



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7092-N-07]

Privacy Act of 1974; System of Records

AGENCY: Office of the Chief Financial Officer, HUD.

ACTION: Notice of a new system of records.

SUMMARY: Pursuant to the provisions of the Privacy Act of 1974, as amended, the Department of the Housing and Urban Development (HUD), Office of the Chief Financial Officer (OCFO) Accounting Operations Center, is issuing a public notice of its intent to create a new system of records titled, “HUD Remittance and Debt Collection.” The purpose of the HUD Remittance and Debt Collection (HRDC) is to provide OCFO with the ability to track debts and remittances.

DATES: Comments will be accepted on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. This proposed action will be effective on the date following the end of the comment period unless comments are received which result in a contrary determination.

ADDRESSES: You may submit comments, identified by docket number **or** by one of the following methods:

Federal e-Rulemaking Portal: <http://www.regulations.gov>. Follow the instructions provided on that site to submit comments electronically.

Fax: 202-619-8365

Email: www.privacy@hud.gov.

Mail: Attention: Privacy Office; LaDonne White, Chief Privacy Officer; The Executive Secretariat; 451 Seventh Street, SW, Room 10139; Washington, DC 20410-0001.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided.

Docket: For access to the docket to read background documents or comments received go to <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: LaDonne White; 451 Seventh Street, SW, Room 10139; Washington, DC 20410-0001; telephone number (202) 708-3054 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit

<https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

SUPPLEMENTARY INFORMATION: HUD, Office of the Chief Financial Officer (OCFO) maintains the “HUD Remittance and Debt Collection (HRDC)” system of records. HRDC allows data from multiple sources to be integrated into a single store. It tracks remittances and debts along with debtor information to facilitate debt servicing and posting transactions in the general ledger. Information is collected from multiple sources. OCFO Accounting Operations Center collects via encrypted email, paper/mail, official form (sent via mail/encrypted email), and/or federal (public) information system. The gathered researched data is then entered into the Remittance Management and Debt Tracking database.

The Debt Tracking sources are Program Office Action Officials (Repayment Agreements), Office of the Inspector General, District Courts (Judgment in a Criminal Case), and the Public Access to Court Electronic Records (PACER) System.

The Remittance Management sources are Treasury’s Collection Information Repository (CIR) which includes Fedwire - Federal Reserve Bank of New York, Electronic Check Processing

(ECP) - Lockboxes, and Pay.gov; and Treasury's Intra-governmental Payments and Collections (IPAC) System.

SYSTEM NAME AND NUMBER: HUD Remittance and Debt Collection (HRDC), HUD/CFO-05.

SECURITY CLASSIFICATION: Unclassified.

SYSTEM LOCATION: Records are maintained at the HUD OCFO, Accounting Operations Center, 307 W. 7th St, Suite 1000, Fort Worth, TX 76102-5100.

SYSTEM MANAGER(S): Mary L. Dominguez, Director, Office of the Chief Financial Officer, Accounting Operations Center, 307 W. 7th St, Suite 1000, Fort Worth, TX 76102-5100; Phone (817) 978-5669.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM: The Debt Collection Act of 1982, Pub. L. No. 97-365, 96 Stat. 1749 (1982), as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. 3701-3720E (original version at Pub. L. No. 104-134, 110 Stat. 132 (1996)), the Federal Debt Collection Procedures Act of 1990, 28 U.S.C. 3001-3308 (original version at Pub. L. No. 101-647, 104 Stat. 4789 (1990)) and chapter 31 of title 44, United States Code, and HUD Debt Collection Handbook, 1900.25 Rev-5.

PURPOSE(S) OF THE SYSTEM: The HRDC database allows HUD OCFO to track remittances and debts. OCFO Accounting Operations Centers collects and maintains debtors' information to locate and correspond with them to collect/resolve their debts. The information is used to perform legal, financial, and administrative services associated with the collection of debts due to the United States, ultimately posting to debtor accounts (general ledger) and for financial reporting.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals or grantees that have been adjudicated to owe a debt or criminal restitution to the United States.

CATEGORIES OF RECORDS IN THE SYSTEM: Debtor's full name, social security number (SSN), Home address and telephone number.

RECORD SOURCE CATEGORIES: The Debt Tracking sources are Program Office Action Officials (Repayment Agreements), Office of the Inspector General (Form 15-G), District Courts (Judgment in a Criminal Case), and the Public Access to Court Electronic Records (PACER) System.

The Remittance Management sources are Treasury's Collection Information Repository (CIR) which includes Fedwire - Federal Reserve Bank of New York, Electronic Check Processing (ECP) - Lockboxes, and Pay.gov; and Treasury's Intra-governmental Payments and Collections (IPAC) System.

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

(1) To the Department of Treasury, Bureau of Fiscal Service, who provides debt and cash collection services for HUD as follows:

(a) Administrative Offset (Debt Collection): offsets Federal tax refund payments and non-tax payments certified for disbursement to the debtor to recover a delinquent debt.

(b) Cross-servicing (Debt Collection): pursues recovery of delinquent debts on behalf of Federal agencies using debt collection tools authorized by statute, such as private collection agencies, administrative wage garnishment, or public dissemination of an individual's delinquent indebtedness; or any other legitimate debt collection purpose.

(2) To the Department of Treasury, Internal Revenue Services (IRS) for the purposes of reporting canceled debt on form IRS 1099-C.

(3) To appropriate agencies, entities, and persons when (1) HUD suspects or has confirmed that there has been a breach of the system of records, (2) HUD has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, HUD's (including its

information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with HUD's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

(4) To another Federal agency or Federal entity, when HUD determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1) responding to a suspected or confirmed breach or (2) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

(5) To appropriate Federal, State, local, tribal, or other governmental agencies or multilateral governmental organizations responsible for investigating or prosecuting the violations of, or for enforcing or implementing, a statute, rule, regulation, order, or license, where HUD determines that the information would assist in the enforce civil or criminal laws, when such records, either alone or in conjunction with other information, indicate a violation or potential violation of law.

(6) To a court, magistrate, administrative tribunal, or arbitrator in the course of presenting evidence, including disclosures to opposing counsel or witnesses in the course of civil discovery, litigation, mediation, or settlement negotiations; or in connection with criminal law proceedings; when HUD determines that use of such records is relevant and necessary to the litigation and when any of the following is a party to the litigation or have an interest in such litigation: (1) HUD, or any component thereof; or (2) any HUD employee in his or her official capacity; or (3) any HUD employee in his or her individual capacity where HUD has agreed to represent the employee; or (4) the United States, or any agency thereof, where HUD determines that litigation is likely to affect HUD or any of its components.

(7) To any component of the Department of Justice or other Federal agency conducting litigation or in proceedings before any court, adjudicative, or administrative body, when HUD determines that the use of such records is relevant and necessary to the litigation and when any of the following is a party to the litigation or have an interest in such litigation: (1) HUD, or any component thereof; or (2) any HUD employee in his or her official capacity; or (3) any HUD employee in his or her individual capacity where the Department of Justice or agency conducting the litigation has agreed to represent the employee; or (4) the United States, or any agency thereof, where HUD determines that litigation is likely to affect HUD or any of its components.

(8) To contractors, grantees, experts, consultants and their agents, or others performing or working under a contract, service, grant, cooperative agreement, or other agreement with HUD, when necessary to accomplish an agency function related to a system of records. Disclosure requirements are limited to only those data elements considered relevant to accomplishing an agency function.

(9) To a congressional office from the record of an individual, in response to an inquiry from the congressional office made at the request of that individual.

Pursuant to 31 U.S.C. 3711(e) that information contained in this system of records may also be disclosed to a consumer reporting agency when trying to collect a claim owed on behalf of the government.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS: Paper and Electronic.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS: Debtor's Full Name, SSN, Home Address, Telephone number, and Assigned Account Number.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Record retention is in conformance with National Archives and Records Administration (NARA) General Records Schedule (GRS) 1.1: Financial Management and Reporting Records; DAA-GRS-2013-0003. Financial transaction records related to procuring goods and services, paying

bills, collecting debts and accounting records. Destroy 6 years after final payment or cancellation, but longer if required for business use.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Only authorized users in the OCFO, Accounting Operations Center will have access to system data. Entities outside of the Accounting Operations Center do not have direct access to the database. All OCFO employees are required to complete information systems security training annually and are reminded periodically about policies and procedures in this area.

Other safeguards are implemented. Paper records are stored in locked file cabinets.

Administrative Safeguards: Paper records are stored in locked file cabinets.

Technical Safeguards: Comprehensive electronic records are maintained and stored on a shared drive in an electronic encryption database system. These records can only be accessed based off the user's rights and privileges to the system. Electronic records are stored on the Shared Drive environment, which runs on the Department's network (HUD). This environment complies with the security and privacy controls and procedures as described in the Federal Information Security Management Act (FISMA), National Institute of Standards and Technology (NIST) Special Publications, and Federal Information Processing Standards (FIPS). A valid HSPD-12 ID Credential, access to HUD's LAN, a valid User ID and Password and a Personalized Identification Number (PIN) is required to access the records. These records are restricted to only those persons with a role in the Anti-Harassment Program, having a need to access them in the performance of their official duties.

For Electronic Records (cloud based): Comprehensive electronic records are secured and maintained on a cloud-based software server and operating system that resides in Federal Risk and Authorization Management Program (FedRAMP) and Federal Information Security Management Act (FISMA) Moderate dedicated hosting environment. All data located in the cloud-based server is firewalled and encrypted at rest

and in transit. The security mechanisms for handling data at rest and in transit are in accordance with HUD encryption standards.

RECORD ACCESS PROCEDURES: Individuals requesting records of themselves should address written inquiries to the Department of Housing Urban and Development 451 7th Street, SW Washington, DC 20410-0001. For verification, individuals should provide their full name, current address, and telephone number. In addition, the requester must provide either a notarized statement or an unsworn declaration made under 24 CFR 16.4.

CONTESTING RECORD PROCEDURES: The HUD rule for contesting the content of any record pertaining to the individual by the individual concerned is published in 24 CFR 16.8 or may be obtained from the system manager.

NOTIFICATION PROCEDURES: Individuals requesting notification of records of themselves should address written inquiries to the Department of Housing Urban Development, 451 7th street SW, Washington, DC 20410-0001. For verification purposes, individuals should provide their full name, office or organization where assigned, if applicable, and current address and telephone number. In addition, the requester must provide either a notarized statement or an unsworn declaration made under 24 CFR 16.4.

EXEMPTIONS PROMULGATED FOR THE SYSTEM: N/A

HISTORY: N/A.

LaDonne White,

Chief Privacy Officer, Office of Administration.

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