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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5291-N-04]

Privacy Act of 1974; Amendment to an Existing System of Records,  
Enterprise Income Verification (EIV), HUD/PIH-5

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notification of an amendment to an existing System of Records,  
Enterprise Income Verification (EIV), HUD/PIH-5.

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SUMMARY: HUD is amending HUD/PIH-5 to reflect changes in the following sections, which impact participants and program administrators of the Public Housing, Disaster Housing Assistance, Housing Choice Voucher (HCV), Section 8 Moderate Rehabilitation programs; and the various rental assistance programs for the Office of Housing: Categories of Individuals Covered by the System, Categories of Records in the System, Purposes of the System, and

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Routine Uses of Records Maintained in the System, Including Categories of Users and Purposes of Such Users. These sections are revised to reflect the present status of the information contained in the system. A more detailed description of the present system is contained in the Supplemental Information section.

DATES: Effective Date: This proposal shall become effective, without further notice, October 1, 2009, unless comments are received during or before this period which would result in a contrary determination.

Comments Due Date: October 1, 2009.

ADDRESSES: Interested persons are invited to submit comments regarding this notice to the Rules Docket Clerk, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 10276, 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 8 a.m. and 5 p.m. weekdays at the above address.

FOR FURTHER INFORMATION CONTACT: For the Departmental Privacy Act Officer contact Donna Robinson-Staton, telephone number (202) 402-8073. Regarding records maintained in Washington, DC, for the Office of Public and Indian Housing (PIH), contact Nicole Faison, Office of Public Housing and Voucher Programs (OPHVP), Rental Housing Integrity Improvement Project (RHIIP) Manager and PIH EIV System Owner, telephone number (202) 402-4267; or David Sandler, EIV System Project Manager, telephone number (202) 475-8941. For the Office of Housing, contact Gail Williamson, Director of the Housing Assistance Policy Division, telephone number (202) 402-2473. [The above are not toll free numbers.] A telecommunications device for hearing-and speech-impaired persons (TTY) is available at (800) 877-8339 (Federal Information Relay Services). (This is a toll-free number.)

SUPPLEMENTARY INFORMATION: EIV currently supports public housing agencies (PHAs) that administer Public Housing, and Section 8 tenant-based rental assistance programs, and will in the near future, support PHAs that administer the Disaster Housing Assistance Program (DHAP); and private owners and management agents (O/ASs) who administer rental assistance programs for the Office of Housing (Housing) and contract administrators (CAs) under contract with HUD. EIV will contain income data for public housing, Section 8, and multifamily housing program participants, enabling program administrators to verify participant-reported income and identify households that may have under reported their household's annual income.

HUD developed the EIV system to reduce subsidy payment errors as a result of tenant under reporting of income to ensure that limited

Federal resources serve as many eligible families as possible. EIV will facilitate more timely and accurate verification of tenant-reported income at the time of mandatory annual and interim reexamination of household income.

EIV will contain personal identifying information from HUD's Inventory Management System (IMS) formerly Public and Indian Housing Information Center (PIC) and Disaster Information System (DIS) within IMS; and HUD's Office of Housing's Tenant Rental Assistance Certification System (TRACS), such as Head of Households and household members' name, date of birth and Social Security Number (SSN), unit address, program information, and household income details as reported by the participant to the program administrator. These personal identifying data are extracted from IMS, DIS, and TRACS and imported into EIV. The system also contains household member(s) income details as reported by State and Federal agencies. HUD obtains income details through computer matching programs with the Department of Health and Human Services (HHS) and Social Security Administration (SSA).

On March 11, 2009, Section 239 of HUD's 2009 Appropriations Act modified Section 904 of the Stewart B. McKinney Act of 1988, as amended, to include the Disaster Housing Assistance Program (DHAP) as a "program" of HUD for the purpose of income verifications and computer matching. Computer matching for participants of the Disaster Housing Assistance Program is expected to begin no sooner than October 1, 2009, unless comments are received which result in a contrary determination, or 40 days from the date a modified computer matching agreement is signed by HUD, SSA and HHS, whichever is later. As such, pursuant to the Computer Matching and Privacy Protection Act (CMPPA) of 1988, as amended, HUD is providing the public with notice of a modified computer matching program with HHS and SSA (as previously published at 73 FR 10046 and 74 FR10605, respectively), to include participants of DHAP administered by local PHAs.

Effective September 14, 2009, PHAs will have the ability to enter the following information into EIV:

1. Amount of debt owed by a former tenant to a PHA;
2. If applicable, indication of executed repayment agreement;
3. If applicable, indication of bankruptcy filing;
4. If applicable, the reason for any adverse termination of the family from a Federally assisted housing program.

This information will be used by HUD to create a national repository of families that owe a debt to a PHA and/or have been terminated from a Federally assisted housing program. This national repository will be available within the EIV system for all PHAs to access during the time of application for rental assistance. PHAs will be able to access this information to determine a family's suitability for rental assistance, and avoid providing limited Federal housing assistance to families who either: (1) Owe a debt to a PHA; or (2) have previously been unable to comply with HUD program requirements.

System Security Measures: The integrity and availability of data in EIV is important. Much of the data needs to be protected from unanticipated or unintentional modification. HUD restricts the use of this information to HUD approved officials, program administrators such as PHAs and O/As, and CAs under contract with HUD; thus, the data is protected accordingly.

Vulnerabilities and corresponding security measures include: (1) Only persons with Web Access Subsystem (WASS) User IDs and passwords may access EIV; (2) access to EIV is controlled using EIV's security module, which controls a user's access to particular modules based on the user's role and security access level; (3) User IDs are used to identify access to sensitive data by users; (4) data corruption/destruction-PHAs, O/As and CAs users do not have write access to databases that contain income information obtained by HUD from third parties. HUD users' write access is limited to user administration by authorized personnel. This will eliminate the risk of data destruction or corruption. (5) PHA users, as designated by the PHA's Executive Director or designee, will have the ability to enter debt owed and termination information of former program participants into EIV. Designated users have the ability to update and delete information as necessary. These designated users will be assigned a specific role in EIV to enable the entering of this data. Those

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users without the assigned role to enter data into EIV will be able to only view information pertaining to families who owe a debt to a PHA or have been terminated from a PIH program.

Data Quality: PHAs and O/As submit management, building, unit, and family information into IMS and TRACS. Family information includes the families' names, SSNs, and dates of birth. When a PHA or O/A submits family data to IMS, or TRACS, the EIV system will validate each household member's identity. HUD will only transmit to the Department of Health and Human Services (HHS) for computer matching those tenant

personal identifiers (i.e., full name, SSN, and date of birth) of individuals age 18 and older, that have been validated by the Social Security Administration (SSA). If a household member's identity cannot be validated, EIV will (1) flag the household member record; (2) provide an error message to the PHA or O/A, informing the PHA or O/A to verify the household member's SSN, name, and/or date of birth; and (3) request the PHA or O/A to submit a corrected record (Form HUD-50058 or Form HUD-50059) into IMS, or TRACS. EIV will remove the invalidated household member record from computer matching request files.

This household member identity verification feature was established to help HUD maintain data quality and integrity and to support one of its strategic objectives to prevent fraud and abuse. This identity verification feature will (1) help confirm that those families entitled to benefits receive benefits, (2) ensure that income information is obtained of only validated individuals, (3) assist in limiting the duplication of benefits, and (4) help prevent the false application for benefits, thereby ensuring data quality.

Debt owed and termination information entered by PHAs may be challenged by the former program participant. If the PHA determines that an error has been made in entering the data, the designated users who have the ability to enter data into EIV, will update and delete erroneous information as necessary.

EIV will receive new hires (W-4), wage, employment, and unemployment benefit data from HHS' National Directory of New Hires (NDNH) database; and Social Security (SS) and Supplemental Security Income (SSI) benefit data from the Social Security Administration (SSA). This will allow PHAs, O/As, CAs to verify the income of tenants at the time of mandatory annual and/or interim reexaminations.

Pursuant to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, notice is given that HUD proposes to amend an existing Privacy System of Records, Enterprise Income Verification, HUD/PIH-5.

Title 5 U.S.C. 552a(e)(4) and (11) provide that the public be afforded a 30-day period in which to comment on the amended record system. The system report was submitted to the Office of Management and Budget (OMB), the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Government Reform pursuant to paragraph 4c of Appendix 1 to OMB Circular No. A-130, 'Federal Agencies Responsibilities for Maintaining Records About Individuals,' July 25, 1994 (59 FR 37914).

Accordingly, this notice amends HUD/PIH-5 system of records for the Office of Public and Indian Housing's program administrators and accompanying routine uses to be submitted and accessed in the management of rental assistance housing programs by the Office of Public and Indian Housing.

Authority: 5 U.S.C. 552a; 88 Stat. 1896; 42 U.S.C. 3535(d).

Dated: August 24, 2009.

Jerry E. Williams,  
Chief Information Officer.  
HUD/PIH-5

**SYSTEM NAME:**

Enterprise Income Verification (EIV).

**SYSTEM LOCATIONS:**

The files are maintained at the following locations:

1. U.S. Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410; and
2. Lockheed Martin Corporation, located at 4701 Forbes Blvd., Lanham, MD 20706, will monitor access of any encrypted files containing social security and rent information (subject to the provisions of 26 U.S.C. 6103).

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

Families receiving rental housing assistance (now including Disaster Housing Assistance) via programs administered by the Department of Housing and Urban Development, Tribally Designated Housing Entities participating in the Section 8 program, PHAs and/or O/As and State agencies and PHAs acting as CAs.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Records consist of unit address (subsidized property address), family composition, and income data obtained from PHAs and O/As. The system of records contains: Identification information such as names, dates of birth and SSNs for individuals; addresses; financial data such as tenant-reported income; employment, wage, and unemployment benefit data obtained from HHS and SS and SSI benefit data obtained from the SSA; annual income discrepancies as a result of the comparison of tenant-reported income to actual income as reported by the HHS and SSA; failed identity verification report; multiple subsidies report, which

identifies families who may be receiving multiple rental assistance in various HUD rental assistance program; new hires report, which identifies family members who have started a new job; deceased tenants report, which identifies family members who are deceased. Effective September 2009, PIH's EIV system will contain the following new records: Repository of debts owed to PHAs and adverse terminations of former program participants, as reported to HUD by program administrators; and an immigration report, which will identify the immigration status of program participants as reported by PHAs.

#### AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Pursuant to the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended, and Section 303(i) of the Social Security Act, HUD and HUD-funded PHAs may request wage and claim data from State Wage Information Collection Agencies (SWICAs), also now known as State Workforce Agencies (SWAs), responsible for administering State unemployment laws.

On October 1, 1994, Section 542(a)(1) of HUD's 1998 Appropriation Act, eliminated a sunset provision to Section 303(i) of the Social Security Act, effectively making permanent the authority requiring State agencies to disclose wage and claim information to HUD and PHAs. On January 23, 2004, Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) was amended to allow HUD to obtain income information from the (National Directory of New Hires) NDNH database (owned by the U.S. Department of Health and Human Services (HHS)) and disclose this information to PHAs for the purpose of verifying employment and income of rental housing program participants. HUD may disclose NDNH data to a private owner, management agent, and contract administrator under contract with HUD based on (1) an evaluation of the costs and benefits of disclosures made to PHAs, and (2) the adequacy of

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measures used to safeguard the security and confidentiality of information so disclosed. Disclosure of NDNH data to O/As and CAs is only as needed for verifying the employment and income of multifamily housing program participants. On March 11, 2009, Section 239 of HUD's 2009 Appropriations Act modified Section 904 of the Stewart B. McKinney Act of 1988, as amended, to include the Disaster Housing Assistance Program (DHAP) as a "program" of HUD for the purpose of income verifications and computer matching. The Housing and Community Development Act of 1987 authorizes HUD to require applicants for and participants in HUD-administered rental housing assistance programs to disclose to HUD their SSNs as a condition of initial or continued eligibility for participation in these HUD programs. The Omnibus Budget Reconciliation Act of 1993 (Budget Reconciliation Act) authorizes HUD to request from SSA Federal tax data, as prescribed in section 6103(l)(7) of title 26 of the United States Code (Internal Revenue Code).

#### PURPOSES:

The primary purpose of EIV is to allow PHAs, O/As, and CAs to verify tenant-reported income, identify unreported income sources and/or amounts received by program participants, and identify substantial annual income discrepancies amongst households that receive HUD-provided rental assistance through programs administered by PIH and Housing. The first release of EIV was successfully implemented on August 16, 2004. EIV is a simple, Internet-based integrated system, which enables PHA users, HUD personnel, O/As, and CAs to access a database of tenant information via their Web browser. EIV will aid HUD and entities that administer HUD's assisted housing programs in: (a) Increasing the effective distribution of rental assistance to individuals that meet the requirements of Federal rental assistance programs, (b) detecting abuses in assisted housing programs, (c) taking administrative or legal actions to resolve past and current abuses of assisted housing programs, (d) deterring abuses by verifying the income of tenants at the time of annual and interim reexaminations via the use of electronic income data received from the HHS and SSA, (e) evaluating the effectiveness of income discrepancy resolution actions taken by PHAs, O/As and CAs for some of HUD's rental assistance programs, and (f) reducing administrative burden of obtaining written or oral third party verification (when the tenant does not dispute information provided by EIV. EIV is a management information system that contains tools to help: (1) Improve the income verification process, (2) monitor incidents of potential tenant under reporting of household income, (3) produce management reports, (4) reduce duplicate rental assistance, (5) reduce overpayment of housing assistance payments of deceased single member households, and (6) conduct risk assessments. The EIV system serves as a repository for automated information used when comparing family income data reported by recipients of Federal rental assistance to income data received from external sources (e.g., HHS and SSA).

Records in TRACS, IMS, and EIV are subject to use in authorized and approved computer matching programs regulated under the Privacy Act of 1974, as amended.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

In addition to the uses cited in the section of this document titled ``Purposes'', other routine uses may include:

1. To Federal, State, and local agencies (e.g., State agencies administering the State's unemployment compensation laws, State welfare and food stamp agencies, U.S. Office of Personnel Management, U.S. Postal Service, U.S. Department of Defense, U.S. Department of Health and Human Services, and U.S. Social Security Administration): to verify the accuracy and completeness of the data provided, to verify eligibility or continued eligibility in HUD's rental assistance programs, and to aid in the identification of tenant errors, fraud, and abuse in assisted housing programs through HUD's tenant income computer matching program;

2. To individuals under contract to HUD or under contract to another agency with funds provided by HUD: for the preparation of studies and statistical reports directly related to the management of HUD's rental assistance programs, to support quality control for tenant eligibility efforts requiring a random sampling of tenant files to determine the extent of administrative errors in making rent calculations, eligibility determinations, etc., and for processing certifications/re-certifications;

3. To PHAs, O/As, and CAs: to verify the accuracy and completeness of tenant data used in determining eligibility and continued eligibility and the amount of housing assistance received;

4. To PHAs, O/As, and CAs: to identify and resolve discrepancies in tenant data; and

5. To PHAs: information related to debts owed to PHAs and participant's termination from a PIH program, to determine an applicant's suitability for tenancy in a PIH housing program.

6. To researchers affiliated with academic institutions, with not-for-profit organizations, or with Federal, State or local governments, or to policy researchers: without individual identifiers--name, address, SSN: for the performance of research and statistical activities on housing and community development issues.

7. To HUD staff, HUD contractors, independent public auditors and accountants, PHAs, and CAs for the purpose of conducting oversight and monitoring of program operations to determine compliance with applicable laws and regulations, and financial reporting requirements.

8. To the Federal Emergency Management Agency (FEMA): to identify existing families which participate in a HUD rental assistance program and are currently receiving housing assistance. HUD may provide FEMA with the following information about the HUD-assisted family: (1) The PHA name, address and contact information currently assisting the family, (2) the effective date of the last transaction the PHA conducted with the family; (3) family composition information, including household member names and date of births; and any other information from the form HUD-50058, which may assist FEMA in determining eligibility of assistance.

9. Additional Disclosure for Purposes of Facilitating Responses and Remediation Efforts in the Event of a Data Breach. A record from a system of records maintained by this Department may be disclosed to appropriate agencies, entities, and persons when:

1. The Department suspects or has confirmed that the security or confidentiality of information in a system of records has been compromised;

2. The Department has determined that as a result of the suspected or confirmed compromise there is a risk of harm to economic or property interests, identity theft or fraud, or harm to the security or integrity of systems or programs (whether maintained by the Department or another agency or entity) that rely upon the compromised information; and,

3. The disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the Department's

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efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm.

POLICIES FOR STORING, RETRIEVING, AND DISPOSING OF SYSTEM RECORDS: STORAGE:

Records are stored manually in family case files and electronically in office automation equipment. Records are stored on HUD computer servers for field office, PHAs', and O/AS' access via the Internet to:

1. Obtain SS and SSI data that are not subject to provisions of 26 U.S.C. 6103;

2. Obtain employment, wage and unemployment compensation data; and
3. Obtain the following reports:
  - a. Failed Verification.
  - b. Failed EIV-Prescreening.
  - c. Identity Verification.
  - d. Income Discrepancy.
  - e. New Hires.
  - f. Deceased Tenants.
  - g. Multiple Subsidy.
  - h. Debts Owed to PHAs and Termination.

Note: Software in EIV precludes the transfer of any data subject to 26 U.S.C. 6103 to unencrypted media.

#### RETRIEVABILITY:

Records may be retrieved by computer search of indices by the Head of Household's name, date of birth, and/or SSN of an existing HUD program participant.

Note: A user's search capability is limited to only those program participants within the user's jurisdiction and assigned to his or her User ID.

#### SAFEGUARDS:

Records are maintained at the U.S. Department of Housing and Urban Development in Washington, DC with limited access to those persons whose official duties require the use of such records. Computer files and printed listings are maintained in locked cabinets. Printed listings include masked dates of birth and SSNs. Computer terminals are secured in controlled areas, which are locked when unoccupied. Access to automated records is limited to authorized personnel who must use a password to gain access to the system. HUD will safeguard the SSN, income, and personal identifying information obtained pursuant to 26 U.S.C. 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,' Publication 1075 (Revised October 2007).

#### RETENTION AND DISPOSAL:

Handbook 2228.2, appendix 14, item 25. EIV-reported income information is retained for the duration of tenancy plus three years from the end of program participation date or move-out date. Electronic data is disposed of by erasing data from all media types. Data retained in paper format is destroyed by shredding or burning. Computerized family records are maintained in a password-protected environment. If information is needed for evidentiary purposes, documentation will be referred to the HUD Office of Inspector General (OIG) in Washington, DC or other appropriate Federal, State or local agencies charged with the responsibility of investigating or prosecuting violators of Federal law. Documents referred to HUD's OIG will become part of OIG's Investigative Files. Records will be retained and disposed of in accordance with the General Records Schedule included in HUD.

Debts owed to PHAs and termination information is retained for a period of ten years from the end of participation date.

#### SYSTEM MANAGERS AND ADDRESSES:

Office of Public and Indian Housing (PIH): Nicole Faison, PIH EIV System Owner. Department of Housing and Urban Development, 451 Seventh Street, SW., Room 4226, Washington, DC 20410; David Sandler, PIH EIV System Project Manager. Department of Housing and Urban Development, 550 12th Street SW., First Floor--Desk 1304, Washington, DC 20410.

Office of Housing: Gail Williamson, Housing EIV System Owner. Department of Housing and Urban Development, 451 Seventh Street, SW., Room 6138, Washington, DC 20410. Lanier Hylton, Housing EIV System Project Manager. Department of Housing and Urban Development, 451 Seventh Street, SW., Room 6140, Washington, DC 20410.

#### NOTIFICATION AND RECORD ACCESS PROCEDURES:

Individuals seeking to determine whether this system of records contains information about them, or those seeking access to such records, should address inquiries to Donna Robinson-Staton, Departmental Privacy Act Officer, Department of Housing and Urban Development, 451 Seventh Street SW., Room 2256, Washington, DC 20410. For written request provide verification of your identity by stating your full name, current address, social security number, date of birth, and place of birth. Your verification of identity must include your original signature and must be notarized.

#### CONTESTING RECORD PROCEDURES:

Employment and wage information reported in EIV originates from the employer. The employer reports this information to the local State Workforce Agency (SWA), who in turn, reports the information to the

NDNH database. If a participant of a HUD rental assistance program disputes this information, he or she should contact the employer directly in writing to dispute the employment and/or wage information and request that the employer correct erroneous information. If employer resolution is not possible, the program participant should contact the local SWA for assistance.

Unemployment benefit information reported in EIV originates from the local State Workforce Agency (SWA). If a participant of a HUD rental assistance disputes this information, he or she should contact the SWA directly, in writing to dispute the unemployment benefit information, and request that the SWA correct erroneous information.

SS and SSI benefit information reported in EIV originates from the SSA. If a participant of a HUD rental assistance program disputes this information, he or she should contact the SSA at (800) 772-1213 or visit your local SSA office. SSA office information is available in the government pages of your local telephone directory or online at <http://frwebgate.access.gpo.gov/cgi-bin/leaving.cgi?from=leavingFR.html&log=linklog&to=http://www.socialsecurity.gov>.

Debts owed to PHAs and termination information is reported to HUD by the PHA. If a current or former participant of a HUD rental assistance program disputes this information, he or she should contact the PHA directly in writing to dispute this information and provide any documentation that supports the dispute. If the PHA determines that the disputed information is incorrect, the PHA will update or delete the record from EIV.

For all other information, procedures for the amendment or correction of records are located at 24 CFR parts 16.8. and 16.9.

#### RECORD SOURCE CATEGORIES:

PIH and Housing may receive data from HUD field office staff, Federal Government agencies, State and local agencies, private data sources, owners and management agents, PHAs, and contract administrators. PHAs and O/As routinely collect personal and income data from participants in and applicants for HUD's public and assisted housing programs. The data collected by PHAs and O/As is entered into the PIC and TRACS system, respectively, online via

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the system itself, via PHA or O/A-owned software, or via HUD's Family Reporting Software (FRS). Data from PIC and TRACS is imported into EIV and used to create request files for computer matching programs.

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

None.

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