

78 FR 04203
FEDERAL REGISTER
Implementation of the Privacy Act of 1974, as amended;
Republication to Delete and Update Privacy Act System of Records Notifications
[Docket No. 2013-04203; FR-5763-N-01]
BILLING CODE 4210-67
February 26, 2013

AGENCY: Office of the Chief Information Officer.

ACTION: Notice Republication.

SUMMARY: Pursuant to the Privacy Act of 1974 (U.S.C. 552a (e) (4)), as amended, and Office of Management and Budget (OMB), Circular No. A-130, notice is hereby given that the Department of Housing and Urban Development (HUD), Office of the Chief Information Officer (OCIO) republishes in the Federal Register actions for a program component system of records. The revisions implemented under this republication are corrective and administrative that refines previously published details for the system of records in a clear and cohesive format. This republication does not meet the threshold criteria established by the Office of Management and Budget (OMB) for a modified system of records report. A more detail descriptions of the present system is republished under this notice. This notice supersedes all previously published notices.

DATES: **EFFECTIVE DATE:** All revisions included in this republication are complete and accurate as of **[January 23, 2014]**.

FOR FURTHER INFORMATION CONTACT: Donna Robinson-Staton, Chief Privacy Officer, 451 Seventh Street SW, Washington, DC 20410 (Attention: Capitol View Building, 4th Floor), telephone number: (202) 402-8073. [The above telephone number is not a toll free numbers.] A telecommunications device for hearing- and speech-impaired persons (TTY) is

available by calling the Federal Information Relay Service's toll-free telephone number (800) 877-8339.

TEXT: SYSTEM OF RECORDS NOTICE

SYSTEM OF RECORD NO.: HSNF.SF/HWAA.02

System Name: Single Family Insurance System - Claims Subsystem (A43C).

System Location: The U.S. Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410, and at the Single Family Insurance System – Claims Subsystem software is located on HUD's mainframe, which is located at 3200 Kanawha Turnpike, Building 6000, South Charleston, WV 25303. Backup facilities and infrastructure services are provided by SUNGUARD (184 Railroad Drive, Warminster, PA 18974) and Lockheed Martin (4701 Forbes Boulevard, Lanham, MD 20706) respectively.

Categories of Individuals Covered by the System: A43C maintains data on mortgagors that have obtained a HUD insured mortgage. The system also records the servicer and holder of HUD insured mortgages.

Categories of Records in the System: The Single Family Insurance System – Claims Subsystem includes mortgagor data such as FHA case number, mortgagor name, mortgagor Social Security Number, property address, and mortgage amount. Stored holder information includes the holder mortgagee name, holder number, holder address, and mortgagee reference number. Stored servicer information includes the servicer mortgagee name, servicer number, and servicer address.

Authority for Maintenance of the System: U.S. Housing Act of 1937 as amended (Pub. L. 75-412); National Housing Act of 1934; 24 CFR 203.35 (2013); 24 CFR 200.6 (2013); and 24 CFR 5.216 (2013).

Description and System Purposes: The Single Family Insurance System - Claims Subsystem (CLAIMS) processes single family (SF) insurance claims against defaulted loans. CLAIMS also processes accounts receivables relating to SF claims, performs collection activities, processes cash receipts, and records accounts receivable activities as well as providing accounting information to users. The claims process is initiated when a servicing mortgagee completes and submits an application for Single Family Insurance Benefits (HUD Form 27011) to HUD headquarters, via Electronic Data Interchange (EDI), the FHA Connection, or paper. Each type of claim requires the submission of a Part A (Initial Application) and Part B (Fiscal Data). When submitting a paper conveyance claim, a Title Approval Letter (TAL) must accompany the claim. However, when transmitting the claim through EDI, the TAL is not submitted with the conveyance claim because the title approval data from A80S-Single Family Acquired Asset Management System (SAMS) is stored in an authorization file. Collection of a borrower's PII isn't required for performance of A43C's objective per say. A43C is a subset of A43 which is the system of record for insured single family loans. Prior to payment of claim for an insured loan through A43C, the loan needs to first be issued and insured through A43. And in the process of the borrower obtaining an FHA-insured loan, their PII is required to be collected.

Routine Uses of Records Maintained in the System, Including Categories of Users and the Purposes of Such Uses: In addition to those disclosures generally permitted under 5 U.S.C. 552 a(b) of the Privacy Act, other routine uses are as follows:

1. U.S. Treasury: A43C provides the Electronic Funds Transfer disbursement information to Treasury for claim payments.
- 2.eBits: Automated mailing contractor--Advice of Payment, (AOP), Billing, and Title Approval letters.

3. Federal Housing Administration (FHA)-Approved Lenders: Lenders submit claims using the Single Family Application for Insurance Benefits (Form HUD-27011) via Electronic Data Interchange (EDI), the FHA Connection, or paper. Form HUD-27011 includes PII such as name, Social Security Number, and property address. Upon analysis of the claim, the lender will receive from HUD TS824, "Request for Correction" , stating any deficiencies that need to be corrected, or TS820, AOP, informing the lender that the claim has been paid.
4. SFIS (A43): The purpose of the outgoing interface to SFIS is to update the FHA insurance status to "CLAIM" and to provide an effective date for the status change upon authorization of a claim for payment.
5. CAIVRS (F57): Outgoing--With authorized lenders and Federal agencies for the purpose of prescreening applicants for loans or loans guaranteed by the Federal Government for the purpose of evaluating a loan applicant's creditworthiness. Provision of the Social Security Numbers of mortgagors associated with the initial claim payment (Part A) over the past three years.
6. FHASL (PO13): FHASL is provided with paid claims fiscal data from SFIS-CS and Loss Mitigation on a daily and monthly basis.
7. SFHEDW (D64A): SFIS-CS data is extracted and uploaded to the SFHEDW for analysis on a weekly basis.
8. CHUMS (F17): SFIS-CS receives indemnification information related to specific cases from CHUMS on a daily basis.
9. SAMS (A80S): Outgoing--Provides financial information for paid Conveyance claims or paid Supplemental claims with an original paid Conveyance claim on a daily basis. Additionally, the SAMS extract file (from ARS) provides case-level information for established and adjusted

receivables on a monthly basis. Incoming--Defines whether Title Evidence was approved; title approval is a pre-requisite for processing Part B Conveyance claims.

10. SFMNS/IFS (A80N): Provides the Strategy Group with paid Loss Mitigation--Partial Claims (Claim Type 33) data daily for the monitoring of these Secretary-held subordinate notes.

11. FHAC (F17C): Outgoing--Provides lenders and HUD users with case status information and title approval via the Internet. Incoming--Provides the capability for authorized lender employees to submit individual claims for specified claim types.

12. IMF (F51): SFICS accesses the IMF to obtain lender institution information for the purpose of EFT payment and address generation.

13. EDIS (U26A): Transfer of the TS 998 to confirm receipt of a claim transmitted via Electronic Data Interchange. Transfer of the TS 820 and TS824 files to the respective trading partners for the servicer or holder to indicate either payment or suspension of incoming claims received as TS260 transactions. The TS824 transactions are error records from the A43C batch load process.

14. GNMA: Provides GNMA with paid claims information for FHA-insured loans in GNMA pools.

15. Fannie Mae: Fannie Mae, as a holder, receives data regarding paid claims information for FHA-insured loans through an Advice of Payment.

Additionally, refer to Appendix 1, HUD's Inventory of Routine Uses"¹ section for a description of disclosures that may be applicable to this system.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

¹ <http://portal.hud.gov/hudportal/documents/huddoc?id=append1.pdf>

Storage: Various types of storage media are used depending on the method used for filing a claim. Paper claims are filed at our contractor's office after processing, while disks and tapes are used to store electronic records in multiple computer record systems. Computer Center:

2020 Union Carbide Drive, South Charleston, WV 25303

Retrievability: Data regarding a claim filed on a HUD insured property is obtained using the FHA Case Number, property address, mortgagor's name, mortgagee servicing number, or mortgagee holder number. Data retrieval can be performed in several ways: standard reports, access via online pre-programmed CICS screens in A43C, access via the FHA Connection for case information, and the Data Warehouse (D64A).

Safeguards: Safeguards that are in place include:

Lockable file cabinets; Secured computer facilities at HUD and their contractor's offices; Background checks of all HUD employees and contractor staff; Computer access to the multiple HUD record systems is restricted by passwords, defined individual access profiles (least privileges), and access to specified data fields is restricted. Users, whether at HUD Headquarters or the Homeownership Centers, obtain access to CLAIMS through a HUD INET communication link from their LAN to the IBM mainframe computer; Data is transmitted over secure T-1 and Shiva lines; Information about conveyed properties is available to the public via the Internet for marketing purposes. However, information covered by the Privacy Act of 1974 and the Right to Financial Privacy Act (12 U.S.C. 3401 et seq.) is not incorporated in any Internet site.

Retention and Disposal: Obsolete data/backup tapes and/or hard drives are degaussed per DoD standards prior to disposal, release out of organizational control, or release for reuse. Further, tapes and hard drives are physically destroyed through shredding per DoD standards.

However, defective/failed EMC SAND drives aren't degaussed or destroyed. Data is stored in a SAN and HPES uses a government-approved data wipe software. HPES then physically destroys the disk.

System manager(s) and Address: Director, Single Family Post Insurance Division and Chief, Single Family Claims Branch; HUD, 451 Seventh Street, SW, Room 6248, Washington, DC 20410.

Notification and Records Access Procedures: The Department's rules for providing access to records to the individual concerned are in accordance with 24 CFR part 16--Implementation of the Privacy Act of 1974. Individuals seeking information, assistance, or inquiry about the existence of records can contact the Departmental Privacy Act Officer at the Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4156, Washington, DC 20410. Written requests must include the full name, current address, and telephone number of the individual making the request, as well as proof of identity, including a description of the requester's relation to the information in question.

Record Access Procedures: The Department's rules for providing access to an individual's records appear in 24 CFR Part 16--Implementation of the Privacy Act of 1974. If additional information or assistance is required, contact the Departmental Privacy Act Officer.

Contesting Record Procedures: The procedures for requesting amendment or correction of records appear in 24 CFR part 16. If additional information is needed, contact:

(i.) In relation to contesting contents of records, the Privacy Act Officer at HUD, 451 Seventh Street, SW, Room 4178 (Attention: Capitol View Building, 4th Floor), (202) 402-8073 Washington, DC 20410;

(ii.) In relation to appeals of initial denials, HUD, Departmental Privacy Appeals Officer, Office of General Counsel, 451 Seventh Street, SW, Washington, DC 20410.

Record Source Categories: Record source categories include HUD/FHA Claims for Insurance Benefits, subject individuals; other individuals; credit bureaus; financial institutions; other corporations or firms; federal government agencies; non-federal (including foreign, state and local) government agencies; real estate brokers and agents.

Exemptions from certain provisions of the Act: None.