

copies) or electronic comments timely submitted. The IRS requests comments on all aspects of these proposed regulations. All comments will be available for public inspection and copying. The IRS will schedule a public meeting if one is requested, in writing, by a person who submits written comments. If the IRS does schedule a public hearing, the IRS will publish notice of the date, time, and place for the public hearing in the **Federal Register**.

#### Drafting Information

The principal author of these regulations is William V. Spatz of the Office of Associate Chief Counsel (Procedure and Administration).

#### List of Subjects in 26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

#### Proposed Amendments to the Regulations

Accordingly, 26 CFR part 301 is proposed to be amended as follows:

#### PART 301—PROCEDURE AND ADMINISTRATION

■ **Paragraph 1.** The authority citation for part 301 continues to read in part as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*

■ **Par. 2.** Section 301.7602–1 is amended by revising paragraphs (b)(3) and (d) to read as follows:

#### § 301.7602–1 Examination of books and witnesses.

\* \* \* \* \*

(b) \* \* \*

(3) *Participation of a person described in section 6103(n).* (i) *In general.* Except as provided in paragraph (b)(3)(ii) of this section, for purposes of this paragraph (b), a person authorized to receive returns or return information under section 6103(n) and § 301.6103(n)–1(a) of the regulations may receive and review books, papers, records, or other data produced in compliance with a summons, and, in the presence and under the guidance of an IRS officer or employee, participate fully in the interview of a witness summoned by the IRS to provide testimony under oath. Fully participating in an interview includes, but is not limited to, receipt, review, and use of summoned books, papers, records, or other data; being present during summons interviews; and questioning the person providing testimony under oath.

(ii) *Exception for certain non-governmental attorneys.* An attorney who is not an officer or employee of the United States may not be hired by the IRS to perform the activities described in paragraph (b)(3)(i) of this section unless the attorney is hired by the IRS as a specialist in foreign, state, or local law, including tax law, or in non-tax substantive law that is relevant to an issue in the examination, such as patent law, property law, or environmental law, or is hired for knowledge, skills, or abilities other than providing legal services as an attorney.

(d) *Applicability date.* This section is applicable after September 3, 1982, except for paragraphs (b)(1) and (2) of this section which are applicable on and after April 1, 2005 and paragraph (b)(3) of this section which applies to examinations begun or administrative summonses served by the IRS on or after March 27, 2018. For rules under paragraphs (b)(1) and (2) of this section that are applicable to summonses issued on or after September 10, 2002 or under paragraph (b)(3) of this section that are applicable to summons interviews conducted on or after June 18, 2014 and before July 14, 2016, see 26 CFR 301.7602–1T (revised as of April 1, 2016). For rules under paragraph (b)(3) of this section that are applicable to administrative summonses served by the IRS before March 27, 2018, see 26 CFR 301.7602–1 (revised as of April 1, 2017).

**Kirsten Wielobob,**

*Deputy Commissioner for Services and Enforcement.*

[FR Doc. 2018–06242 Filed 3–27–18; 8:45 am]

**BILLING CODE 4830–01–P**

#### DEPARTMENT OF JUSTICE

#### 28 CFR Part 16

#### [CPCLO Order No. 003–2018]

#### Privacy Act of 1974; Implementation

**AGENCY:** Office of Inspector General, United States Department of Justice.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** Elsewhere in this issue of the **Federal Register**, the Office of Inspector General (OIG), a component within the United States Department of Justice (DOJ or Department), has published a new system of records notice, “Data Analytics Program Records System,” JUSTICE/OIG–006. In this notice of proposed rulemaking, OIG proposes to exempt this system of records from certain provisions of the Privacy Act in

order to avoid interference with the law enforcement functions and responsibilities of OIG. For the reasons provided below, the Department proposes to amend its Privacy Act regulations by establishing an exemption for records in this system from certain provisions of the Privacy Act. Public comment is invited.

**DATES:** Comments must be received by April 27, 2018.

**ADDRESSES:** You may send comments by any of the following methods:

- **Email:** [privacy.compliance@usdoj.gov](mailto:privacy.compliance@usdoj.gov). To ensure proper handling, please reference the CPCLO Order Number in the subject line of the message.
- **Fax:** 202–307–0693. To ensure proper handling, please reference the CPCLO Order Number on the accompanying cover page.
- **Mail:** United States Department of Justice, Office of Privacy and Civil Liberties, ATTN: Privacy Analyst, National Place Building, 1331 Pennsylvania Avenue NW, Suite 1000, Washington, DC 20530. All comments sent via regular or express mail will be considered timely if postmarked on the day the comment period closes. To ensure proper handling, please reference the CPCLO Order Number in your correspondence.

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. When submitting comments electronically, you must include the CPCLO Order Number in the subject box. Please note that the Department is requesting that electronic comments be submitted before midnight Eastern Time on the day the comment period closes.

**Posting of Public Comments:** Please note that all comments received are considered part of the public record and made available for public inspection online at <https://www.regulations.gov> and in the Department’s public docket. Such information includes personally identifying information (such as name, address, etc.) voluntarily submitted by the commenter. If you want to submit personal identifying information as part of your comment, but do not want it to be posted online or made available in the public docket, you must include the phrase “PERSONAL IDENTIFYING INFORMATION” in the first paragraph of your comment. You must also place all personal identifying information that you do not want posted online or made available in the public docket in the first paragraph of your comment and identify what information you want redacted.

If you want to submit confidential business information as part of your comment, but do not want it to be

posted online or made available in the public docket, you must include the phrase “CONFIDENTIAL BUSINESS INFORMATION” in the first paragraph of your comment. You must also prominently identify confidential business information to be redacted within the comment. If a comment has so much confidential business information that it cannot be effectively redacted, all or part of that comment may not be posted online or made available in the public docket.

Personal identifying information and confidential business information identified and located as set forth above will be redacted and the comment, in redacted form, may be posted online and placed in the Department’s public docket file. Please note that the Freedom of Information Act applies to all comments received. If you wish to inspect the agency’s public docket file in person by appointment, please see the **FOR FURTHER INFORMATION CONTACT** paragraph, below.

**FOR FURTHER INFORMATION CONTACT:** William Blier, General Counsel, Office of the General Counsel, Office of the Inspector General, Department of Justice, 950 Pennsylvania Avenue NW, Washington, DC 20530, (202) 514–3435.

**SUPPLEMENTARY INFORMATION:** Under the Inspector General Act of 1978, as amended, Inspectors General, including the DOJ Inspector General, are responsible for conducting, supervising, and coordinating audits and investigations relating to programs and operations of the Federal agency for which their office is established to recognize and mitigate fraud, waste, and abuse. The Data Analytics Program Records System, JUSTICE/OIG–006, facilitates OIG’s performance of this statutory responsibility by maintained records as part of a data analytics (DA) program to assist with the performance of OIG audits, investigations, and reviews, and accommodate the requirements of the Digital Accountability and Transparency Act of 2014 (DATA Act), Public Law 113–101, 128 Stat. 1146.

The DA program will provide OIG: Timely insights from the data already stored in DOJ databases that OIG has legal authorization to access and maintain; the ability to monitor and analyze data for patterns and correlations that signal wasteful, fraudulent, or abusive activities impacting Department performance and operations; the ability to find, acquire, extract, manipulate, analyze, connect, and visualize data; the capability to manage vast amounts of data; the ability to identify significant information that

can improve decision quality; and the ability to mitigate risk of waste, fraud, and abuse. The DA program will also allow the OIG to obtain technology to develop risk indicators that can analyze large volumes of data and help focus the OIG’s efforts to combat waste, fraud, and abuse. OIG intends to use statistical and mathematical techniques to identify areas to conduct audits and identify activities that may indicate whether an investigation is warranted. The information maintained within JUSTICE/OIG–006 will be limited to only information that OIG has legal authorization to collect and maintain as part of its responsibility to conduct, supervise, and coordinate audits and investigations of Department programs and operations to recognize and mitigate fraud, waste, and abuse.

In this rulemaking, OIG proposes to exempt JUSTICE/OIG–006 from certain provisions of the Privacy Act in order to avoid interference with the law enforcement responsibilities of OIG, as established in federal law and policy.

Additionally, as an administrative matter, this proposal will replace the current paragraphs (c) and (d) of 28 CFR 16.75, which currently exempt from certain provisions of the Privacy Act a previously rescinded OIG system of records notice (SORN), “Office of the Inspector General, Freedom of Information/Privacy Acts (FOI/PA) Records,” JUSTICE/OIG–003, from certain provisions of the Privacy Act. On June 4, 2001, at 77 FR 26580, the Department modified the Department-wide SORN, “Freedom of Information Act, Privacy Act, and Mandatory Declassification Review Records,” JUSTICE/DOJ–004, to consolidate all DOJ Freedom of Information Act, Privacy Act, Mandatory Declassification Review Request, and Administrative Appeal systems of records under one Department-wide SORN. Accordingly, the Department rescinded, among other SORNs, JUSTICE/OIG–003. OIG no longer requires exemption regulations for JUSTICE/OIG–003 and proposes to replace the existing exemption regulations with exemption regulations for JUSTICE/OIG–006.

#### **Executive Orders 12866 and 13563**

This proposed rule is not a “significant regulatory action” within the meaning of Executive Order 12866 and the principles reaffirmed in Executive Order 13563. Accordingly, it is not subject to review by the Office of Information and Regulatory Affairs within Office of Management and Budget, pursuant to Executive Order 12866.

#### **Regulatory Flexibility Act**

This proposed rule will only impact certain Privacy Act-protected records on individuals maintained by OIG in the above-mentioned system of records. A “record” for purposes of the Privacy Act is any item, collection, or grouping of information about an individual that is maintained by an agency (for example, the individual’s education information, financial transactions, medical history, criminal history, or employment history) that contains the individual’s name, or the identifying number, symbol, or other identifying particular assigned to the individual. Such records are personal and generally do not apply to an individual’s entrepreneurial capacity, subject to limited exceptions. As such, the Chief Privacy and Civil Liberties Officer certifies that this proposed rule will not result in a significant economic impact on a substantial number of small entities, pursuant to the requirements of the Regulatory Flexibility Act of 1980, 5 U.S.C. 601–610.

#### **Small Business Regulatory Enforcement Fairness Act**

The Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996, 5 U.S.C. 801 *et seq.*, requires the Department to comply with small entity requests for information and advice about compliance with statutes and regulations within the Department’s jurisdiction. Any small entity that has a question regarding this document may contact the person listed in the **FOR FURTHER INFORMATION CONTACT** paragraph, above. Persons can obtain further information regarding SBREFA on the Small Business Administration’s website at <https://www.sba.gov/advocacy>.

#### **Executive Order 13132**

This proposed rule does not have federalism implications warranting the application of Executive Order 13132. The proposed rule does not have substantial direct effects on the States, on the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government.

#### **Executive Order 13175**

This proposed rule does not have tribal implications warranting the application of Executive Order 13175. It does not have substantial direct effects on one or more Indian tribes, on the relationship between the Federal government and Indian tribes, or on the distribution of power and

responsibilities between the Federal government and Indian tribes.

#### **Executive Order 12988**

This proposed rule meets the applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 to eliminate drafting errors and ambiguity, minimize litigation, provide a clear legal standard for affected conduct, and promote simplification and burden reduction.

#### **Paperwork Reduction Act**

The Paperwork Reduction Act of 1995, 44 U.S.C. 3507(d), requires the Department to consider the impact of paperwork and other information collection burdens imposed on the public. There are no current or new information collection requirements associated with this proposed rule.

#### **Unfunded Mandates Reform Act of 1995**

This rule will not result in the expenditure by State, local and tribal governments, in the aggregate, or by the private sector, of \$100,000,000, as adjusted for inflation, or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

#### **List of Subjects in 28 CFR Part 16**

Administrative practices and procedures, Courts, Freedom of information, Privacy Act.

Pursuant to the authority vested in the Attorney General by 5 U.S.C. 552a and delegated to me by Attorney General Order 2940–2008, the Department of Justice proposes to amend 28 CFR part 16 as follows:

#### **PART 16—PRODUCTION OR DISCLOSURE OF MATERIAL OR INFORMATION**

■ 1. The authority citation for part 16 continues to read as follows:

**Authority:** 5 U.S.C. 301, 552, 552a, 553; 28 U.S.C. 509, 510, 534; 31 U.S.C. 3717.

#### **Subpart E—Exemption of Records Systems Under the Privacy Act**

■ 2. Amend § 16.75 by revising paragraphs (c) and (d) to read as follows:

#### **§ 16.75 Exemption of the Office of the Inspector General Systems/Limited Access.**

\* \* \* \* \*

(c) The Data Analytics Program Records System (JUSTICE/OIG–006) system of records is exempt from 5 U.S.C. 552a(c)(3) and (4); (d); (e)(1), (2),

(3), (5) and (8); and (g) of the Privacy Act. These exemptions apply only to the extent that information in this system is subject to exemption pursuant to 5 U.S.C. 552a(j) and/or (k). Where compliance would not appear to interfere with or adversely affect the law enforcement process, and/or where it may be appropriate to permit individuals to contest the accuracy of the information collected, *e.g.*, public source materials, the applicable exemption may be waived, either partially or totally, by OIG.

(d) Exemptions from the particular subsections are justified for the following reasons:

(1) From subsection (c)(3), the requirement that an accounting be made available to the named subject of a record, because release of disclosure accounting could alert the subject of an investigation of an actual or potential criminal, civil, or regulatory violation to the existence of an investigation and the fact that the individual is the subject of the investigation. Such a disclosure could also reveal investigative interest by not only OIG, but also by the recipient agency or component. Since release of such information to the subjects of an investigation would provide them with significant information concerning the nature of the investigation, release could result in the destruction of documentary evidence, improper influencing of witnesses, endangerment of the physical safety of confidential sources, witnesses, and law enforcement personnel, the fabrication of testimony, flight of the subject from the area, and other activities that could impede or compromise the investigation. In addition, providing the individual an accounting for each disclosure could result in the release of properly classified information which would compromise the national defense or disrupt foreign policy.

(2) From subsection (c)(4) notification requirements, for the same reasons that justify exempting this system from the access and amendment provisions of subsection (d), and similarly, from the accounting of disclosures provision of subsection (c)(3). The DOJ takes seriously its obligation to maintain accurate records despite its assertion of this exemption, and to the extent it, in its sole discretion, agrees to permit amendment or correction of DOJ records, it will share that information in appropriate cases.

(3) From subsection (d), the access and amendment provisions, because access to the records contained in this system of records could inform the subject of an investigation of an actual or potential criminal, civil, or regulatory

violation, of the existence of the investigation; of the nature and scope of the information and evidence obtained as to his activities; of the identity of confidential sources, witnesses, and law enforcement personnel, and of information that may enable the subject to avoid detection or apprehension. These factors would present a serious impediment to effective law enforcement where they prevent the successful completion of the investigation, endanger the physical safety of confidential sources, witnesses, and law enforcement personnel, and/or lead to the improper influencing of witnesses, the destruction of evidence, or the fabrication of testimony. In addition, granting access to such information could disclose security-sensitive or confidential business information or information that would constitute an unwarranted invasion of the personal privacy of third parties. Finally, access to the records could result in the release of properly classified information that would compromise the national defense or disrupt foreign policy. Amendment of the records would interfere with ongoing investigations and law enforcement activities and impose an impossible administrative burden by requiring investigations to be continuously reinvestigated.

(4) From subsection (e)(1), because the application of this provision could impair investigations and interfere with the law enforcement responsibilities of the OIG for the following reasons:

(i) It is not possible to determine the relevance or necessity of specific information in the early stages of a civil, criminal or other law enforcement investigation, case, or matter, including investigations in which use is made of properly classified information. Relevance and necessity are questions of judgment and timing, and it is only after the information is evaluated that the relevance and necessity of such information can be established.

(ii) During the course of any investigation, the OIG may obtain information concerning actual or potential violations of laws other than those within the scope of its jurisdiction. In the interest of effective law enforcement, the OIG should retain this information in accordance with applicable record retention procedures, as it may aid in establishing patterns of criminal activity, and can provide valuable leads for Federal and other law enforcement agencies.

(iii) In interviewing individuals or obtaining other forms of evidence during an investigation, information may be supplied to an investigator

which relates to matters incidental to the primary purpose of the investigation but which may also relate to matters under the investigative jurisdiction of another agency. Such information cannot readily be segregated.

(5) From subsection (e)(2), because, in some instances, the application of this provision would present a serious impediment to law enforcement for the following reasons:

(i) The subject of an investigation would be placed on notice as to the existence of an investigation and would therefore be able to avoid detection or apprehension, to improperly influence witnesses, to destroy evidence, or to fabricate testimony.

(ii) In certain circumstances the subject of an investigation cannot be required to provide information to investigators, and information relating to a subject's illegal acts, violations of rules of conduct, or any other misconduct must be obtained from other sources.

(iii) In any investigation it is necessary to obtain evidence from a variety of sources other than the subject of the investigation in order to verify the evidence necessary for successful litigation.

(6) From subsection (e)(3), because the application of this provision would provide the subject of an investigation with substantial information which could impede or compromise the investigation. Providing such notice to a subject of an investigation could interfere with an undercover investigation by revealing its existence, and could endanger the physical safety of confidential sources, witnesses, and investigators by revealing their identities.

(7) From subsection (e)(5), because the application of this provision would prevent the collection of any data not shown to be accurate, relevant, timely, and complete at the moment it is collected. In the collection of information for law enforcement purposes, it is impossible to determine in advance what information is accurate, relevant, timely, and complete. Material that may seem unrelated, irrelevant, or incomplete when collected may take on added meaning or significance as an investigation progresses. The restrictions of this provision could interfere with the preparation of a complete investigative report, and thereby impede effective law enforcement.

(8) From subsection (e)(8), because to require individual notice of disclosure of information due to compulsory legal process would pose an impossible administrative burden on OIG and may

alert the subjects of law enforcement investigations, who might be otherwise unaware, to the fact of those investigations. Such notice could also reveal investigative techniques, procedures, or evidence.

(9) From subsection (g), to the extent that this system is exempt from the access and amendment provisions of subsection (d), pursuant to subsections (j)(2), (k)(1), and (k)(2) of the Privacy Act.

Dated: March 15, 2018.

**Katherine Harman-Stokes,**

*Deputy Director, Office of Privacy and Civil Liberties, United States Department of Justice.*

[FR Doc. 2018-05657 Filed 3-27-18; 8:45 am]

**BILLING CODE 4410-58-P**

## GENERAL SERVICES ADMINISTRATION

### 48 CFR Parts 6101 and 6102

[BCA Case 2018-61-1; Docket No. 2018-0006; Sequence No. 1]

RIN 3090-AK02

### Civilian Board of Contract Appeals; Rules of Procedure for Contract Disputes Act Cases

**AGENCY:** Civilian Board of Contract Appeals; General Services Administration (GSA).

**ACTION:** Proposed rule.

**SUMMARY:** The Civilian Board of Contract Appeals (Board) proposes to amend its rules of procedure for cases arising under the Contract Disputes Act, and for disputes between insurance companies and the Department of Agriculture's Risk Management Agency in which decisions of the Federal Crop Insurance Corporation are brought before the Board under the Federal Crop Insurance Act. The Board's current rules were issued in 2008 and were last amended in 2011.

**DATES:** Interested parties should submit written comments to the Regulatory Secretariat Division at one of the addresses shown below on or before May 29, 2018 to be considered in the formation of the final rule.

**ADDRESSES:** Submit comments in response to CBCA Amendment 2018-01, BCA Case 2018-61-1, by any of the following methods:

- *Regulations.gov:* <http://www.regulations.gov>. Submit comments via the Federal eRulemaking portal by searching for "BCA Case 2018-61-1." Select the link "Comment Now" that corresponds with "BCA Case 2018-61-1." Follow the instructions provided at

the screen. Please include your name, company name (if any), and "BCA Case 2018-61-1" on your attached document.

- *Mail:* Civilian Board of Contract Appeals, Office of the Chief Counsel (GA), 1800 M Street NW, Sixth Floor, Washington, DC 20036.

*Instructions:* Please submit comments only and cite CBCA Amendment 2018-01, BCA Case 2018-61-1, in all correspondence related to this notice. All comments received will be posted without change to <http://www.regulations.gov>, including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check <http://www.regulations.gov>, approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

**FOR FURTHER INFORMATION CONTACT:** Mr. J. Gregory Parks, Chief Counsel, Civilian Board of Contract Appeals, 1800 M Street NW, Suite 600, Washington, DC 20036; at 202-606-8787; or email at [greg.parks@cbca.gov](mailto:greg.parks@cbca.gov), for clarification of content. For information pertaining to the status or publication schedules, contact the Regulatory Secretariat at 202-501-4755. Please cite BCA Case 2018-61-1.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

The Board was established within GSA by section 847 of the National Defense Authorization Act for Fiscal Year 2006, Public Law 109-163. Board members are administrative judges appointed by the Administrator of General Services under 41 U.S.C. 7105(b)(2). Among its other functions, the Board hears and decides contract disputes between Government contractors and most civilian Executive agencies under the Contract Disputes Act, 41 U.S.C. 7101-7109, and its implementing regulations, and disputes pursuant to the Federal Crop Insurance Act, 7 U.S.C. 1501 *et seq.*, between insurance companies and the Department of Agriculture's Risk Management Agency (RMA) involving actions of the Federal Crop Insurance Corporation (FCIC).

The Board's rules of procedure for Contract Disputes Act cases and Federal Crop Insurance Act cases were adopted in May 2008 (73 FR 26947) and were last amended in August 2011 (76 FR 50926). The proposed rule simplifies and modernizes access to the Board by establishing a preference for electronic filing, increases conformity between the Board's rules and the Federal Rules of