

**FREQUENTLY ASKED QUESTIONS (FAQs) for
Data Sharing Agreements and Computer Matching Agreements**

Updated: August 16, 2022

The following is a guidance document published by the Department of Housing and Urban Development Office of Community Planning and Development for the purpose of providing answers to frequently asked questions about the Data Sharing Agreement and the Computer Matching Agreement. This document is intended to provide guidance to recipients, subrecipient, contractors, subcontractors, and other stakeholders of Community Development Block Grant Disaster Recovery (CDBG-DR) grants, which for purposes of data sharing, includes assistance for mitigation, electric power systems, or resilience purposes awarded as CDBG-MIT, CDBG-DR, or CDBG-NDR grants.

This guidance document is divided into two sections, with the first section covering the Data Sharing Agreement and the second section covering the Computer Matching Agreement.

I. GENERAL QUESTIONS REGARDING THE DATA SHARING AGREEMENT

1. What is the Data Sharing Agreement?

The Data Sharing Agreement is an agreement between the Department of Housing and Urban Development (HUD) and the State, Commonwealth, City, or Instrumentality that is the grantee. The agreement enables HUD to share with the grantee the data it receives from FEMA, including personally identifiable information (PII) that is protected by the Privacy Act of 1974 (Privacy Act), as amended, 5 U.S.C. § 552a. The data covered under the agreement can be used for assessing unmet needs resulting from a Presidentially declared major disaster and to plan for the use of one or more Community Development Block Grant Disaster Recovery (CDBG-DR) grants, including funds for electric power systems, mitigation or resilience purposes awarded as CDBG-DR, CDBG-MIT or CDBG-NDR grants (Grant(s)); and to market activities to potential applicants that may be eligible for assistance funded by the Grant(s).

HUD can enter a Data Sharing Agreement with a grantee after it allocates CDBG-DR funds to the grantee. Once signed, the Data Sharing Agreement allows HUD to share data for any major disaster after the grantee receives an allocation for that disaster. However, HUD can only share data during periods in which it has an agreement in place with FEMA allowing it to share data. HUD and FEMA update their agreements from time to time.

2. What are the authorized uses of the data covered under this agreement?

The data covered under the agreement can be used for two purposes: (1) assessing unmet needs resulting from a Presidentially declared major disaster and to plan for the use of one or more Community Development Block Grant Disaster Recovery (CDBG-DR) grants, including funds for electric power systems, mitigation or resilience purposes awarded as CDBG-DR, CDBG-MIT or CDBG-NDR grants (Grant(s)); and (2) to market activities to potential applicants that may be eligible for assistance funded by the Grant(s). The Data Sharing Agreement prohibits any other uses of these data.

3. How long is the Data Sharing Agreement valid for and how would a grantee or HUD terminate the agreement?

The Agreement is effective upon the date of the signature of both HUD and the grantee and will remain in effect until the closeout of the last grant(s) for which the grantee receives data under the Agreement. Either HUD or the grantee may terminate the agreement earlier upon written notice to the other party. Some responsibilities shall survive termination of the agreement and continue until such time as the grantee has either returned the data to HUD or destroyed it. HUD can enforce compliance with requirements pertaining to data even after termination of the Agreement.

4. Who can access and use data under this agreement?

The Data Sharing Agreement prohibits data use and access by any individual that is not identified by the grantee as an Authorized User. Authorized Users are employees, agents (including contractors or subcontractors), or subrecipients (including an agent or employee of its subrecipients) who have entered an agreement with the grantee to comply with all requirements on the use of data contained in the Data Sharing Agreement and acknowledged that under the Privacy Act, unlawful disclosure of PII data is a misdemeanor and subject to a fine of up to \$5,000.

5. How will HUD verify if a grantee is limiting access to data to only authorized users as determined by the grantee?

HUD will require the grantee to identify an Authorized User (which may be called a “grantee requester”) who can access data on HUD’s systems. Grantees must maintain a list of Authorized Users in its files that can access data on the grantee’s systems. The grantee will take the required reasonable steps to prevent data access by any individual that is not identified by the grantee as an Authorized User. To avoid a data breach that must be reported to HUD and FEMA, grantees must revoke access to data for any individual at the point that they are no longer an Authorized User. Access by unauthorized individuals is an incident that must be reported in accordance with requirements of the Data Sharing Agreement.

The Data Sharing Agreement gives HUD and FEMA the right to make unannounced and unscheduled inspections of any location in which the grantee or its Authorized Users use data, including any associated computer center, to evaluate compliance with the terms of the agreement and the requirements of the Privacy Act of 1974.

6. How and when must a grantee destroy data?

The grantee shall destroy the data provided under the Data Sharing Agreement at the time of the closeout of the Grant that assists the major disaster(s) for which the data was provided. The grantee shall notify HUD in writing when the data provided under the agreement is destroyed. Where recordkeeping periods extend beyond grant closeout, the grantee shall retain records of decisions based on the use of the data for the recordkeeping period required by the Grant(s).

II. GENERAL QUESTIONS REGARDING THE COMPUTER MATCHING AGREEMENT

7. What is the Computer Matching Agreement

The Computer Matching Agreement (CMA) is an agreement between HUD and the grantee and is used to support duplication of benefits checks conducted by the grantee for approved CDBG-DR grant-funded programs. The CMA governs the grantee's use of the shared data to prevent the duplication of benefits in the administration of the grantee's Community Development Block Grant Disaster Recovery (CDBG-DR) grants and CDBG-DR activities, including assistance for mitigation, electric power systems, or resilience purposes (under CDBG-MIT, CDBG-DR, or CDBG-NDR grants).

8. What are the authorized uses of the data covered under this agreement?

The CMA covers data sharing for the purpose of determining individual benefit amounts for approved activities under the grantee's approved CDBG-DR Action Plan(s) for any open grants. The grantee will request data from HUD on an as-needed basis to facilitate expedited program implementation and prevent the duplication of benefits already received from FEMA. It is important to note that the data shared under the agreement is limited to the FEMA IHP data and does not include other common sources of assistance which may be relevant to grantee benefit determinations and the grantee's prevention of the duplication of benefits in its administration of its CDBG-DR grants and CDBG-DR funded activities, including assistance for mitigation, electric power systems, or resilience purposes.

The grantee has the responsibility to prevent the duplication of benefits using the data provided (and other means, as appropriate). For each grantee program applicant, the CDBG-DR grantee will use the amount of FEMA IHP assistance received by that grantee program applicant to calculate the grantee program applicant's unmet need and calculate a maximum award amount that will prevent duplication of benefits.

9. NEW: How will grantees access National Flood Insurance Program (NFIP) information and/or Small Business Administration (SBA) loan data information?

Grantees will access NFIP information and SBA loan data through the process that the grantee currently uses. The CMA does not include NFIP data or SBA loan information.

10. How long is the Computer Matching Agreement valid for and can a grantee request an extension?

The CMA is valid for 18 months. A grantee can request and receive one 12-month period extension on their CMA upon mutual agreement by the grantee and HUD. A grantee can request an extension by sending an email to the grant manager/CPD Representative 3 months prior to the expiration of the agreement. The renewal must occur within 3 months of the expiration date of the initial agreement. Renewals are subject to the requirements of the Privacy Act including certification by the grantee and HUD that the matching program will be conducted without change and conducted in compliance with the original Agreement.

11. When can grantees begin to make the request for the data from HUD?

A grantee can submit their request for the FEMA data at the same time that they submit their signed CMA. Any data that is requested and covered under the CMA will be required to wait for the 30-day public comment period to be satisfied before the data can be released to the grantee's Authorized Users. It is important to note that if HUD receives public comments on a published matching notice, HUD shall review the comments to determine whether any changes to the matching notice are necessary. If HUD determines that significant changes to the matching notice are necessary, HUD shall publish a revised matching notice and provide an additional 30-day public comment and review period. The CMA takes effect 30 days from the date the final agreement summary is published in the *Federal Register* notice.

12. UPDATED: When will grantees be able to submit their CMAs to HUD?

Grantees can submit CMAs on a rolling basis to HUD, and HUD will publish a summary of the agreements in the *Federal Register* in batches. Grantees can begin submitting the CMA agreements to HUD starting June 27, 2022, and all agreements received through September 30, 2022 will be batched together for publication. Any agreements received within those first 45 days, will be batched together in the first publication in the *Federal Register*. Any agreements received in the subsequent 45 days will be batched together in the next publication, and so on until all agreements have been summarized in the *Federal Register*.

13. The agreement states that the grantee is to request the data it needs from HUD on an “as-needed” basis in order to facilitate expedited program implementation. What does HUD mean by an “as needed” basis?

The grantee will request data from HUD on an as-needed basis to facilitate expedited program implementation and prevent the duplication of benefits already received from FEMA. HUD will request data from FEMA on an as-needed basis to share with the grantee, and response times can vary depending on the volume of requests received. HUD's data request to FEMA will be based on the grantee's request and the specific program requirements specified in the grantee's approved Action Plan. For example, a grantee could request the data for all disaster-impacted beneficiaries meeting specific criteria related to tenure, geography, and type of FEMA benefit receipt. Grantees should wait at least 7 days in between data requests to give HUD and FEMA time to process each request.

14. What is the process for the grantee making the request from HUD for the data and what are the expected time frames for receiving the data?

The grantee will make the request for the data through the grant manager/CPD Representative. The grantee's authorized user should submit the data request template with the following information to the grant manager/CPD Representative:

- a. Grantee Name
- b. Data purpose Attestation
 - i. For a CMA, the grantee may request duplication of benefits data.
- c. Individual name(s) and contact information for Authorized Users approved for data access.
 - i. PD&R will contact individuals identified as approved to access data and complete the necessary account request template

d. Copy of the signed CMA

Once the completed request for data template has been submitted to HUD, PD&R will request the FEMA IHP data from FEMA. After PD&R receives the data from FEMA, the data will be transmitted to the grantee authorized user(s), once the 30-day public comment as been satisfied . The estimated time frame for the grantee to receive the data after submitting the completed request is 5 – 7 business days.

15. How would a grantee independently verify the information produced by the matching program as required by this agreement?

The CMA requires grantees to independently verify the information produced by a matching program and to provide the individual an opportunity to contest the agency's findings. The grantee may not deny, terminate, or make a final decision of any CDBG-DR assistance to an individual, or take other adverse action against such individual as the result of the information produced by its matching program, until an officer or employee of the grantee has independently verified such information and the individual has had an opportunity of no less than 30 days from the date of the notice, per 5 U.S.C. § 552a(p)(1)(C)(ii), to contest the grantee's findings.

When required by the Privacy Act, an independent verification requires investigation and confirmation of specific information relating to an individual that is used as a basis for an adverse action against the individual, including where applicable investigation and confirmation of (1) the amount of any asset or income involved, (2) whether such individual actually has or had access to such asset or income for such individual's own use, and (3) the period or periods when the individual actually had such asset or income. The grantee will comply with its procedures for verifying the matched FEMA data and for allowing individuals to contest benefit determinations.

16. What happens if the matching program confirms that an individual is found to be receiving benefits through FEMA assistance programs?

To comply with the Stafford Act and appropriations acts, grantees must prevent the duplication of benefits and must have adequate policies and procedures for this purpose. If a grantee confirms that an individual is receiving benefits through FEMA assistance programs, the grantee has the responsibility to prevent the duplication of benefits. If a grantee discovers that an individual is found to be receiving benefits through HUD's CDBG-DR grants, in addition to receiving benefits through FEMA assistance programs, the CDBG-DR grantee will be responsible for addressing duplication of benefits noncompliance.

17. How will HUD verify that the grantee did independently verify the information produced by the matching program?

As part of HUD's monitoring process, HUD may monitor compliance with the terms of the CMA, including transactions conducted pursuant to the CMA, the use of the information obtained pursuant to the CMA, and policies, practices, and procedures related to the CMA. HUD also has the right to conduct onsite inspections to audit compliance with the CMA for the duration of the agreement or any extension of the agreement.

18. Who would be considered an “authorized user” under the CMA?

Authorized Users are employees, agents (including contractors or subcontractors), or subrecipients (including an agent or employee of its subrecipients) who have entered an agreement with the grantee to comply with all requirements on the use of data contained in the Computer Matching Agreement and acknowledged that under the Privacy Act, unlawful disclosure of PII data is a misdemeanor and subject to a fine of up to \$5,000, and who have signed an enforceable agreement with the grantee that when given access to the subject HUD database or file, the Authorized User will not –

- Use or reveal any individually identifiable information furnished, acquired, retrieved or assembled by the Authorized User or others for any purpose other those in the Agreement;
- Make any disclosure or publication whereby an individual or household could be identified or the data furnished by or related to any particular person could be identified; or
- Permit anyone other than the grantee’s Authorized Users to access the data.

A grantee will not authorize more than the number of Authorized Users of data that the grantee determines is necessary to accomplish the purposes in the agreement. HUD may periodically request that the grantee update its list of Authorized Users and revoke access to individuals that are not identified as Authorized Users. HUD will prohibit data access to data on its systems by any individual that is not identified by the grantee as an Authorized User.

19. NEW: What are the minimum system security requirements for the security of the Personal Identifiable Information (PII) that grantee Authorized Users will receive?

The information security procedures for the handling of PII are outlined in Section X: SECURITY PROCEDURES of the CMA.

20. How long should grantees retain the FEMA data received under the CMA?

Grantees should retain FEMA data received from HUD under the CMA only for the processing times required to verify the data which is typically until grant closeout. FEMA data received but not used by the grantee should be deleted after application processing is complete. Any paper-based documentation used by the grantee or the grantee’s authorized users to determine whether a record was matched and documentation that was prepared for, provided to, or used to determine final benefit status, must be destroyed by shredding, burning, or electronic erasure of the subject information as soon as they have served the matching program’s purpose, which for purposes of the Agreement means the grantee shall retain such records until the end of the record retention period of the grant to which it is related.

An exception applies if the information is required for evidentiary reasons; in which case, the information will be destroyed upon completion of the criminal, civil, or administrative actions and cases.