

6103(l)(7)(A) and (B) in accordance with 26 U.S.C. 6103(p)(4) and the IRS's "Tax Information Security Guidelines for Federal, State and Local Agencies."

**RETENTION AND DISPOSAL:**

Only those computer files and printouts created from the computer matching that meet predetermined criteria are maintained. These records will be destroyed as soon as they have served the matching program's purpose. All other records will be destroyed as soon as possible within 1 year. Paper listings containing personal identifiers will be shredded. Computer source files provided by other organizations will be returned to those organizations or destroyed in accordance with computer matching agreements.

Except for tax return information that HUD may not redisclose to housing agencies, owners or agents, the information may be referred to housing agencies, owners or agents for administrative actions, i.e., recoupment of excessive housing assistance. Information obtained through computer matching and tenant case file reviews will be destroyed as soon as follow-up processing of this information is completed, unless the information is required for evidentiary reasons or needed by housing agencies, owners and agents for use in program eligibility determinations. When needed for evidentiary documentation, the information will be referred to the HUD Office of Inspector General (OIG) or other appropriate Federal, State or local agencies charged with the responsibility for investigating or prosecuting such violations. When referred to the HUD OIG the information then becomes a part of the Investigative Files of the Office of Inspector General, HUD/OIG-1.

**SYSTEM MANAGER AND ADDRESS:**

Director, Computer Matching Activities, Office of the Public and Indian Housing Comptroller, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW., Room 5156, Washington, DC. 20410.

**NOTIFICATION PROCEDURES:**

Records are generally exempt from Privacy Act access. However, the System Manager will give consideration to a request from an individual for notification of whether the system contains records pertaining to that individual.

**RECORD ACCESS PROCEDURES:**

Records are generally exempt from Privacy Act access. However, the System Manager will give consideration

to a request from an individual for access to records pertaining to that individual. The procedures for requesting access to records appear in 24 CFR part 16.

**CONTESTING RECORD PROCEDURES:**

Records are generally exempt from Privacy Act amendment or correction. However, the System Manager will give consideration to a request from an individual for amendment or correction of records pertaining to that individual. The procedures for amendment or correction of records appear in 24 CFR part 16.

**RECORD SOURCE CATEGORIES:**

The Assistant Secretary for Public and Indian Housing collects information from a variety of sources, including: Housing agencies, the Assistant Secretary for Housing-Federal Housing Commissioner (tenant information provided by owners and agents), State wage information collection agencies, other Federal and State agencies, law enforcement agencies, program participants, complainants, and other nongovernmental sources.

**EXEMPTIONS FROM CERTAIN PROVISIONS OF THE ACT:**

This system of records is exempt from the requirements of: subsections (c)(3), (d)(1), (d)(2) and (e)(1) of the Privacy Act pursuant to 5 U.S.C. 552a(k)(2); and from the requirements of subsection (d)(1) of the Privacy Act pursuant to 5 U.S.C. 552a(k)(5).

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**BILLING CODE 4210-01-P**

**[Docket No. N-95-3848; FR 3795-N-01]**

**Privacy Act of 1974; Matching Program: Matching Tenant Data in Assisted Housing Programs**

**AGENCY:** Office of the Assistant Secretary for Administration, HUD.

**ACTION:** Notice of matching program.

**SUMMARY:** Pursuant to the Computer Matching and Privacy Protection Act of 1988, as amended, and the Office of Management and Budget's Guidance on the statute, HUD announces a revised matching program involving comparisons between income data provided by applicants or participants in HUD's assisted housing programs and independent sources of income information. The matching program will be carried out to detect excessive housing assistance under the National Housing Act, the United States Housing Act of 1937, and section 101 of the Housing and Community Development

Act of 1965. The program provides for the verification of the matching results and the initiation of appropriate administrative or legal actions, primarily through public housing agencies, Indian housing authorities, and private owners/management agents for subsidized multifamily projects.

This notice provides an overview of computer matching for HUD's assisted housing programs. Specifically, this notice:

(1) Adds Social Security Administration (SSA) and Internal Revenue Service (IRS) data concerning earned and unearned income to the matching program as independent sources for computer matching;

(2) Describes verification processes for the SSA and IRS matching that differ from processes previously used;

(3) Expands the matching to cover social security and supplemental social security income data maintained by the SSA; and

(4) Recognizes the transfer of computer matching/tenant income verification functions from HUD's Office of Inspector General to offices that administer the assisted housing programs. Those offices include the Office of the Assistant Secretary for Public and Indian Housing and the Office of the Assistant Secretary for Housing—Federal Housing Commissioner.

This notice also sets forth new starting and ending dates for the matching program.

**EFFECTIVE DATES:** HUD anticipates that during the third quarter of calendar year 1995 it will: (a) Request that SSA and IRS conduct the initial computer matching, and (b) compare SSA and IRS matching results to its tenant data.

During the third quarter of calendar year 1995, HUD plans to initiate the tenant income verification process for a limited number of organizations that administer HUD assisted housing programs. HUD anticipates that the tenant income verification process will be expanded in Fiscal Year 1996 to include more organizations that administer HUD assisted housing programs. The projected dates for SSA and IRS matching are effective unless comments are received that result in a contrary determination, and HUD withdraws this notice.

The computer matching described in this notice may begin after compliance with the reporting requirements cited in section 4 of Appendix I to OMB Circular No. A-130—Federal Agency Responsibilities for Maintaining Records About Individuals (59 FR 37916; July 25, 1994). That section

requires that Federal agencies provide the Chair of the House Committee on Government Operations, the Chair of the Senate Committee on Government Affairs, and the Office of Management and Budget with notice of the matching program and computer matching agreements 40 days before operating the program.

**ADDRESSES:** Interested persons are invited to submit comments regarding this notice to the Rules Docket Clerk, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410-0500.

Communications should refer to the above docket number and title.

Facsimile (FAX) comments are not acceptable. A copy of each communication submitted will be available for public inspection and copying between 7:30 a.m. and 5:30 p.m. weekdays at the above address.

**FOR FURTHER INFORMATION CONTACT:** *For Privacy Act:* Jeanette Smith, Departmental Privacy Act Officer, Room 4178, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, telephone number (202) 708-2374. Hearing- or speech-impaired individuals may call (202) 708-1112 (Federal Information Relay Service—TDD). *For further information from recipient agency:* David L. Decker, Director, Computer Matching Activities, Office of the Public and Indian Housing Comptroller, Room 5156, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, telephone number (202) 708-0099, TDD—(202) 708-0850; or Barbara D. Hunter, Acting Director, Planning and Procedures Division, Office of Multifamily Housing Management, Room 6180, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, telephone number (202) 708-3944, TDD—(202) 708-4594. (These telephone numbers are not toll-free.)

**SUPPLEMENTARY INFORMATION:** This notice supersedes a similar notice published in the **Federal Register** on December 12, 1991 (56 FR 64793).

The Computer Matching and Privacy Protection Act of 1988, as amended (5 U.S.C. 552a) (the CMPP Act), the Office of Management and Budget's (OMB's) guidance on this statute entitled "Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1988" (OMB Guidance), and OMB Circular No. A-130 require publication of notices of computer matching programs. OMB's Guidance augments the "OMB Guidelines on the

Administration of the Privacy Act of 1974" that were issued July 1, 1975. Appendix I to OMB's Revision of Circular No. A-130, "Transmittal 2, Management of Federal Information Resources," prescribes Federal agency responsibilities for maintaining records about individuals. In accordance with the CMPP Act and Appendix I to OMB Circular No. A-130, copies of this notice are being provided to the Committee on Government Operations of the House of Representatives, the Committee on Governmental Affairs of the Senate, and OMB's Office of Information and Regulatory Affairs.

### I. Authority

This matching program is being conducted pursuant to sections 3003 and 13403 of the Omnibus Budget Reconciliation Act of 1993 (Pub. L. 103-66, approved August 10, 1993); section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544); section 165 of the Housing and Community Development Act of 1987 (42 U.S.C. 3543); the National Housing Act (12 U.S.C. 1701-1750g); the United States Housing Act of 1937 (42 U.S.C. 1437-1437o); and section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s).

The Omnibus Budget Reconciliation Act of 1993 (Budget Reconciliation Act) authorizes HUD to request from the Social Security Administration (SSA) and the Internal Revenue Service (IRS) return information as prescribed in section 6103(l)(7) of title 26 of the United States Code (Internal Revenue Code). The Budget Reconciliation Act limits HUD's access to tax return data and prohibits HUD's redisclosure of tax return data to public housing agencies and Indian housing authorities (collectively referred to as HAs), and private owners/management agents for subsidized multifamily projects. However, it allows HUD to disclose the fact that discrepancies exist between information provided by the tenant and other sources, and to request reverification of income in light of the tenant's uncertain eligibility for, or level of, benefits.

The Budget Reconciliation Act requires that applicants and participants in assisted housing programs sign a consent form authorizing the Secretary of HUD to request that the Commissioner of Social Security and the Secretary of the Treasury release the return information. A final rule regarding participants' consent to the release of information was published by HUD in the **Federal Register** on March 20, 1995 (60 FR 14632).

The Stewart B. McKinney Homeless Assistance Amendments Act of 1988 authorizes HUD and HAs (but not private owners/management agents for subsidized multifamily projects) to request wage and claim information from State Wage Information Collection Agencies (SWICAs) responsible for administering State unemployment laws in order to undertake computer matching. This Act authorizes HUD to require applicants and participants to sign a consent form authorizing HUD or the HA to request wage and claim information from the SWICAs.

The Housing and Community Development Act of 1987 authorizes HUD to require applicants and participants (as well as members of their households six years of age and older) in HUD-administered programs involving rental assistance to disclose to HUD their social security numbers (SSNs) as a condition of initial or continuing eligibility for participation in the programs.

### II. Objectives To Be Met by the Matching Program

HUD's primary objective in implementing the computer matching program is to increase the availability of housing assistance to individuals who meet the requirements of the housing assistance programs. Other objectives include identifying and recouping excessive housing assistance received by tenants, and deterring future abuses of assisted housing programs.

HUD's various assisted housing programs, available through HAs or subsidized multifamily project owners/management agents, require that applicants meet certain income and other criteria to be eligible for housing assistance. In addition, tenants are required to report the amount and sources of their income on at least an annual basis. The matching program will identify tenants receiving excessive housing assistance resulting from unreported or underreported family income. When the excessive housing assistance is identified, these tenants frequently move out of assisted housing units, increasing funds or units available to serve the intended beneficiaries of HUD programs. Further, program administrators may collect excessive housing assistance from those tenants. Some tenants may continue to receive housing assistance but will be required to increase their contributions toward rent, and to re-pay excessive housing assistance.

### III. Program Description

In this computer matching program, tenant-provided information included

in HUD's automated files will be compared to data from the SSA and the IRS, as well as from SWICAs and the Office of Personnel Management (OPM). HUD intends the SSA and IRS matching to be a continuing program for assisted housing programs nationwide. HUD will normally request that the SSA conduct matching of earned income information, and that the IRS conduct matching of unearned income information, on an annual basis. HUD will request SSA matching of social security and supplemental social security income information monthly. Initially HUD may limit the matching or the verification process to selected HAs and private owners/management agents to test the effectiveness of the computer matching and tenant income verification processes.

HUD anticipates that it will only conduct SWICA matching in selected States. Furthermore, HUD anticipates that the extent of SWICA and OPM matching will decrease in future years, after the effectiveness of SSA and IRS matching and income verification has been demonstrated. HAs may also request SWICA matching.

HUD will disclose to the SSA, IRS, and SWICAs only tenant personal identifiers, i.e., SSNs, surnames, dates of birth, and sex. The SSA, IRS, and SWICAs will conduct the matching of the HUD-provided personal identifiers to personal identifiers included in their automated files. Those agencies will provide income data to HUD only for individuals with matching personal identifiers.

The process of income matching between HUD and the OPM varies from the above. The OPM will disclose its data to HUD, and HUD will actually conduct the computer matching to OPM data.

HUD will then compare the SSA, IRS, OPM, and SWICA income data to tenant-reported income data included in HUD's system of records known as the Tenant Housing Assistance and Contract Verification Data (HUD H-11). This comparison will identify, based on criteria established by HUD, tenants whose income(s) require further verification.

#### A. Income Verification

HUD will normally request that HAs or private owners/management agents verify matching results as described below. However, under certain limited circumstances HUD may verify tenant income(s) with independent income sources. For example, such circumstances may include when: (a) HUD declares an HA in breach of an annual contributions contract; or (b) the

tenant fails to disclose SSA and IRS data, the tenant has committed other serious violations, and HUD's analysis of the data could support legal actions. HUD may send letters to employers to request income data, but HUD will not disclose tax return data to HAs, private owners/management agents, employers, or payors.

#### (1) Verification of SSA and IRS Data Referenced in Section 6103(l)(7) of the Internal Revenue Code

Since HUD cannot redisclose tax return data directly to HAs or private owners/management agents, HUD plans to notify tenants of discrepancies between the tenant-reported income and the SSA and IRS data. HUD will supply the tenant with income information taken directly from SSA and IRS data and request that the tenant provide this information to the HA or private owner/management agent. Concurrently, HUD will notify the HA or the private owner/management agent that a discrepancy exists between information provided by the tenant and other sources and will request reverification of the tenant's income. This notification will not include any tax return information.

Income information that tenants disclose to the HA or private owners/management agents will be verified directly with the income source or with the tenant. Tenants who fail to report to the HA or private owner/management agent after HUD's initial notice will receive a second notice sent by the HA or private owner/management agent. If the tenant still fails to provide the information to the HA or private owner/management agent, the HA or private owner/management agent may then terminate housing assistance, after providing the tenant an opportunity to grieve any adverse action.

The SSA and the IRS have advised HUD that the process described in the preceding paragraph is consistent with the intent of section 6103(l)(7) of the Internal Revenue Code, as the intent of the matching is to create a dialogue between the benefit recipient and the benefit provider.

#### (2) Verification of Social Security and Supplemental Social Security Income Data

Unlike the income return information supplied by the SSA and the IRS, HUD may disclose SSA Title 2 (social security) and Title 16 (supplemental social security income) data to HAs and private owners/management agents. Therefore, after receiving this data from the SSA and comparing it to tenant-reported income, HUD will disclose the SSA social security and supplemental

social security income data to HAs and private owners/management agents. These disclosures will be limited to those instances in which a significant disparity exists between the SSA and the tenant-reported data. HAs and private owners/management agents will then notify the tenant if a disparity exists that affects the tenant's housing assistance.

#### (3) Verification of SWICA Data

HUD will disclose matching results for SWICA wage and unemployment claim data directly to HAs, but not to private owners/management agents. The comparison of SWICA wage information and the tenant-reported data will reveal whether income verification is necessary. The HA must then obtain wage information directly from the tenants' employer(s), including information from prior years when appropriate. The SWICA unemployment claim data must be verified with the tenant. Verification with the SWICA would only be required if the tenant disputes the SWICA claim data.

#### (4) Verification of OPM Data

HUD will disclose matching results for OPM data to HAs and private owners/management agents. The OPM data, when compared to the tenant-reported data, provides an indicator that income verification is necessary. The HAs and private owners/management agents may then obtain wage information directly from the employer(s), including information from prior years when appropriate.

#### B. Administrative or Legal Actions

Regarding all the matching described in this notice, HUD anticipates that HAs and private owners/management agents will take appropriate actions in consultation with the tenant to resolve the disparities between tenant-reported and independent income source data. If appropriate, the HAs and private owners/management agents will increase the tenant's contribution toward rent, i.e., reduce the housing assistance provided.

After verifying that the tenant had access to income that the tenant did not report, the HA or project owner/management agent will:

- (1) Notify the tenant in writing of any findings;
- (2) Calculate the unreported income and excessive housing assistance received by the family;
- (3) Offer the tenant an opportunity to contest any findings;
- (4) Provide a grievance hearing or a right to contest to the tenant, if requested; and

(5) Initiate, as appropriate, administrative or legal actions to resolve the tenant's underpayment of rent, using guidelines in HUD regulations and handbooks.

The HAs and private owners/management agents may not suspend, terminate, reduce, or make a final denial of any housing assistance to any individual as the result of information produced by this matching program until: (a) The individual has received notice from that agency containing a statement of its findings and informing the individual of the opportunity to contest such findings; and (b) either the notice period provided in applicable regulations of the program, or 30 days, whichever is later, has expired. In most cases, the discrepancy will be resolved through consultation between the tenant and the HA or private owner/management agent.

In legal actions, HAs and private owners/management agents may refer cases to local law enforcement entities or HUD's Office of Inspector General (OIG) for possible investigation and prosecution, either criminally or civilly. Referrals to the OIG should involve only egregious cases.

#### C. Reporting on Computer Matching/Income Verification Results

HUD plans to prescribe a methodology (probably electronic) for HAs and private owners/management agents to report computer matching/income verification results to HUD. The reporting methodology will measure the effectiveness of the computer matching program. In developing the methodology, HUD will avoid imposing any unnecessary burden on HAs and private owners/management agents. The reporting requirement will be submitted to OMB for approval under the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), and a notice of this submission will be published in the **Federal Register**.

#### IV. Records To Be Matched

SSA and IRS will actually conduct the matching of tenant SSNs and additional identifiers (such as surnames and dates of birth) to tenant data that HUD supplies from its system of records known as the Tenant Housing Assistance and Contract Verification Data (HUD H-11). Within HUD, this system of records includes two automated systems known as the Multifamily Tenant Characteristics System (a system for programs under the Office of the Assistant Secretary for Public and Indian Housing) and the Tenant Rental Assistance Certification System (a system for programs under

the Office of the Assistant Secretary for Housing—Federal Housing Commissioner). HAs and private owners/management agents for subsidized multifamily projects provide HUD with the data included in HUD H-11.

The SSA will match the HUD H-11 records to the SSA's Earnings Recording and Self-Employment Income System (HHS/SSA/OSR, 09-60-0059) (Earnings Record); Master Beneficiary Record (HHS/SSA/OSR, 09-60-0090) (MBR); and Supplemental Security Income Record (HHS/SSA/OSR, 09-60-0103) (SSR). The IRS will match the HUD H-11 records to its Wage and Information Returns (IRP) Master File (Treas/IRS 22.061). The IRS also refers to this file as the Information Return Master File (IRMF).

HUD's Assistant Secretary for Public and Indian Housing (PIH) will place matching data into its Tenant Eligibility Verification Files (HUD/PIH-1), as provided in a notice published in today's **Federal Register**. The HUD/PIH-1 files are specifically exempt from certain provisions of the Privacy Act, as described in a notice published on February 28, 1994 (59 FR 9406) and a notice published on March 30, 1994 (59 FR 14869). HUD's Assistant Secretary for Housing—Federal Housing Commissioner will consider matching data as a component of HUD H-11.

HUD may also coordinate SWICA income computer matches for its rental assistance programs using tenants' SSNs and surnames. SWICAs will match tenant records to machine-readable files of quarterly wage data and unemployment insurance benefit data. Results from this matching will be provided to HUD or HAs, which will then determine whether tenants have unreported or underreported income. The matching will be done in accordance with a written agreement between the SWICA and HUD.

In addition, tenants' SSNs may be matched to the OPM's General Personnel Records (OPM/GOVT-1), the Civil Service Retirement and Insurance Records System (OPM/Central-1), and the Department of Defense's Defense Manpower Data Center Data Base (S322.10.DMDC). The tenant data may be matched to the SSA's Master Files of Social Security Number Holders (HHS/SSA/OSR, 09-60-0058) and Death Master Files for the purpose of validating SSNs contained in tenant records. These records will also be used to validate SSNs for all applicants, tenants, and household members who are six (6) years of age and over to identify noncompliance with program eligibility requirements. HUD will

compare tenant SSNs provided by HAs or private owners/management agents to reveal duplicate SSNs and potential duplicate housing assistance.

#### V. Period of the Match

The computer matching program will be conducted according to agreements between HUD and the SSA, IRS, OPM, and SWICAs. The computer matching agreements for the planned matches will terminate either when the purpose of the computer matching program is accomplished, or 18 months from the date the agreement is signed, whichever comes first.

The agreement may be extended for one 12-month period, with the mutual agreement of all involved parties, if the following conditions are met:

(1) Within 3 months of the expiration date, all Data Integrity Boards review the agreement, find that the program will be conducted without change, and find a continued favorable examination of benefit/cost results; and

(2) All parties certify that the program has been conducted in compliance with the agreement.

The agreement may be terminated, prior to accomplishment of the computer matching purpose or 18 months from the date the agreement is signed (whichever comes first), by the mutual agreement of all involved parties within 30 days of written notice.

Dated: March 22, 1995.

**Marilynn A. Davis,**

*Assistant Secretary for Administration.*

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BILLING CODE 4210-01-P

## DEPARTMENT OF THE INTERIOR

### Bureau of Land Management

[AK-962-1410-00-P; AA-6687-A]

#### Alaska Native Claims Selection

In accordance with Departmental regulation 43 CFR 2650.7(d), notice is hereby given that a decision to issue conveyance under the provisions of Sec. 14(a) of the Alaska Native Claims Settlement Act of December 18, 1971, 43 U.S.C. 1601, 1613(a), will be issued to Old Harbor Native Corporation for approximately 915 acres. The lands involved are in the vicinity of Kodiak National Wildlife Refuge, Alaska.

#### Seward Meridian, Alaska

T. 34 S., R. 23 W.,

Secs. 4, 8, 9, and 17.

A notice of the decision will be published once a week, for four (4) consecutive weeks, in the Kodiak Daily