

needed to evaluate the effectiveness of computer matching, income verification and related administrative or legal actions taken.

The exemptions of HUD/PIH-1 from certain provisions of the Privacy Act of 1994, described at 59 FR 9406; February 28, 1994, continue to apply to HUD/PIH-1, as amended.

**EFFECTIVE DATE:** This proposal shall become effective without further notice on June 1, 1995, unless comments are received during or before that date which would result in a contrary determination.

**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. An original and four copies of comments should be submitted. 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:** Jeanette Smith, Departmental Privacy Act Officer, Telephone Number (202) 708-2374, concerning Privacy Act matters. David L. Decker, Director, Computer Matching Activities, Office of the Public and Indian Housing Comptroller, Telephone Number (202) 708-0099, concerning computer matching matters. [These are not toll free numbers.]

**SUPPLEMENTARY INFORMATION:** The amendments to this system of records are needed to: (a) Expand and improve the effectiveness of HUD's computer matching programs by consolidating responsibilities concerning assisted housing programs into one office, (b) implement provisions of the Omnibus Budget Reconciliation Act of 1993 that permit SSA and IRS disclosure to HUD of earned and unearned income information, respectively, for tenants who receive housing assistance from HUD's programs, (c) develop more efficient and effective methods for verifying social security and supplemental security income information used in determining tenants' eligibility for, and amount of, housing assistance, and (d) permit inclusion of automated records of other Federal agencies for matching to tenant data that may affect determinations of eligibility for, or the amount of, HUD or other Federal benefits that tenants receive.

Regarding item (c) above, entities that administer HUD's assisted housing programs currently request from the SSA social security and supplemental security income information needed to determine tenants' eligibility for, and level of benefits, by submitting a mark sense card to the SSA. Then the SSA processes the card and mails the income information to the entity administering HUD assisted housing programs. The SSA has advised HUD of plans to terminate obsolete mark sense card operations, and requested that HUD work with SSA is developing an alternative process. HUD and the SSA have concluded that computer matching provides a more efficient and more effective technique for providing social security and supplemental security information to entities that administer HUD's assisted housing programs than the mark sense card operations. HUD plans to use HUD/PIH-1 records in identifying tenants who have underreported social security and supplemental security information.

Entities that administer HUD's assisted housing programs may continue to use the mark sense card processing operations, which is also known as the Third Party Query System (TPQS), until further notice. HUD plans to initiate testing of computer matching to verify social security and supplemental income information during Fiscal Year 1995. When HUD has demonstrated success in the computer matching process and is ready for large-scale implementation of the matching, HUD will, in coordination with SSA, inform entities that administer HUD assisted housing programs to discontinue use of the TPQS.

HUD will also use HUD/PIH-1 in reporting potential income disparities to tenants or the entities that administer HUD's assisted housing programs, as permitted under law. A notice of the HUD/SSA/IRS computer matching program concerning earned and unearned income, social security, and supplemental security income is published in today's **Federal Register**.

A report of HUD's intention to establish the system has been submitted to the Office of Management and Budget (OMB), the Senate Committee on Governmental Affairs, and the House Committee on Government Operations pursuant to paragraph 4c of Appendix I to OMB Circular No. A-130, "Federal Agency Responsibilities for Maintaining Records About Individuals," July 25, 1994; 59 FR 37914.

**Authority:** 5 U.S.C. 552a, 88 Stat. 1896; sec. 7(d) Department of Housing and Urban Development Act (41 U.S.C. 3535(d)).

Issued at Washington, DC, April 20, 1995.

**Marilynn A. Davis,**

*Assistant Secretary for Administration.*

#### HUD/PIH-1

##### SYSTEM NAME:

Tenant Eligibility Verification Files.

##### SYSTEM LOCATION:

Headquarters.

##### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Tenants receiving housing assistance provided by programs administered by the Department of Housing and Urban Development, or information concerning those tenants obtained from other Federal or State agencies, housing agencies, owners, and management agents.

##### CATEGORIES OF RECORDS IN THE SYSTEM:

Records consist of: (1) Automated tenant data obtained from HUD's HUD/H-11, Tenant Housing Assistance and Contract Verification Data, published at 59 FR 6035; February 9, 1994, (two HUD automated systems—the Multifamily Tenant Certification System and the Tenant Rental Assistance Certification System—are the primary components of HUD/H-11); (2) automated tenant data provided by housing agencies, owners or management agents (generally these records are available in HUD/H-11); (3) automated earned income data that the SSA provides under 26 U.S.C. 6103(l)(7)(A); (4) automated unearned income data that the IRS provides to HUD under 26 U.S.C. 6103(l)(7)(B); (5) automated Title II (social security) and Title XVI (supplemental security income) data that the SSA provides to HUD under a routine use; (6) automated wage, salary and annuity data from State wage information collection agencies; (7) automated data from the Office of Personnel Management's General Personnel Records (OPM/GOVT-1), the Civil Service Retirement and Insurance Records System (OPM/Central-1); (8) the Department of Defense's Defense Manpower Data Center Data Base (S322.10.DMDC); (9) automated records from the SSA's Master Files of Social Security Number Holders, known as the Enumeration Verification System; (10) applications for housing assistance and other related documentation obtained from tenant case files maintained by housing agencies, owners, and management; (11) data received from employers confirming income or deductions supporting determinations of eligibility for, and the amount of, housing assistance benefits; (12) automated records provided by other Federal agencies for matching to tenant