they didn't receive it at the IRS until Monday, which would have been June—what would that make it?—6th.

Mr. CAMUS. 6th.

Mr. MASSIE. So here we have June 6 they probably received this letter, and her hard drive magically fails on its own in her office on a Saturday, 5 days later. Now, before we thought there was a 10-day difference, but now we realize there's a 5-day difference. This is just an amazing coincidence to me. I think it's more than a coincidence.

I want to put up on the screen a directive that was sent out by the chief technology officer of the IRS, if we could get that on the screen. And this is the directive that went out to managers—is that correct?—telling them not to erase data?

Mr. CAMUS. Correct.

Mr. MASSIE. This directive went out on May 22, 2013. When were the tapes erased at the IRS?

Mr. CAMUS. On or about March 4, 2014.

Mr. MASSIE. So about 8 months later.

And is this—if we look at the highlighted part on here, it says, “Do not destroy/wipe/reuse any of the existing backup tapes for email or archiving or other information from IRS personal computers.”

Did that go to managers that were at the facility where the tapes were erased?

Mr. CAMUS. It did. And there’s a lot of discussion that we captured in our investigation by capturing the manager’s emails, over what Milholland meant by this directive. So there’s some back and forth.

Mr. MASSIE. So what did they say they thought it meant when you talked to them?

Mr. CAMUS. They believe that it pertained to hard drives and personal computers. They over-interpreted the directive, which was basically preserve all electronic media.

Mr. MASSIE. So they thought it just applied to hard drives and personal computers and that’s what they told you. But doesn’t it clearly say, “Do not destroy/wipe/reuse any of the existing backup tapes?”

Mr. CAMUS. It does.

Mr. MASSIE. So if they didn’t do this willingly or knowingly or purposely, this is basically incompetence, isn’t it?

Mr. CAMUS. One could come to that conclusion, yes, sir.

Mr. MASSIE. Either that or they can’t read?

Mr. CAMUS. One could come to that conclusion. Like I said, there’s—you’ll see in our report of investigation, we captured a lot of the email traffic back and forth between employees as they were discussing the impact that this has on their operations out there and destroying things.

Mr. MASSIE. Do these people still work for the IRS?

Mr. CAMUS. Yes.

Mr. MASSIE. Why is that, if they’re this incompetent?

Mr. CAMUS. The Internal Revenue Service is going to get a copy of our report of investigation when we’re through, and I imagine that they will look at it and they will take appropriate action.

Mr. MASSIE. I thank you.

And I yield back, Mr. Chairman.

Chairman CHAFFETZ. Thank the gentleman.

We will now recognize the gentleman from Florida, Mr. DeSantis, for 5 minutes.

Mr. DESANTIS. I thank the chairman.

I tell you, my friend from Kentucky, it may be incompetence, or it may just be a willful disregard of the preservation order and a willful disregard of the subpoena that this committee issued in August of 2013. And so those are two very, very important actions.

And yet, Mr. Camus, in early 2014, your report demonstrates 422 backup tapes were destroyed by the IRS, correct?

Mr. CAMUS. That’s correct.

Mr. DESANTIS. So we have clear guidance, mandatory guidance, and yet they destroyed the tapes. So if a taxpayer had been asked

by the IRS in an audit to produce certain documents to justify their tax returns, and they just decided that some of the things they didn't want to produce or claim that they were destroyed or destroy them, something tells me that would not fly. And so you have an agency here that's operating under a different standard than they impose on the American taxpayer, and that's unacceptable.

June 13, 2014, John Koskinen, in front of—his letter to the Senate, in front of this committee, later confirmed that the backup tapes with Lois Lerner's email no longer existed. And yet, your report shows that by doing basic due diligence, you found 13 backup tapes that had Lois Lerner's emails on them after he made that statement, correct?

Mr. CAMUS. That's correct.

Mr. DESANTIS. And not only did you find the backup tapes, you found approximately 1,000 at this point unique emails from or to Lois Lerner that the IRS never produced to this committee; is that accurate?

Mr. CAMUS. Yes, sir, that's accurate.

Mr. DESANTIS. And Commissioner Koskinen—I remember sitting here. The chairman, our current chairman when he was one of the regular members, he pressed Koskinen: "Are you going to give us all of Lois Lerner's emails?" Finally, Koskinen says, "Yes, we will give you all of Lois Lerner's emails."

Now, the IRS claimed, Mr. Koskinen claimed that the IRS went to, "great lengths and made extraordinary efforts to recover her emails." When Commissioner Koskinen said that the backup tapes no longer existed that they confirmed, the IG, what did you do to verify that? You drove out to the facility in West Virginia and asked for the tapes, correct?

Mr. CAMUS. That's correct.

Mr. DESANTIS. Now, do you consider that to be an extraordinary effort?

Mr. CAMUS. That's due diligence.

Mr. DESANTIS. Basic due diligence. I'd say the bare minimum of due diligence.

And so for Commissioner Koskinen, you go to great lengths, above and beyond the call of duty, and you don't even look where the backup tapes are found. That doesn't sit right. And I think the problem is, and I think we've seen this with Commissioner Koskinen's attitude that he really has had a contempt for this entire investigation, he doesn't think the IRS should be bothered with it; he's dismissive of the misconduct that occurred by targeting Americans based on their view points; and he's not done anything to really meet the standards that he's laid out here by getting us everything that we've asked for. And, of course, the proof is in the pudding, because this has dragged on and on and on.

So I think that the American people are left with a sense of major frustration. I think that they don't like to have a situation where there are all these rules and regulations they've got to follow, but then somehow when things are subpoenaed by a government agency, government people can then go ahead and destroy the documents, destroy the tapes, destroy the emails. And this is not the only context the IRS, throughout our whole government,

where that happens. There's other things that have been subpoenaed as we know that have been destroyed.

So this is just simply unacceptable. And I think that there needs to be accountability for it. I mean, if you're destroying backup tapes that were under subpoena and that your own agency said needed to be preserved, that's either a willful disregard of what was required or a level of incompetence that is so stunning that you clearly are not fit to serve. And so I think either way, those individuals need to be held account.

And I don't think you can have an IRS Commissioner come in front of the Congress, testify under oath that he has confirmed that all the backup tapes have been destroyed, the emails are unrecoverable, when he did not even do the basic due diligence that the IG did by going out to the facility in West Virginia where all the backup tapes are and getting those backup tapes and looking.

And the thing is is, you know, there were 13 backup tapes with Lois Lerner's emails. You also found, what, over 700 that, at the time, you didn't know what was on them. You had to check. And so there would be no way to know that it was only 13. And so there were even more backup tapes that were there that were going to cover the time period and could have been relevant before you did it.

So, Mr. Chairman, thank you for holding this update, and I know this is just the beginning of our efforts to hold this agency accountable on behalf of the American people. And I yield back.

Chairman CHAFFETZ. Thank the gentleman.

Will now recognize the gentleman from Alabama, Mr. Palmer, for 5 minutes.

Mr. PALMER. Thank you, Mr. Chairman.

Mr. George, much has been made about the number of emails that have been recovered. I would agree with some of the members who have emphatically asserted that numbers matter. My question to you is, how many emails that contain evidence of wrongdoing do you need to recover in order to pursue justice? Is it 10,000? Is it 1,000? One hundred? Would one be enough?

Mr. GEORGE. One would be enough, sir.

Mr. PALMER. So whether you find 1,000 emails or 100 emails or 10, it's really—the only relevant point here is that you and your office are doing your best. You're exercising due diligence to pursue justice. And if there's one email or one document that proves wrongdoing, it would justify the effort. Is that—would you agree with that?

Mr. GEORGE. I agree 100 percent.

And I would beg your indulgence here, Congressman, because the staff of the Office of Investigations is doing just tremendous work almost around the clock, over weekends and over holidays, in order to address this matter, and to locate that potential one email or if there were more or if there aren't any, to make a final conclusion as it relates to this.

Mr. PALMER. I think I can speak for the staff—for this committee—I don't think I'm out of line in saying this—that we are very, very grateful for the work that your office does and the other IGs that—and how you pursue it with excellence and professionalism on behalf of the American people.

Mr. GEORGE. Thank you.

Mr. PALMER. Mr. George. I don't remember, I think you were one of the 47 inspectors general who signed a letter to this committee raising concerns about Federal agencies' lack of, I'd say, forthcoming with evidence and other documents. Is that correct? Did you say that?

Mr. GEORGE. I was a signator to that—

Mr. PALMER. And we held a hearing on that. And one of the points that I think we brought out here is that, how the lack of cooperation by these Federal agencies, and in this case, I would say at the IRS, has impeded investigations, have made it very, very difficult to get to the truth, to get to the bottom of these issues. Have you found that to be the case?

Mr. GEORGE. Very rarely, especially, in all candor, under the current Commissioner. He's been extraordinarily cooperative. But I have to point out—and, again, and in all candor, the timing is blurred, given everything that occurred—it wasn't until once appearing before this very committee that the IRS turned over a training chart—and I'm not relating to the email investigations, the overall exempt organizations investigation. And at that time, reviewed, audit. So it was not an investigation, so they were not compelled to provide us that information, but they neglected to.

And so while it showed us—it showed that we may not have considered something that we were unaware of. They were not required to provide that information to us. And so that's a long-winded way of saying, in that instance they didn't share information with us that they knew existed, and so that is one of the reasons why I agreed to put my name to that letter.

Mr. PALMER. Well, thank you for elaborating on that.

But my concern about this is, is that whether they didn't provide it because they weren't asked, I find it inconceivable that they would be unaware of the investigation and of the need to turn over every document that might have some relevance to this, and whether they intended to obstruct or impede, or whether it was by benign neglect or incompetence is irrelevant, because at the end of the day, the objective to get to the truth. It is nonpartisan, in that respect. It's incumbent upon us, in this committee and in your office, to pursue the truth.

I think that's the key point here. It doesn't matter how many emails you've gone through, what's been reported in the media. The media, that's irrelevant. What's relevant is whether or not any wrongdoing has occurred, and that you be able to do your job as inspector general and get to the truth.

Thank you, Mr. Chairman. I yield the balance of my time.

Chairman CHAFFETZ. Thank you.

We now recognize the gentleman from Georgia, Mr. Hice, for 5 minutes.

Mr. HICE. Thank you, Mr. Chairman.

All right. The directive goes out to stop destroying the tapes, or erasing the tapes in May of 2013. Yet, we know that they are still being erased in 2014. And yet, what I'm trying to wrap my mind around is the fact that you've said you found no reason to believe that there was any intentional criminal or obstructive behavior.

So why in the world were the orders from May of 2013 not followed?

Mr. CAMUS. Through our interviews of the IRS employees involved under oath and the review of their email, concurrent email with the issue, it appears that they had a manifest misunderstanding of the directive. There was a misunderstanding at the management level because they—they didn't know whether or not this pertained to just hard drives, they didn't know whether it just contained—

Mr. HICE. All right. Let's go on from here. I get your point.

Were there ever any orders to reinstate the destruction of tapes?

Mr. CAMUS. No, sir.

Mr. HICE. All right. So there was a clear directive to stop destroying the tapes. There was never orders to begin destroying tapes again. How in the world can your investigation determine that there was no criminal activity?

Mr. CAMUS. One of the elements of most criminal statutes is a willfulness prong, and the challenge in any criminal investigation is the willfulness. You need to gather the evidence that shows that when these two lower-graded employees introduced the 424 tapes—

Mr. HICE. All right. Let's go beyond the lower-grade employees.

Mr. CAMUS. All right.

Mr. HICE. If there was no willful intent with them, that would have to mean that they were not fully aware of what the orders were. You stated earlier that the managers of the IRS clearly were responsible. They were responsible to know the orders. They were responsible to know the orders. They were responsible to pass those orders down. So have you determined from that that there could potentially be any criminal activity among the managers or anyone above the lower grade?

Mr. CAMUS. There does not appear to be any evidence that they willfully, improperly executed their duties.

Mr. HICE. Mr. Camus, you yourself, just a few moments ago before the break, said that this is an unbelievable set of circumstances that led to the destruction of these tapes. And I have to agree with you. It's unbelievable. The truth is not being told here. The directive could not be more clear than what it was. And yet, tapes were still, nonetheless, destroyed. So the truth is not being told. Why is there not some sort of criminal investigation underway?

Mr. CAMUS. The investigation at hand was a criminal investigation conducted by criminal investigators who had the authority to place people under oath and bring criminal charges to the Department of Justice. My agents, during the interviews of all these folks and, again, with support of the contemporaneous email traffic between them, came to the conclusion that there was no willfulness by these employees or managers—

Mr. HICE. Just based upon what they said. So that what they said under oath was, we didn't mean to do this. But all the circumstances, even in your own words, it's unbelievable.

Mr. CAMUS. It is.

Mr. HICE. What they are saying is unbelievable. It's unbelievable to us. The truth is not being told. And in your own words, what

you have been told is unbelievable. If it's not believable, that means it's not the truth. And at some point, we've got to get to the bottom of this because the truth is not being told. And we and the American people are sick and tired of being snookered, of being taken by our government, and I believe it's time that your investigation steps it up.

Did you interview Kate Duval?

Mr. CAMUS. Yes, sir, we did.

Mr. HICE. Okay. When was she informed that the tapes had potential emails of interest from Lois Lerner?

Mr. CAMUS. I believe she had already departed the Internal Revenue Service when we obtained the emails off the tapes.

Mr. HICE. Did she take any action to stop the destruction of tapes?

Mr. CAMUS. Not to our knowledge, she did not.

Mr. HICE. But she knew that the emails of interest were there?

Mr. CAMUS. She could have known, and she certainly—

Mr. HICE. You just said she should have, that she did know.

Was she reprimanded in any way?

Mr. CAMUS. I'm not aware if she was reprimanded, sir.

Mr. HICE. Do you know if—you said a moment ago that she is no longer with the IRS. Do you have any idea if she stepped down from her position willfully, or if she was pressured in any way or if she was potentially running from criminal charges herself?

Mr. CAMUS. I don't have that information other than she left the Internal Revenue Service.

Mr. HICE. On her own?

Mr. CAMUS. On her own.

Mr. HICE. Thank you, Mr. Chairman.

Chairman CHAFFETZ. Thank you.

I now recognize the gentleman from North Carolina, Mr. Walker, for 5 minutes.

Mr. WALKER. Thank you, Mr. Chairman. Appreciate your patience in coming from a markup.

This is a huge issue, not just because it's called on in the press, but this issue comes down to integrity as well as credibility. I appreciate what's been shared of what I've heard so far today.

A couple things that I'd like to address. And just to make sure that I'm clear, in your investigation, did we examine the circumstances under which the IRS informed Congress about the missing emails? Could you take a minute and address that?

Mr. CAMUS. Yes. We're privy to the production that IRS has been through. We've observed the hearings, the various hearings that have been held by this committee and others where they testified about their efforts to produce emails. So we're well aware of the fact that there have been promises made. There have been obligations to provide the material. Is that responsive?

Mr. WALKER. Yeah, I think it does. Let me delve a little deeper, if I could.

Is there concern that the Treasury Inspector General for Tax Administration did not learn directly from the IRS that the Lerner emails were supposedly lost?

Mr. CAMUS. That's correct. We did not learn of that until June 13, 2014, at the same time everybody else did.

Mr. WALKER. Can you expound on why. Why the delay?

Mr. CAMUS. They shared with us the same information they shared with everybody else why they delayed it, when they knew in February of 2014 there were missing emails. The explanation was they spent the time between February and when they made notification in June allegedly looking for emails.

Mr. WALKER. All the time, though, under the guise as far as trying to deliver what they did find. So we don't really know the place—how much of that was posture, how much of that, hey, we discovered it. Let's sit down and figure out the best strategy, the best tactic. Or if it was late in the game when they found them a week later. Is there any evidence to support when exactly the evidence was found?

Mr. CAMUS. The only evidence that I'm aware of that was found is whenever we initiated our investigation and we recovered the first set of tapes, and then learning after having them examined that there were emails on them.

Mr. WALKER. Well, then, let's look at precedence then for a moment. Is it customary for the Treasury Inspector General for Tax Administration, TIGTA, if you will, to hear about significant issues like the missing emails from a letter sent by the IRS to the Senate. Is that—talk to me about protocol with your experience.

Mr. CAMUS. A case this significant of this interest to all parties, I would have expected that it would've been reported to us when they determined that there was a loss of these emails because it was pertinent to so many ongoing investigations.

Mr. WALKER. And, which, I guess, answers my next question. I don't want to put words in your mouth, but there would be concern that you did not learn sooner of these problems given that the IRS knew the Lerner emails were unrecoverable as early as February of 2014; is that fair?

Mr. CAMUS. That would be fair.

Mr. WALKER. Okay. Finally, have you brought any of these concerns to the attention of Mr. Koskinen; and if not, why not?

Mr. CAMUS. We haven't shared the results of our findings or our major concerns because we're not quite finished with the report of investigation. When we are finished with that document, he will get a copy, and he will be briefed about the management failures and the observations that we had and our concern about not being properly notified in a timely manner.

Mr. WALKER. So we don't know whether he's aware of what you're finding as sort of this go-long process as you're discovering, so there's been no official release of information back to Mr. Koskinen. Is that—yes or no?

Mr. CAMUS. Occasionally, we would give him an update like we did the committees, inasmuch as we were talking to his senior managers and his staff, and we would let him know, in our efforts to recover emails, how we were come along. So other than just the general, occasional status like we did with the committees—

Mr. WALKER. Right.

Mr. CAMUS. —we weren't providing him a blow-by-blow.

Mr. WALKER. Mr. George, did you have something to add to that?

Mr. GEORGE. I would just reiterate that he is aware of the general findings but no conclusions yet, and that will be forthcoming.

Mr. WALKER. Well, can I get the word on it today that we will make sure that you guys will inform Congress as soon as you encounter difficulties in obtaining information indirectly from the IRS? Will you let us know promptly with that?

Mr. CAMUS. Yes, sir.

Mr. GEORGE. As long as 6103 permits it, we certainly will.

Mr. WALKER. Fair enough. With that, I yield back, Mr. Chairman.

Chairman CHAFFETZ. Thank the gentleman.

We will now recognize the gentleman from Oklahoma, Mr. Russell, for 5 minutes.

Mr. RUSSELL. Thank you, Mr. Chairman.

We've established from your investigations that tapes were not sent to the labs; laptops were not examined; BlackBerrys were not examined. In June of 2014, the IRS in testimony in letters stated that it left, "no stone unturned," to recover the emails. Was that true?

Mr. CAMUS. We went through a series of logical steps with due diligence, and we were able to recover emails. So it would appear that that statement—

Mr. RUSSELL. That statement was not true.

July of 2014, IRS officials testified that it was possible that Lois Lerner's emails were recoverable on discovered backup data, tapes, other things that you've explained here today. Were the tapes being erased after July of 2014?

Mr. CAMUS. We're not aware that—

Mr. RUSSELL. Degaussed?

Mr. CAMUS. Yeah, our understanding is that the tapes in question that would have contained the relevant material were erased or degaussed on March of 2014. June of 2014, they reportedly stopped erasing all media and came into compliance with the chief technology officer's directive.

Mr. RUSSELL. In that same month, July 2014, IRS officials testified to the Senate Finance Committee, the House Ways and Means Committee, and the Oversight and Government Reform Committee here that it, "confirmed the emails were unrecoverable." Given then that these tapes had—the degaussing or whatever had been stopped, given that recoverable data still existed on the tapes, was that statement true?

Mr. CAMUS. It would not appear to be true.

Mr. RUSSELL. It would not appear to be true.

February 2015, Commissioner Koskinen declared that he had, "confirmed the emails were unrecoverable." And that there were, in his words, "no way," to recover them. Was that true?

Mr. CAMUS. That would not appear to be true.

Mr. RUSSELL. That would not appear to be true.

We have established here today multiple incidents where the IRS did not tell the truth. Worse, the First Amendment protections on targeted groups were violated, even stated by Lois Lerner in a public forum. There has been no accountability of individuals misleading Congress and making untrue statements, which we've established here. In hearings this week, we're seeing a trend whereby government agencies do a magnificent job of safeguarding data and

emails from the government, but allow our enemies to breach them with skill.

And this is a grotesque double standard on the rights of American citizens. If they use the same untrue statements on records provided to an IRS audit, they would likely be brought up on charges. If an American citizen used this same standard, making untrue statements, saying, well, I thought that was the case but maybe it wasn't, but I don't have the records and I can't send them to you. There would be fines and prosecutions, more than likely.

We urge you to use a similar standard in holding the IRS accountable for those that have lied to Congress in your investigations to resolve and restore confidence that our government can act with integrity, and act constitutionally on behalf of the American people. You, in your auditing capacity and your investigative capacity, have that responsibility that I know you take seriously.

But we need to restore that confidence to the American citizens of this country. And I urge you to hold these people that have lied to Congress to account.

Mr. Chairman, I yield back my time.

Mr. CUMMINGS. Gentleman yield just for one question?

Mr. RUSSELL. Yes.

Mr. CUMMINGS. Mr. Camus, I want to make sure I'm clear because you just accused the Commissioner of a crime.

Mr. CAMUS. That was not my intention, sir.

Mr. CUMMINGS. No. No. I'm not—I'm not arguing with you. I want to make sure the record is clear. You said that—in answer to a question, you said that he lied to Congress. Is that what you told us?

Mr. CAMUS. No.

Mr. CUMMINGS. Well, you need to clear that up one way or another. I mean, whatever. I just want it to be clear. Because you've now put in a very interesting situation. We're just searching for the truth. Go ahead.

Mr. CAMUS. Thank you. Thank you, Mr. Chairman, for the opportunity to clarify. I was asked a series of questions that based on our investigation, we found things that were said earlier were not there. Anytime you make an allegation or if you prove—to prove a false statement, there is again a willfulness prong in that. You have to understand that somebody willfully gave information that they knew was not to be true. So I'm not alleging that the Commissioner willfully gave any information that he knew at the time he gave it not to be true. That's—if that helps clarify.

Mr. CUMMINGS. It clarifies. And thank you.

Chairman CHAFFETZ. But—

Mr. CAMUS. And I apologize.

Chairman CHAFFETZ. But, if the gentleman will let me yield, but it wasn't true. Was it?

Mr. CAMUS. We found emails that they did not. Now—

Chairman CHAFFETZ. They did not what?

Mr. CAMUS. That they did not find them and our investigation showed that they did not look for them. But I am not alleging that the Commissioner made false statements at this point. I'm not. So thank you for the opportunity.

Chairman CHAFFETZ. We'll have to have that debate and that conclusion, but I think it is pretty crystal clear, and I appreciate that.

Mr. GEORGE. I think what Tim meant, willfully, that's the issue. We don't know whether it was a willful statement on the part and effect that Commissioner Koskinen knew exactly what they had or had not done. We don't know that unless you have contrary information.

Chairman CHAFFETZ. And if I can continue on for a second, Mr. Koskinen is very aggressive in making sure that he is the only one that comes and testifies before this committee. He's the only one that comes and testifies before Congress because he feels like he's got the best grip on his organization and he doesn't want anybody else to come testify. That is routinely—we had to bring—we had to issue a subpoena to have one other person come testify before our committee on the IRS.

So, again, we'll have that debate. You're here to present us the facts. I think you presented those facts. I know you're not trying to come to the conclusion. That is for us to debate.

Mr. CUMMINGS. Just one thing.

Chairman CHAFFETZ. Sure.

Mr. CUMMINGS. Was there evidence that it was willful, any willful criminal act, lying to Congress?

Mr. CAMUS. We found no willfulness throughout our investigation.

Mr. CUMMINGS. And just one last question. At the end of your investigation, if you did find it, would that—if you did find that, would that be a part of your report?

Mr. CAMUS. Yes. It would.

Mr. CUMMINGS. Very well. We look forward to your report.

Chairman CHAFFETZ. I assume, Mr. Russell yields back at this point, and his time is well expired, but thank you.

Mr. RUSSELL. Thank you very much. Thank you.

Chairman CHAFFETZ. All right. We now go to the gentleman from Wisconsin, Mr. Grothman, for 5 minutes.

Mr. GROTHMAN. Thanks much.

I guess this question's for either one of you. You know, the Department of Justice announced they've been conducting their own investigation. Are you still participating with the DOJ's investigation of the targeting of conservative nonprofit groups?

Mr. GEORGE. I'm going to ask Tim to elaborate, but their investigation is ongoing, but—

Mr. CAMUS. Yes, sir. We are still participating in that effort.

Mr. GROTHMAN. Okay. It was implied before that the investigation is nearing completion, I think by Justice. Is that true as far as you know? Or can you give us any status as to when you think this is going to wrap up?

Mr. CAMUS. I don't know the status for the DOJ investigation.

Mr. GROTHMAN. Okay. So you wouldn't know if any criminal charges are going to be filed?

Mr. CAMUS. I'm not aware.

Mr. GROTHMAN. Okay. And they made no recommendations, Justice, as far as you know?

Mr. CAMUS. As far as I know, they have not.

Mr. GROTHMAN. Are you satisfied with their investigation?

Mr. CAMUS. Well, our agents have shared with me it appears to be thorough. Like everybody else, they're waiting for the conclusion of this case and the conclusion of our attempt to find new evidence or material relative to the investigation.

Mr. GROTHMAN. Okay. Wouldn't it, in general, be your responsibility to make recommendations how to clean up the IRS as opposed to the Department of Justice?

Mr. CAMUS. In general it would, but in this particular case when the whole exempt organizations application process broke, the President and the Attorney General at the time determined that the Department of Justice would be the lead investigative agency for that particular matter.

Mr. GROTHMAN. Okay. That's a little bit unusual, then. Normally you'd be the lead agency. Right?

Mr. CAMUS. That's correct.

Mr. GROTHMAN. Are you satisfied that the truth is going to come out with the Justice leading—being the leading agency rather than yourself?

Mr. CAMUS. I believe that because we have been involved that the truth will prevail. Our goal is—we are focused on the American people and Congress to get the American people through the Congress all the information that we can and we let the facts fall where they may and the truth fall where it may. So as far as that's our effort, I'm convinced if—I'm briefed by my agents, that they're convinced that through their efforts that that has occurred, and then I will take their answer.

Mr. GEORGE. And we have received no indication, sir, that—anything to the contrary.

Mr. GROTHMAN. Okay. I appreciate your professionalism. I will say this whole IRS thing and targeting people I think is having a chilling effect on America. I'm sure I'm not alone. When you call people, you know, for the other thing politicians do, this is something that gets brought up. I mean, people really believe right now that if they take a politically unpopular stand, and it's not just the IRS, it's other agencies as well, EPA, what have you, that if you say something that's politically incorrect or take a politically incorrect position, the full force of the government is going to come down on you, and that's not the way this country is supposed to be built.

So I appreciate your professionalism and I hope you get to the bottom of what was really going on here so that we can do—so the people who—the wrongdoers can be prosecuted. But thank you for coming over here today, and I yield the remainder of my time.

Chairman CHAFFETZ. I thank the gentleman.

I now recognize the gentleman from North Carolina, Mr. Meadows, for 5 minutes.

Mr. MEADOWS. Thank you, Mr. Chairman. And thank you for putting a priority on informing the American people by holding this hearing.

Mr. George, on a personal note, the passion and compassion that you showed about caring for a loved one is not missed in the unbelievable difficulty of this hearing, and I just want to say, you know, if we could all have sons who are willing to do that kind of service

to a family member, this world would be a better place. So I just want to say thank you. Thank you for your service.

Mr. GEORGE. Thank you very much, sir.

Mr. MEADOWS. Mr. Camus, I want to come back to you because I want to follow up on what the chairman was talking about. Because as we've started to look, this whole thing of willful is a very high standard. You know, you almost have to have the smoke coming out of the end of the gun, and yet in your investigation, and actually, I started reviewing Mr. Koskinen's statements before this committee, before the Senate Finance Committee, before the Ways and Means Committee, and just to refresh your memory, it says, "We've confirmed the backup tapes no longer exist." "We've confirmed that Lois Lerner's emails are unrecoverable." We had another statement that would indicate that they have worked diligently to find these missing emails. But as you have indicated, you found them in six different sources. Is that correct?

Mr. CAMUS. That's correct, Mr. Meadows.

Mr. MEADOWS. So how could, if we have these statements, how do you reconcile those statements with you going out and finding them? I mean, how do you do—how do you take someone who says there's absolutely no way that they exist, and then, according to your testimony here today, they didn't even look. So how could you say that that was anything other than willful?

Mr. CAMUS. The issue that we have here is, as I shared earlier, is a management failure.

Mr. MEADOWS. Okay. So—and you did. And that's where I want to pick up. Because if we have a management failure, one thing that hasn't been talked about yet is these backup tapes are held in just a handful of locations. Is that correct?

Mr. CAMUS. Yes, sir.

Mr. MEADOWS. So in a handful of locations a memo goes out. How in the world would those handful of locations not have gotten the memo that they needed to be preserved?

Mr. CAMUS. Our evidence shows that they did, in fact, receive the directive from Mr. Milholland.

Mr. MEADOWS. So a handful of organizations, all of them got the memo and then decided not to follow it?

Mr. CAMUS. The evidence shows from interviews and looking, again, at contemporaneous email traffic between the various parties, that when they got when—when they received the directive from Milholland, they were confused as to what it actually encompassed. So—

Mr. MEADOWS. Yeah. And I guess that's hard because if I give this to a fifth grader, they—you know, and I know it's harder to be smarter than a fifth grader, but if I give it to a fifth grader to not destroy backup tapes, I don't know how much simpler it can be. Do you, Mr. Camus? Do you see the ambiguity, I guess, is what I'm saying?

Mr. CAMUS. I couldn't agree with you more, Mr. Meadows.

Mr. MEADOWS. Okay. So if that's the case, who's going to be held accountable? Who's going to lose their job? Who's going to restore or start to restore the confidence in this agency by the American people? Because we've been hearing after hearing after hearing that we've looked, we've searched, we can't find, and yet you found

them. So who's going to be held accountable? Who, in your opinion, should be held accountable, let me rephrase it?

Mr. CAMUS. Well, it's just an opinion. There are many, many people in this situation who should be held accountable.

Mr. MEADOWS. So will that be in your report or can you get that to the committee on who should held accountable?

Mr. CAMUS. Our general process is—

Mr. MEADOWS. We need you to name names, I guess is what I'm saying, Mr. Camus.

Mr. CAMUS. There will be names in that report, and there will be documents of each of the interviews, and I'm sure that various people have come to various conclusions.

Mr. MEADOWS. Okay. So last question. How is it that the inspector general can find things that the IRS can't find, that DOJ can't find? Should we put you in charge of DOJ and auditing?

Mr. CAMUS. We just work very, very hard. We're proud of our mission, which is to restore and keep the American people's confidence in the Internal Revenue Service. We take our job seriously, and I have an outstanding staff of men and women who do that work every day.

Mr. MEADOWS. Indeed you do. Thank you so much.

I yield back, Mr. Chairman. I thank you.

Chairman CHAFFETZ. I thank the gentleman.

I'll now recognize myself.

So let's go back to 2011. It's June 3, 2011. Dave Camp, chairman of the Ways and Means Committee sends a letter to the IRS inquiring about what's going on with the targeting. We think that that letter arrives on June 6. We're just guessing. And then mysteriously, Lois Lerner's computer, it crashes on June 11. What a coincidence. Unbelievable. Right? Just unbelievable. Days later it crashes. It's reported on June 13. So it crashes on a Saturday at the IRS. You know precisely, as best you can tell, precisely where that is. There—I would guess there's presumably some sort of card reader that would tell who was on the floor, who was in that area. Did you look at that?

Mr. CAMUS. Yes, sir, we did. Unfortunately, the vender who had the security contract for that building routinely destroys their proxy card logs after a one-year period of time. So unfortunately for this investigation, sometime in 2012, the proxy logs were overwritten.

Chairman CHAFFETZ. They were degaussed? Is that what happened? They degaussed the card readers?

Mr. CAMUS. The records were not available to us. We—we looked and we were very hopeful that we would be able to get those records.

Chairman CHAFFETZ. Because it's a Saturday. There aren't going to be many people there, I'm guessing. And it just begs the question why? Why is this the policy? The whole reason you do the card reader is to prohibit some access, but that you have a record. And here we have a very serious investigation, and those records were degaussed. So it's just so frustrating that—that way.

When will you issue this report? I know you're right on the verge of this. Do you have a specific date as to when this will be issued?

Mr. GEORGE. We made a commitment to the Senate Finance Committee to have it by the end of this month.

Chairman CHAFFETZ. So Tuesday or so?

Mr. GEORGE. That is our commitment, and so unless there's a change because of additional interviews—and that's part of the problem, Mr. Chairman. There are subsequent, you know, interviews that will have to occur and additional work, and review of, again, emails.

So as I indicated in my opening statement today, as did Mr. Camus, you know, we might have to issue a supplemental report, depending upon what additional information comes out. But, again, the results of investigation—report of investigation we made a commitment to issue by the end of this—so, yes, next week.

Chairman CHAFFETZ. Okay. Now I'd like to yield to the gentleman from Ohio, Mr. Jordan.

Mr. JORDAN. I thank the chairman.

Mr. Camus, I'm going to go right back to where Mr. Meadows was. How many places, physical locations, were the tapes erased? How many are there? You said a handful, but what does that mean? One, two, three spots?

Mr. CAMUS. I believe there are four or five locations where the emails are centralized.

Mr. JORDAN. Okay. Four or five places. So let's say there's four places, actual physical locations where they take the tapes and erase what's on them. How many people work in those four locations?

Mr. CAMUS. Dozens, you know, in each location. I have a list here, Mr. Jordan, that—but for me to sit here and count them, I don't want to waste your time.

Mr. JORDAN. How many who work in those actually erase the tapes, though? I mean, I got the picture in my mind, maybe it's wrong, is you got, you know, Joe and Fred in the basement taking the tapes, putting them in some kind of machine and erasing them. How many people actually do that? We know it's four locations. How many people do the actual erasing?

Mr. CAMUS. In this particular case, we know that there were two employees involved in the erasure of the 424 tapes on a midnight shift. So I imagine they're running three shifts per location. So that would be—

Mr. JORDAN. Six people times four, 24.

Mr. CAMUS. Yeah, 24 to 30 people, maybe.

Mr. JORDAN. So we're talking 24, and if it's five locations, we're talking 30 people. Right? So one of those—some of those 30 people, they're the ones responsible. They got the directive. They knew there was a subpoena. They probably read the newspaper. They know this is an issue. Are any of those people, back to Mr. Meadows' question, are any of them going to be punished?

Mr. CAMUS. At this time I don't know. We are continuing an investigation on an aspect of this, which is a discrepancy over the way that some of the material was counted and—

Mr. JORDAN. Because you said they got the directive. Those 30 people at five locations where they destroyed the evidence, they got the directive that they weren't supposed to destroy it. Correct?

Mr. CAMUS. The locations for sure got the directive through the management chain. But for me to surmise whether or not each of

the locations, the people responsible for erasing tapes got it, I couldn't testify to that.

Mr. JORDAN. In your investigation, two final questions. Okay, Mr. Chairman? In your investigation, did anyone from the top level of the IRS, Mr. Koskinen, Kate Duval, did anyone at the top levels of the IRS talk to those 30 people?

Mr. CAMUS. Specifically not to my knowledge, especially at—

Mr. JORDAN. So the 30 people responsible for erasing the evidence were never communicated to by the head of the IRS?

Mr. CAMUS. Yes. That's correct.

Mr. JORDAN. Yes. That's correct. They were not—they never talked to them. Never talked to the key people who got the directive not to destroy evidence who destroyed evidence, Mr. Koskinen never talked to them?

Mr. CAMUS. That's correct.

Mr. JORDAN. Finally, Mr. Chairman, and yet, Mr. Koskinen sat where you set and gave false information to this committee. Correct? When he said I can give you assurances that we're going to give you all the emails.

Mr. CAMUS. He may have told you that under oath and made assurances to you—

Mr. JORDAN. And that was a false statement based on your investigation. Correct, Mr. Camus?

Mr. CAMUS. Our investigation showed that he depended heavily on his senior managers to carry out—

Mr. JORDAN. The same people he didn't go talk to those 30 key people. All I'm saying is is what Mr. Koskinen told this committee and the American people, was it a true statement what he said under oath sitting in that chair right there?

Mr. CAMUS. I don't know what he did. I know he—

Mr. JORDAN. No, no. We've portrayed what—we've told you what he said. He said, "I can assure you I'm going to get you all the information."

Mr. CAMUS. And I believe he went back to his senior staff and told them to do so.

Mr. JORDAN. I'm not asking why he said it. I'm asking is what he said—was what he said truthful?

Mr. CAMUS. I know he didn't talk to the people who destroyed the tapes. I do understand that he told his senior staff to comply with the investigation.

Mr. JORDAN. All right. Thank you, Mr. Chairman.

Chairman CHAFFETZ. Thanks. Now recognize the gentleman from Maryland, the ranking member, Mr. Cummings.

Mr. CUMMINGS. Thank you very much, Mr. Chairman.

We have spent a phenomenal amount of time talking about conservative groups, and certainly I'm concerned about them, but I'm also concerned about all Americans.

Back on May 23, Mr. George, 2013, you appeared before the committee and we asked about progressive groups. You said that you were looking—going to be reviewing some 600 files, and I'm just wondering, what have you found out about the other American groups, the progressives?

Mr. GEORGE. Yes. We have a review underway looking at that very issue, sir, as to how other groups, progressives and the like,

are being—were treated in the handling of their applications for tax-exempt status. Unfortunately, a lot of the information that would be needed to complete that review has—is being stymied or stalled until the review of the missing emails is done because there is a—there’s a number of overlaps in terms of individuals. And, in addition, a lot of the key players involved in that process have since retired, or left the IRS in the wake of the initial report and review. So we are still committed to doing that. We have started preliminary work on it.

Mr. CUMMINGS. Will that be a part of your report?

Mr. GEORGE. It will be a separate report. But, you know, we’re not sure whether it will be an addendum to the original audit or whether it would be a stand-alone report because of some of the missing people under the Yellow Book standards. We might or might not be able to issue an actual audit that would be accepted by the general auditing community. So it might have to be an evaluation or an inspection. But the bottom line is we are going to look at that issue. We are going to determine how the IRS treated progressive groups and the like, and I’m using that term writ large.

Mr. CUMMINGS. So it’s been a year now, over a year, and you say people have left, and more people will probably leave. So it doesn’t make it any better. Does it? I mean, of the 600 cases, you mean, you don’t have any conclusions with any of those with regard—you said you had 600 files you’re going to be looking over?

Mr. GEORGE. Yeah. But I’m, sir, also being reminded that if the DOJ investigation is hindering our ability to talk to people. So our hands are tied, unfortunately, and—

Mr. CUMMINGS. I just want to make sure, you know, again, we have spent a phenomenal amount of time talking about conservative groups. And I’m concerned, like I said, but, I mean, what about all these other groups? That’s—it seems like they’re getting second rate review here. And I’m not knocking you. I understand there are problems, but it seemed like there would have been some conclusions about—out of the 600, some of them.

Mr. GEORGE. Well, to keep into mind too that our initial review was how political advocacy groups were being treated.

Mr. CUMMINGS. Right.

Mr. GEORGE. And if—we have results from that, and the vast majority of groups that were adverse—that were, you know, had inappropriately—had inappropriate questions and the like delivered to them, were found to be groups that were leaning not to the left—you know, I’m trying to be very diplomatic as to how I word this for fear of, you know, one, I don’t want to used the word “targeting” in this context—

Mr. CUMMINGS. I understand.

Mr. GEORGE. —because it’s too early to know exactly what was done. But as we know, the vast majority of the cases in the political advocacy area at the IRS was slowing down their application processes, asking what we believe were inappropriate questions and the like, were groups that were not deemed, at least on their face, progressive. They were more—more on the conservative—

Mr. CUMMINGS. Now, you testified in February that Ms. Lerner’s computer had crashed on June 13, 2011, and the next day, she sent

a contemporaneous email to colleagues confirming that fact. Do you recall that testimony?

Mr. GEORGE. I know that that's in this current testimony.

Mr. CUMMINGS. Is that right?

Mr. GEORGE. Yeah.

Mr. CUMMINGS. Okay. And you further testified that more than 2 weeks later, Ms. Lerner received a briefing on June 29, 2011 informing her that IRS employees in Cincinnati were screening applications using the term such as "Tea Party" and "9/12." Is that right?

Mr. GEORGE. That's my understanding.

Mr. CUMMINGS. And according to your May 20, 2013 report when Ms. Lerner became aware of these inappropriate search teams, she, "immediately directed that the criteria be changed." Did anything in your investigation call that conclusion into question, Mr. George?

Mr. GEORGE. Not to my knowledge, no. But, again, keep in mind we did conclude shortly thereafter that that practice resumed. And so she didn't—you know, she may have requested that it cease, but her instructions were not followed.

Mr. CUMMINGS. And so you also confirmed that Ms. Lerner's computer crashed before your office started any investigation. Specifically you were asked "At the time of Ms. Lerner's computer crash, had TIGTA commenced its audit of the IRS employees' handling of applications for tax-exempt status?" Your response was, "No. No. It hadn't begun." Do you recall that, Mr. George.

Mr. GEORGE. Vaguely.

Mr. CUMMINGS. And, Mr. Camus, you testified that the IG's office did not begin reviewing the circumstances surrounding Ms. Lerner's lost emails until June 16, 2014. Do you recall that testimony?

Mr. CAMUS. Yes, sir. I do.

Mr. CUMMINGS. Now that the investigation is essentially complete, does the timeline we just discussed still hold true?

Mr. CAMUS. As far as our investigation goes, it would still hold true.

Mr. CUMMINGS. Mr. Camus, did the investigation reveal any evidence that Ms. Lerner saw 3 years into the future and knew you would one day investigate the loss of her emails?

Mr. CAMUS. The investigation did not show that.

Mr. CUMMINGS. All right. I yield back.

Chairman CHAFFETZ. Gentlemen, we want to thank you for your work, the work of the inspector general's office. Good people working hard looking at an awful lot of paperwork, and we do appreciate it. We look forward to seeing your final report, but please pass the word back to them how much we do appreciate their work. How much we rely on it as a body and as an institution and as a committee.

And with that, this committee will stand adjourned.

[Whereupon, at 12:07 p.m., the committee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

From: Buschor Lauren

Sent: Wednesday, May 22, 2013 3:35 PM

To: Bahlert Brian C; Burton Tammy G; Burtyk Dale A; Casey Sophia J; Frederick Amy L; Freeman Karen L; Gove Warren R; Hazan Fred; Hernandez Mary R; Hua Cecil T; Joines Greg L; Keeter Tracy A; Laverty-Wilson Katlyn; Leahy Robert; McMahon Tony H (EXEC); Pandya Kaschit; Parsons Claud D; Plourde Kathy; Robertson Julia F; Trumbull Debbie; Walters Tina M; Xavier Soosai; Zurmuhlen Gregory P

Subject: FW: Information Retention Policy Revision

PLEASE TAKE IMMEDIATE ACTION.

From: Milholland Terence V

Sent: Wednesday, May 22, 2013 2:37 PM

To: Buschor Lauren; Freeman Karen L; Chaddock Daniel B; Stender David W; Shepherd Anne

Cc: Manning Stephen (DCIO); Garza Gina; Babcock Tracey J; Walters Kathleen E

Subject: Information Retention Policy Revision

Given the current environment and ongoing investigations, until further notice, **do not destroy/wipe/reuse any of the existing backup tapes for email, or archiving of other information from IRS personal computers.** Further, do not reuse or refresh or wipe information from any personal computer that is being reclaimed/returned/refreshed/updated from any employee or contractor of the IRS. Finally, effective immediately, the **email retention policy for backups is to be indefinite rather than 6 months.**

In other words, **retain everything to do with email or information that may have been stored locally on a personal computer.**

Terry



INSPECTOR GENERAL
FOR TAX
ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20005

June 16, 2015

HAND DELIVERED

The Honorable Jason Chaffetz
Chairman
Committee on Oversight and Government Reform
United States House of Representatives
Washington, DC 20515

Dear Chairman Chaffetz:

This is in response to your letter of May 28, 2015, in which you request e-mails sent or received by former Internal Revenue Service (IRS) employee Lois Lerner, which were recovered from IRS disaster recovery tapes and de-duplicated.

The Treasury Inspector General for Tax Administration's (TIGTA) Office of Investigations (OI) has provided my office with those Lois Lerner e-mails that they recovered from IRS tapes that appear to not have been produced to Congress by the IRS. To identify these e-mails, TIGTA first de-duplicated the recovered e-mails (i.e., removed duplicates) and then compared them to IRS's production to Congress through January 29, 2015. The recovered emails that appear to not have been previously provided to Congress total approximately 6,400. These are the e-mails that we are reviewing for production in response to your request. Some of these e-mails were encrypted, and TIGTA OI is in the process of unencrypting them.

In the meantime, to comply with the taxpayer confidentiality requirements of 26 U.S.C. § 6103, we are reviewing the approximately 6,400 e-mails for confidential taxpayer information and redacting such information for production to you.

Because TIGTA is not the originator of the e-mails, we are relying upon the content of the e-mails themselves to determine whether information may be confidential taxpayer information. Therefore, encrypted e-mails whose content we could not review have been redacted in full pending TIGTA OI's efforts to unencrypt. At this time, we do not have sufficient information to determine whether the content of those encrypted e-mails is confidential taxpayer information. Once we receive and review the content of the unencrypted e-mails, to the extent that the information contained therein is not protected by 26 U.S.C. § 6103, we will produce those documents as expeditiously as possible.

Additionally, we are producing these responsive e-mails without attachments because the format of many of the attachments prevents us from producing them sequentially with the e-mails to which they are associated. Any attachments that your office is interested in may be requested from us by providing the TIGTA Bates Number of the e-mail at issue. We will then relay your request to TIGTA OI so that they may identify the email and retrieve the associated attachments. Once TIGTA OI provides those attachments to us, we will Bates-stamp them, review and redact them for confidential taxpayer information, and produce them to you as expeditiously as possible.

At this time, we are producing documents Bates Numbered TIGTA00001 to TIGTA001713, which includes emails dating from January 13, 2013, to December 7, 2012, in reverse chronological order. Information we believe may constitute confidential taxpayer information has been redacted from these documents. We continue to review the remaining responsive emails for confidential taxpayer information, and will produce redacted documents on a rolling basis.

Although we have redacted confidential taxpayer information from this production, the IRS documents we are providing may include personally identifying information and personnel information protected by the Privacy Act, private medical information, privileged information (e.g., under the attorney-client or deliberative process privileges), and information that could be used to circumvent internal revenue laws and regulations, all of which would be exempt from public disclosure under the Freedom of Information Act. Therefore, we request that the committee apply appropriate safeguards to these documents.

Please contact me at (202) 622-4068 if I can provide further information.

Sincerely,



Gladys M. Hernández
Chief Counsel

Enclosures: One CD.

cc: (with enclosure):

The Honorable Elijah E. Cummings
Ranking Minority Member