

COMPUTER MATCHING AGREEMENT

BETWEEN

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF CHILD SUPPORT SERVICES**

AND

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Verification of Employment and Income and Analysis

U.S. Department of Health and Human Services Data Integrity Board #2315

I. PURPOSE, LEGAL AUTHORITY, AND DEFINITIONS

This computer matching agreement, hereinafter “agreement,” governs a matching program between the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Services (OCSS), and the U.S. Department of Housing and Urban Development (HUD). This agreement sets forth the terms and conditions of the matching program. OCSS is the “source agency” and HUD is the “recipient agency” as defined by the Privacy Act. 5 U.S.C. § 552a(a)(9) and (11). The HUD Office of Public and Indian Housing (PIH) and Office of Multifamily Housing (MFH), and the OCSS Division of Federal Systems are the components within their respective agencies responsible for the agreement.

OCSS and HUD have entered into matching agreements and renewals for this matching program since 2004, the latest of which expires February 27, 2024 (*see* Appendix A). This agreement includes a security addendum, and five appendices, including a cost-benefit analysis (*see* Appendix B). A reimbursement agreement (not attached or appended) will be executed each fiscal year of the computer matching agreement in accordance with section XI of this agreement.

A. Purpose of the Matching Program

The Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, hereinafter “Privacy Act,” requires that each matching agreement specify the purpose and legal authority for conducting the matching program. 5 U.S.C. § 552a (o)(1)(A).

The purpose of the matching program is to assist HUD in verifying the employment and income of participants in certain rental assistance programs. OCSS will provide HUD with new hire, quarterly wage, and unemployment insurance information from the National Directory of New Hires (NDNH) system of records pertaining to participants whose names and Social Security numbers are transmitted to OCSS. HUD may also use the information,

after the removal of personal identifiers, to analyze the employment and income reporting of those participants.

As defined by the Privacy Act at 5 U.S.C. § 552a(a)(8)(A)(i)(I) and (II), a “matching program” is a computerized comparison of two or more systems of records (such as those maintained by different federal agencies) to establish or verify the benefits eligibility or continuing compliance with statutory and regulatory requirements by applicants, recipients, or beneficiaries of cash or in-kind assistance or payments under a federal benefit program. Records may not be disclosed from a system of records to a recipient agency or non-federal agency for use in a “matching program” except pursuant to a written agreement containing the provisions specified in the Privacy Act at 5 U.S.C. § 552a(o). This agreement contains the specified provisions. It also contains, or incorporates by reference, requirements from the Social Security Act pursuant to which the matching program is authorized, the National Institute of Standards and Technology Series 800 Special Publications, the U.S. Department of Health and Human Services Information Security Program Policy, the Office of Management and Budget guidance, the U.S. Department of Health and Human Services and OCSS requirements, and other federal privacy and security requirements governing the disclosure of personally identifiable information.

B. Legal Authority

Subsections 453(j)(7)(A), (C)(i), and (D)(i) of the Social Security Act (42 U.S.C. § 653(j)(7)(A), (C)(i), and (D)(i)) provide the legal authority for conducting the matching program as follows:

Section 453(j)(7) Information comparisons for housing assistance programs -- (A) Furnishing of information by HUD. Subject to subparagraph (G), the Secretary of Housing and Urban Development shall furnish to the Secretary of Health and Human Services, on such periodic basis as determined by the Secretary of Housing and Urban Development in consultation with the Secretary, information in the custody of the Secretary of Housing and Urban Development for comparison with information in the National Directory of New Hires, in order to obtain information in such Directory with respect to individuals who are participating in any program under –

- (i) the United States Housing Act of 1937 (42 U.S.C. § 1437 et seq.);
- (ii) section 202 of the Housing Act of 1959 (12 U.S.C. § 1701q);
- (iii) section 221(d)(3), 221(d)(5), or 236 of the National Housing Act (12 U.S.C. §§ 1715l(d) and 1715z(1));
- (iv) section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. § 8013); or
- (v) section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. § 1701s).

(C) Duties of the Secretary -- (i) Information disclosure – The Secretary, in cooperation with the Secretary of Housing and Urban Development, shall compare information in the

National Directory of New Hires with information provided by the Secretary of Housing and Urban Development with respect to individuals described in subparagraph (A), and shall disclose information in such Directory regarding such individuals to the Secretary of Housing and Urban Development, in accordance with this paragraph, for the purposes specified in this paragraph.

(D) Use of information by HUD. The Secretary of Housing and Urban Development may use information resulting from a data match pursuant to this paragraph only —

- (i) for the purpose of verifying the employment and income of individuals described in subparagraph (A); and
- (ii) after removal of personal identifiers, to conduct analyses of the employment and income reporting of individuals described in subparagraph (A).

Subsection 453(j)(7)(D)(ii) of the Social Security Act provides legal authority to conduct analysis of employment and income reporting, “after the removal of personal identifiers.” 42 U.S.C. § 653(j)(7)(D)(ii). HUD does not currently use NDNH match information to conduct analysis of employment and income reporting; however, if HUD seeks to conduct such analyses in the future, HUD must first obtain OCSS approval by requesting authorization and providing OCSS with documentation of the proposed analyses. The documentation must include the specific analyses, specific HUD users, procedures for the removal of personal identifiers, data storage location and safeguards, retention periods, and other information pertaining to the use of the results of the information comparison for analyses.

C. Definitions

The following terms contained in this agreement will have the meaning given to the terms in the Privacy Act at 5 U.S.C. § 552a(a); i.e., “individual,” “record,” “system of records,” “routine use,” “recipient agency or non-federal agency,” “source agency,” and “federal benefit program.” Other terms are defined as follows:

- (1) “Federal Parent Locator Service” (FPLS) means a service, which includes the NDNH, conducted under the direction of OCSS pursuant to section 453 of the Social Security Act for purposes specified in sections 453 and 463. 42 U.S.C. §§ 653 and 663.
- (2) “National Directory of New Hires” (NDNH) means an automated directory maintained in the FPLS established by subsection 453(i)(1) of the Social Security Act, containing new hire, unemployment insurance, and quarterly wage information supplied by state and federal agencies pursuant to subsections 453A(b)(1)(C) and (g)(2) of the Social Security Act. 42 U.S.C. §§ 653(i)(1), 653a(b)(1)(C), and (g)(2).
- (3) “New hire information” means employer information pertaining to newly hired employees reported to the NDNH by state and federal agencies pursuant to subsections 453A(b)(1)(C) and (g)(2)(A), and 453(i)(1) of the Social Security Act. 42 U.S.C. §§ 653a(b)(1)(C) and (g)(2)(A), and 653(i)(1).

- (4) “Quarterly wage information” means wage information reported to the NDNH by state and federal agencies pursuant to subsections 453A(g)(2)(B) and 453(i)(1) and (n) of the Social Security Act. 42 U.S.C. §§ 653a(g)(2)(B), 653(i)(1) and (n).
- (5) “Unemployment insurance information” means information pertaining to benefits paid under state unemployment compensation programs and reported to the NDNH pursuant to subsections 453A(g)(2)(B) and 453(e)(3) and (i)(1) of the Social Security Act. 42 U.S.C. §§ 653a(g)(2)(B) and 653(e)(3) and (i)(1).
- (6) “Contract administrator” means the agency that has entered into an Annual Contributions Contract with HUD. Such agency is a “public housing agency” defined as any state, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of public housing. 42 U.S.C. § 1437a(b)(6). The agency monitors the housing assistance payments contract entered into by owners.
- (7) “Independent auditor” means a Certified Public Accountant or a licensed or registered public accountant having no business relationship with the private owner except for the performance of audit, systems work, and tax preparation.
- (8) “Low-income housing” means decent, safe, and sanitary dwellings assisted under the United States Housing Act of 1937.
- (9) “Management agent” means the entity that enters into an agreement with the owner of a housing project to manage the project in accordance with the housing assistance payments contract and HUD’s requirements and regulations.
- (10) “Multifamily (MF) business partners” means “private owners,” “management agents,” and “contract administrators” as these terms are defined herein.
- (11) “Multifamily Housing Programs” means the programs administered by MF business partners under the following statutes:
 - i. The United States Housing Act of 1937 (42 U.S.C. § 1437 et seq.)
 - ii. Section 202 of the Housing Act of 1959 (12 U.S.C. § 1701q)
 - iii. Section 221(d)(3), 221(d)(5), or 236 of the National Housing Act of 1959 (12 U.S.C. §§ 1715I(d) and 1715z-1)
 - iv. Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. § 8013)
 - v. Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. § 1701s)
- (12) “Personnel” means HUD employees, HUD contractors, PHAs and MF business partners (acronyms defined herein).
- (13) “Private owner” means the person or entity who owns the housing project containing the assisted dwelling unit and who enters into a contract with HUD to operate the project in accordance with HUD’s requirements and regulations.
- (14) “Public Housing” means low-income housing, and all necessary appurtenances thereto, assisted under the United States Housing Act of 1937, other than under Section 8, and includes dwelling units in a mixed finance project that are assisted by a public housing agency with capital or operating assistance.
- (15) “Public Housing Agency” (PHA) means any state, county, municipality, or other

governmental entity, public body, agency, or instrumentality of these entities that is authorized to engage or assist in the development or operation of low-income housing under the United States Housing Act of 1937.

- (16) “Public and Indian Housing” (PIH) programs mean the Disaster Housing Assistance, Public Housing, and Section 8 tenant-based programs administered by PHAs under the United States Housing Act of 1937.
- (17) “Rental Assistance” (also known as housing assistance or subsidy) means the amount HUD pays the PHA or private owner for a unit occupied by a tenant assisted under one of PIH’s or MF Housing’s assistance programs. It includes HUD’s share of the contract rent and any utility reimbursement due to the tenant.
- (18) “Subsidy” (also known as housing assistance or rental assistance) means the amount HUD pays the PHA or private owner for a unit occupied by a tenant assisted under one of PIH’s or MF Housing’s assistance programs. It includes HUD’s share of the contract rent and any utility reimbursement due to the tenant.
- (19) “Tenant” means an individual or family renting or occupying an assisted dwelling unit.

On June 5, 2023, the Administration for Children and Families published a notice in the *Federal Register Volume 88, Number 107, Page 36587* to announce that the Office of Child Support Enforcement (OCSE) is now the Office of Child Support Services (OCSS). Any reference to OCSE is changed to OCSS and they are one and the same.

II. JUSTIFICATION AND ANTICIPATED RESULTS

The Privacy Act requires that each matching agreement specify the justification for the program and the anticipated results, including a specific estimate of any savings. 5 U.S.C. § 552a(o)(1)(B).

A. Cost-Benefit Analysis

Unless statutorily excepted or waived by both agencies’ Data Integrity Boards (DIBs), a cost-benefit analysis must be completed and submitted to the DIBs to consider in determining whether to approve the matching program. 5 U.S.C. § 552a(u)(4)(A). If the analysis does not demonstrate that the matching program is likely to be cost effective, the DIBs may approve the matching agreement based on other supporting justifications. See OMB guidance in *Privacy Act of 1974: Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1998*, 54 FR 25818 (June 19, 1989), at pages 25821 and 25828-25829.

HUD conducted a cost-benefit analysis in accordance with the Privacy Act, based upon information from July 2022 through July 2023, which is included at Appendix B. The cost-benefit analysis demonstrates that the matching program is likely to be cost effective.

B. Other Supporting Justifications

This matching program supports compliance with the Payment Integrity Act of 2019 (PIIA) (31 U.S.C. §§ 3352 et seq.) which focuses on preventing improper payments to ensure funding is serving its intended purpose as first set out in E.O. 13520, *Reducing Improper Payments and Eliminating Waste in Federal Programs*, 74 FR 62201 (Nov. 25, 2009), which states the policies of federal programs that serve their intended beneficiaries provide public scrutiny of significant payment errors and eliminate the highest improper payments; establish accountability for reducing improper payments; and coordinate federal, state, and local government action in identifying and eliminating improper payments, and implementing guidelines in OMB Memorandum M-18-20, *Transmittal of Appendix C to Circular A-123, Requirements for Payment Integrity Improvement*, (June 26, 2018). Payment integrity is a top priority, and OMB guidance provides the framework to reduce the administrative burden, allowing agencies to focus on identifying, assessing, prioritizing, and responding to payment integrity risks and the underlying causes of improper payments. See OMB Memorandum M-21-19, *Transmittal of Appendix C to Circular A-123, Requirements for Payment Integrity Improvement* (March 5, 2021).

HUD specific statutory and regulatory requirements further justify the matching program and the analysis of employment and income reporting. HUD must establish procedures to ensure that families applying for or receiving assistance provide complete and accurate income information to PHAs and MF business partners. HUD must randomly, regularly, and periodically select a sample of families and obtain information from external agency data sources pertaining to the individuals within the families only for the purpose of verifying incomes, data concerning unemployment compensation, and Federal income taxes in order to determine eligibility of families for benefits (and the amount of benefits, if any). 42 U.S.C. § 1437f(k). HUD program administrators must use accurate income amounts to determine housing rental assistance. See 24 CFR § 5.659 and Chapter 5, Section 3: Verification of the Occupancy Requirements of Subsidized Multifamily Housing Programs, 4350.3 REV-1. For the public housing and tenant-based Section 8 programs, PHAs must use accurate income amounts to determine housing rental assistance and verify a family's annual income and other factors that affect the determination of adjusted income or income-based rent. 24 CFR §§ 960.259 and 982.516.

HUD estimates the total subsidy error associated with incorrect or fraudulent reporting to be approximately \$185 million from July 2022 through July 2023 and estimates that 519,419 households have incorrectly reported income. HUD also estimates that approximately 19 percent of the households participating in PIH and MF Housing programs, respectively, may not have disclosed all wage, employment, unemployment compensation benefits, or Social Security benefits. The NDNH is a centralized database of wage and employment information and, as such, provides an effective and efficient means to obtain information to assist HUD in identifying subsidy errors.

The matching program will assist HUD in detecting fraud, waste, and abuse and enhancing program integrity by providing useful information on the employment status and wages of HUD program applicants and recipients, specifically: 1) those who are

employed with the federal government; 2) those who are employed in another state, including those who have been rehired by a previous employer after having been separated from such prior employment for at least 60 consecutive days, and 3) those whose information is not readily available through the State Directory of New Hires, state workforce agencies, or other data reporting systems. 42 U.S.C. § 653a(a)(2).

The positive results of the previous matching programs between HUD and OCSS further justify the proposed matching program. *See* section II.B and Appendix B.

C. Specific Estimate of Savings

HUD estimates that use of information in the Enterprise Income Verification (EIV) system, which includes NDNH information, is projected to result in a total annual potential impact of \$207,800,000 million per year.

III. RECORDS DESCRIPTION

The Privacy Act requires that each matching agreement specify a description of the records that will be matched, including each data element that will be used, the approximate number of records that will be matched, and the projected starting and completion dates of the matching program. 5 U.S.C. § 552a(o)(1)(C).

A. Systems of Records

1. OCSS

OCSS will disclose match results to HUD from the following system of records: *OCSE National Directory of New Hires*, System No. 09-80-0381; *see* System of Records Notice (SORN) published in full at 87 FR 3550 (January 24, 2022). The disclosure of NDNH records by OCSS to HUD constitutes a “routine use,” as defined by the Privacy Act. 5 U.S.C. § 552a(b)(3). Routine use (12) published in the NDNH SORN authorizes the disclosure of NDNH records to HUD. 87 FR 3553, 3555 (January 24, 2022).

2. HUD

The HUD system of records from which HUD will disclose records used in the information comparison will be retrieved from, and the results of the information comparison will be maintained within, the following system of records: *Enterprise Income Verification (EIV)*, No. HUD/PIH-5, 87 FR 50635 (August 17, 2022). Routine use (D) in that system of records authorizes the disclosure of HUD records to OCSS.

B. Number of Records Involved

Each HUD input file contains approximately 6.4 million records, which represent approximately 9.9 million individuals participating in the specified HUD housing programs.

Of this total, approximately 7.7 million records pertain to individuals who participate in HUD's PIH programs and approximately 2.2 million records pertain to individuals who participate in HUD's MF Housing programs.

These numbers are an estimate of the number of records to be provided to OCSS by HUD and may fluctuate within the effective period of the agreement. In accordance with subsection 453(j)(7)(C)(i) of the Social Security Act, the output file provided to HUD by OCSS will contain NDNH new hire, quarterly wage, and unemployment insurance information, if any, pertaining to the individuals whose records are contained in the HUD input file. 42 U.S.C. § 653(j)(7)(C)(i).

The approximate number of records in the output file provided to HUD by OCSS will depend upon the number of individuals whose information is maintained in the NDNH and the amount of NDNH information, if any, associated with those individuals.

C. Specified Data Elements Used in the Match

1. Data Elements in the HUD Input File

The HUD input file provided to OCSS will contain records pertaining to individuals who are participating in certain housing programs described in subparagraph (A) of subsection 453(j)(7) of the Social Security Act. Each individual record contains the following data elements, where available:

- First name
- Last name
- Date of birth
- Social Security number

2. Verification of Name and Social Security Number Combinations

To enhance the accuracy of records used in the matching program and fairness to the individuals to whom the records pertain, HUD verifies the name, date of birth, and Social Security number combinations contained in the input file using Social Security Administration processes prior to transmitting the input file to OCSS. Such verification increases the likelihood that NDNH information provided to HUD pertains to the appropriate individuals

3. HUD and NDNH Data Element Used to Conduct the Comparison

OCSS will compare the verified Social Security numbers provided by HUD to Social Security numbers in the NDNH, in accordance with subsection 453(j)(7)(C)(i) of the Social Security Act. 42 U.S.C. § 653(j)(7)(C)(i).

4. NDNH Data Elements

To accomplish the purposes of this matching program, and in accordance with subsection 453(j)(7)(B) of the Social Security Act, which permits HUD to request NDNH information only to the extent necessary to verify the employment and income of individuals who are participating in the programs specified in section I.B of this agreement, HUD requests the following data elements from the NDNH new hire, quarterly wage, and unemployment insurance files:

a. New Hire File

- New hire processed date
- Employee name
- Employee address
- Employee date of hire
- Employee state of hire
- Federal Employer Identification Number
- State Employer Identification Number
- Department of Defense code
- Employer name
- Employer address
- Transmitter agency code
- Transmitter state code
- Transmitter state or agency name

b. Quarterly Wage File

- Quarterly wage processed date
- Employee name
- Federal Employer Identification Number
- State Employer Identification Number
- Department of Defense code
- Employer name
- Employer address
- Employee wage amount
- Quarterly wage reporting period
- Transmitter agency code
- Transmitter state code
- Transmitter state or agency name

c. Unemployment Insurance File

- Unemployment insurance processed date
- Claimant name
- Claimant address

- Claimant benefit amount
- Unemployment insurance reporting period
- Transmitter state code
- Transmitter state or agency name

D. Frequency of Data Exchanges

Subsection 453(j)(7)(A) of the Social Security Act authorizes HUD to furnish input files to OCSS, “on such periodic basis as determined by the Secretary of Housing and Urban Development in consultation with the Secretary of the U.S. Department of Health and Human Services . . .” 42 U.S.C. § 653(j)(7)(A). HUD has determined that it will furnish to OCSS input files for comparison with information in the NDNH, containing the following approximate number of records in the following frequencies:

- 6.4 million records will be furnished monthly against the new hire file
- 6.4 million records will be furnished quarterly against the quarterly wage file
- 6.4 million records will be furnished quarterly against the unemployment insurance file
- Approximately 150,000 records will be furnished monthly, in non-quarterly months (eight times per year), against the quarterly wage and unemployment insurance files, pertaining to new program participants, participants who have turned 18, or participants who have had a major change of status

E. Projected Start and Completion Dates

The projected start date of this agreement is February 27, 2024, and the projected expiration date is August 26, 2025 (18 months from the start date). The parties may, within three months prior to the expiration date of this agreement, renew the agreement for a period of up to one year, if the requirements stated in section XII.A are met, which would make the expiration date of this agreement August 26, 2026.

IV. NOTICE PROCEDURES

A. Individualized Notice that Information May Be Subject to Verification through Matching Programs and Written Consent

The Privacy Act requires that the matching agreement specify procedures for providing individualized notice at the time of application, and periodically thereafter, as directed by the Data Integrity Board of the agency, subject to guidance provided by the Director of the Office of Management and Budget, to applicants for and recipients of financial assistance or payments under federal benefit programs and that any information provided by such applicants and recipients may be subject to verification through matching programs. 5 U.S.C. § 552a(o)(1)(D)(i-ii).

Subsection 453(j)(7)(G) of the Social Security Act also provides that HUD “shall not seek, use, or disclose NDNH information relating to an individual without the prior written consent of such individual (or of a person legally authorized to consent on behalf of such individual).” 42 U.S.C. § 653(j)(7)(G).

Pursuant to this requirement, HUD has implemented procedures and developed forms for providing individualized notice at the time of application and periodically thereafter. The notice is provided in forms that individuals complete to make initial applications and subsequent annual recertifications or reexaminations; it informs the applicants or recipients that the information they provide may be verified through matching programs and obtains their prior written consent to same. The notice appears in the federal form, HUD-9886, *Authorization for the Release of Information/Privacy Act Notice* and HUD-9887, *Notice and Consent for the Release of Information*, contained in the “Document Package for Applicant’s/Tenant’s Consent to the Release of Information.” See Appendix C.

B. Constructive Notice of Matching Program

The Privacy Act requires a recipient agency to publish notice of the establishment or revision of a matching program in the *Federal Register*, at least 30 days prior to conducting such program. 5 U.S.C. § 552a(e)(12).

HUD will publish the required public notice of this matching program in the *Federal Register* at least 30 days prior to conducting the matching program. The notice cannot be published until HUD has reported the matching program to the Office of Management and Budget (OMB) and Congress for advance review and OMB has completed its advance review as required by 5 U.S.C. § 552a(o)(2)(A) and (r) and OMB Circular A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*, 81 FR 94424 (Dec. 23, 2016), at pages 17-23.

HUD will also provide a copy of the published notice to OCSS immediately upon publication in the *Federal Register*; HUD and HHS will post the agreement and the published matching notice on their Privacy Program internet sites as required by OMB Memorandum M-17-06, *Policies for Federal Agency Public Websites and Digital Services*.

V. VERIFICATION PROCEDURES AND OPPORTUNITY TO CONTEST FINDINGS

The Privacy Act requires that each matching agreement specify procedures for verifying information produced in the matching program and an opportunity to contest findings, as required by subsection (p). 5 U.S.C. § 552a(o)(1)(E).

A. Verification Procedures

Subsection (p) of the Privacy Act provides as follows:

(1) In order to protect any individual whose records are used in a matching program, no recipient agency, non-Federal agency, or source agency may suspend, terminate, reduce, or make a final denial of any financial assistance or payment under a federal benefit program to such individual, or take other adverse action against such individual, as a result of information produced by such matching program, until

(A)(i) the agency has independently verified the information;

...

(B) the individual receives a notice from the agency containing a statement of its findings and informing the individual of the opportunity to contest such findings; and

(C)(i) the expiration of any time period established for the program by statute or regulation for the individual to respond to that notice; or

(ii) in the case of a program for which no such period is established, the end of the 30-day period beginning on the date on which notice under subparagraph (B) is mailed or otherwise provided to the individual.

(2) Independent verification referred to in paragraph (1) 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 –

(A) the amount of any asset or income involved;

(B) whether such individual actually has or had access to such asset or income for such individual's own use; and

(C) the period or periods when the individual actually had such asset or income.

(3) Notwithstanding paragraph (1), an agency may take any appropriate action otherwise prohibited by such paragraph if the agency determines that the public health or public safety may be adversely affected or significantly threatened during any notice period required by such paragraph.

5 U.S.C. § 552a(p).

Further, subsection (q)(1) of the Privacy Act provides that notwithstanding any other provision of law, no source agency may disclose any record which is contained in a system of records to a recipient agency or non-federal agency for a matching program if such source agency has reason to believe that the verification and opportunity to contest requirements of subsection (p), or any matching agreement entered into pursuant to subsection (o), or both, are not being met by such recipient agency. 5 U.S.C. §

552a(q)(1). *See also* the Office of Management and Budget guidelines *Privacy Act of 1974: Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1998*, 54 FR 25818 (June 19, 1989) at pages 25827, 25829.

B. Opportunity to Contest Findings

HUD recognizes that information obtained from the NDNH is not conclusive evidence of the wage and employment information of an identified individual but is an indication that further verification is warranted. HUD has established and implemented procedures for HUD and authorized entities to which information is redisclosed to verify information produced in the matching program and to provide the affected individual an opportunity to contest findings. Such procedures provide that prior to taking adverse action against an individual, HUD will independently verify the information produced in the matching program; notify the individual of any findings; and inform the individual of the opportunity to contest such findings in accordance with subsections (p)(1) and (2) of the Privacy Act. 5 U.S.C. § 552a(p)(1) and (2). These procedures are set forth in 24 CFR 5.236, 24 CFR 966.4(l)(3), 24 CFR 982.555 and related HUD directives and are applicable to authorized entities.

VI. DISPOSITION OF MATCHED ITEMS

The Privacy Act requires that each matching agreement specify procedures for the retention and timely destruction of identifiable records created by a recipient agency or non-federal agency in such matching program. 5 U.S.C. § 552a(o)(1)(F).

The following provisions specify the retention periods for the records contained in the HUD input file provided by HUD and the NDNH records provided to HUD in this matching program, which includes all information contained in those records, even NDNH records that are not labeled as such.

At the end of the retention periods, OCSS and HUD will destroy the records, including ensuring the erasure of all electronic records.

A. HUD Records in the Input File

OCSS may retain the records contained in the input file provided to OCSS by HUD only for the time required for processing related to the matching program, but no longer than 60 days after the transmission of the file to OCSS.

B. NDNH Records in the Output File

1. Copy of NDNH Records in the Output File

OCSS may retain copies of the records contained in the NDNH output file provided to HUD by OCSS only for the time required to ensure the successful transmission of the output file to HUD, but no longer than 60 days after the transmission of the output file to HUD.

2. NDNH Records in the Output File Provided to HUD

HUD may retain the NDNH records contained in the output file provided to HUD by OCSS only for the time required to transfer such information onto the HUD system, EIV, but no longer than 60 days from the date of the disclosure of the files to HUD.

3. NDNH Records Downloaded and Maintained within the EIV

After downloading NDNH records onto the HUD system, EIV, HUD will retain the NDNH records within the EIV only for the time required to achieve the authorized purpose of the matching program, and all legal retention requirements HUD establishes in conjunction with the National Archives and Records Administration have been met, but no later than two years from the date of the disclosure of the information to HUD.

4. Printed NDNH Information

HUD and all authorized entities may retain printed NDNH information only for the time required to achieve the authorized purpose of the matching program, but no later than the term of the tenancy plus three years from the end of participation or move out date. Records may be retained beyond such retention period if such record is required for litigation, which was started before the expiration of the initial maximum record retention period. The HUD MF Housing requirements are in HUD Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*, Paragraph 5-23. The HUD Public and Indian Housing requirements are in 24 CFR 908.101.

VII. SECURITY PROCEDURES

The Privacy Act requires that each matching agreement specify procedures for ensuring the administrative, technical, and physical security of the records matched and the results of such programs. 5 U.S.C. § 552a(o)(1)(G).

This agreement, including the security addendum, specifies procedures for ensuring the security of such records.

NDNH comparison results must be safeguarded, whether labeled as NDNH information or commingled with other information and, if an agency commingles NDNH information, the agency must ensure that computer matching agreement requirements and conditions apply to all information with which NDNH information is maintained.

VIII. RECORDS USAGE, DUPLICATION, AND REDISCLOSURE RESTRICTIONS

The Privacy Act requires that each matching agreement specify prohibitions on duplication and redisclosure of records provided by the source agency within or outside the recipient agency or the non-federal agency, except where provided by law or essential to the conduct of the matching program. 5 U.S.C. § 552a(o)(1)(H). *See also* Section VI, above. The Privacy Act also requires that each matching agreement specify procedures governing the use by the recipient agency or non-federal agency of records provided in a matching program by a source agency, including procedures governing return of the records to the source agency or destruction of records used in such programs. 5 U.S.C. § 552a(o)(1)(I).

Restrictions on duplication, redisclosure, and use of NDNH records are found in the Social Security Act. Subsection 453(l)(1) requires that NDNH information and the results of comparisons using NDNH information will not be used or disclosed except as expressly provided in section 453, subject to section 6103 of the Internal Revenue Code of 1986. 42 U.S.C. § 653(l)(1). Subsection 453(l)(2) provides that an administrative penalty (up to and including dismissal from employment), and a fine of \$1,000 will be imposed for each act of unauthorized access to, disclosure of, or use of, information in the NDNH by any officer or employee of the United States or any other person who knowingly and willfully violates the requirement. 42 U.S.C. § 653(l)(2). Subsection 453(m) requires the Secretary of the U.S. Department of Health and Human Services to establish and implement safeguards with respect to the entities established under this section designed to restrict access to confidential NDNH information to authorized persons and to restrict use of such information to authorized purposes. 42 U.S.C. § 653(m)(2).

All duplicates, redisclosures, and uses of NDNH information, requested by HUD and approved by OCSS and HUD information, are identified in this agreement. Further redisclosures and uses by HUD or the authorized entities identified in section VIII.E of this agreement or OCSS are prohibited under this agreement. Further redisclosures and uses may be permitted only if: 1) specifically requested by HUD, 2) authorized under subsection 453(j)(7)(E) of the Social Security Act, 3) governed by a written modification to this agreement, and 4) supported by the documentation agreed upon by OCSS and HUD for ensuring compliance with the privacy and security safeguards in this agreement, including the security addendum.

Subsection 453(j)(7) of the Social Security Act, under which this matching program is authorized, further restricts the redisclosure and use of records as described in the following sections.

A. Determination that Disclosures Do Not Interfere with the Child Support Program

Subsection 453(j)(7)(C)(ii) of the Social Security Act provides that the Secretary of Health and Human Services will make disclosures to HUD only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under title IV, part D of the Social Security Act. 42 U.S.C. § 653(j)(7)(C)(ii).

OCSS may not commence, or may discontinue, disclosing NDNH information upon a determination that such disclosure interferes with the effective operation of the state/federal child support program. OCSS will provide HUD with 10 days' advance written notice prior to any discontinuation of the disclosure of NDNH information.

B. Authorized Purpose and Use of NDNH Information by HUD; Verifying Employment and Income; Analyses

Subsection 453(j)(7)(D) of the Social Security Act provides that HUD may use information resulting from the information comparison only for the purpose of [verifying the employment and income of individuals participating in certain HUD programs described in subparagraph (A) and, after the removal of personal identifiers, to conduct analyses of the employment and income reporting of such individuals. 42 U.S.C. § 653(j)(7)(D).

HUD will use, duplicate, copy, extract, and redisclose the results of the information comparison solely for the purposes authorized pursuant to this agreement and will comply with all privacy and security safeguards, in accordance with the terms and conditions specified in the agreement, including the security addendum.

Prior to any use of information, resulting from this agreement used for the purpose of conducting analyses of employment and income reporting, HUD will provide OCSS documentation, including the specific analyses being conducted, specific HUD users, procedures for the removal of personal identifiers, data storage location and safeguards, retention periods, and other information pertaining to the use of the results of the information comparison. HUD agrees that future plans for analyses will be approved by OCSS prior to conducting such analysis.

C. Redislosures Authorized by Subsection 453(j)(7)(E) of the Social Security Act

Subsection 453(j)(7)(E)(ii) of the Social Security Act authorizes HUD to redisclose NDNH information to a public housing agency, the HUD Inspector General, and the Attorney General for the purpose of verifying employment and income of participants in housing programs described in subparagraph (A) of subsection 453(j)(7).

Subsection 453(j)(7)(E)(iv)(II) of the Social Security Act authorizes HUD to redisclose NDNH information to a private owner, a management agent, and a contract administrator in connection with the administration of certain HUD programs described in subparagraph (A) of subsection 453(j)(7) (multifamily business partners).

HUD may redisclose NDNH information under such authority if the redisclosure to such entity is: 1) specifically requested by HUD; 2) authorized under subsection 453(j)(7)(E) of the Social Security Act, as agreed upon by HUD and OCSS; and 3) identified in section VIII.E.1 and 2. *See* Appendix E.

Such redisclosures may be authorized only for the purpose of verifying the employment and income of individuals described in subparagraph (A) in accordance with subsection 453(j)(7)(E)(i) under the conditions in 453(j)(7)(E)(iii) of the Social Security Act. 42 U.S.C. § 653(j)(7)(E)(i) and (iii)

D. Evaluation of Costs, Benefits and Safeguards; Control Policies; Audit and Sanctions

Subsection 453(j)(7)(E)(iv)(I) of the Social Security Act provides that HUD and OCSS shall determine whether to permit disclosure of NDNH information to a private owner, a management agent, and a contract administrator based on an evaluation, made by HUD in consultation with and approved by OCSS, of the costs and benefits of disclosures made to public housing agencies, the HUD Inspector General, and the Attorney General, and the adequacy of measures used to safeguard the security and confidentiality of information so disclosed. The evaluation required pursuant to subsection 453(j)(7)(E)(iv)(I) was conducted by HUD and signed by HUD and OCSS in May 2007.

Subsection 453(j)(7)(E)(ii) and (iv)(II) of the Social Security Act provides that HUD may disclose NDNH information subject to certain conditions contained in subsection 453(j)(7)(E)(iii). The conditions require disclosures to be made: (1) in accordance with data security and control policies established by HUD and approved by OCSS; (2) subject to audit in a manner satisfactory to OCSS; and (3) subject to the sanctions under subsection (l)(2) of section 453 of the Social Security Act. 42 U.S.C. § 653(j)(7)(E)(ii and (iii). HUD and OCSS have agreed to such conditions, which are contained within this agreement, including the security addendum.

E. Entities Requested by HUD to be Redisclosure Recipients; Authorized Purpose and Use; Conditions for Redisclosure

HUD requests and is authorized to redisclose the results of the information comparison to the following entities.

1. Public Housing Agencies, HUD Inspector General, and Attorney General; Multifamily Business Partners

HUD requests redisclosure of NDNH information to the PHAs, PHA management agents, the HUD Inspector General, the Attorney General, private owners, management agents, and contract administrators (MF business partners).

2. Limited Redisclosure to Independent Auditors and to Entities Associated with Grievance Procedures and Judicial Proceedings

HUD requests limited redisclosure of written reports containing NDNH information to certain approved independent auditors hired by the management agents, owners, or PHAs pursuant to HUD Inspector General audit requirements for the sole purpose of performing an audit of whether these HUD authorized entities verified tenants' employment and/or income and calculated the subsidy and rent correctly.

HUD also requests limited redisclosure of NDNH information to 1) lawyers and court personnel associated with judicial proceedings relating to independently verified unreported income identified through this matching program; and 2) lawyers and certain agency personnel associated with grievance procedures relating to independently verified unreported income identified through this matching program.

Prior to redisclosure to these entities, HUD must implement procedures to: 1) permit access only to NDNH information within hard copy files, 2) prohibit transmitting or transporting NDNH information in any form, 3) prohibit entering NDNH information on any portable media, 4) require these entities to sign non-disclosure agreements (or similar documentation) which permit the use of NDNH information only for the purpose of the dispute, and 5) prohibit these entities from redisclosing NDNH information to any user not authorized by subsection 453(j)(7) of the Social Security Act and identified within this agreement.

3. Authorized Purpose and Use for Redisclosures of NDNH Information; Verifying Employment and Income

Subsection 453(j)(7)(E)(i) of the Social Security Act authorizes HUD to redisclose NDNH information to public housing agencies (PHAs), the PHA management agents, the HUD Inspector General, the Attorney General, and private owners, management agents, and contract administrators (MF business partners) for the sole purpose of verifying employment and income of participants in housing programs described in subparagraph (A) of subsection 453(j)(7). 42 U.S.C. § 653(j)(7)(E)(i).

Entities to which HUD may redisclose NDNH information are authorized to use the information only for verification of employment and income of participants in housing programs, not to conduct analyses of the employment and income reporting of such participants.

PHAs, PHA management agents, private owners, management agents, and contract administrators are authorized to access and use NDNH information pertaining solely to participants of the housing programs administered by those entities.

All redisclosures of NDNH information, requested by HUD and approved by OCSS, are identified in this agreement and in the Data Flow Diagram. *See Appendix D.* The diagram identifies: 1) where and how HUD and other authorized entities maintain the

NDNH information; 2) HUD and other authorized entities' personnel who have access to NDNH information; and 3) the purpose for such access.

F. HUD Responsibility to Ensure Compliance with Agreement by Authorized Entities; Measures

HUD responsibilities pertaining to all privacy and security safeguards within this agreement, including the security addendum, extend to HUD contractors. HUD must ensure that the authorized entities identified in section VIII.E of this agreement comply with all privacy and security safeguards within this agreement, including the security addendum.

Prior to any redisclosure under this agreement, HUD will take the following measures to ensure such compliance: (1) establishing, documenting, and implementing, between HUD and each authorized entity, all safeguards within this agreement, including the security addendum; (2) providing authorized entities written documentation of all safeguards within this agreement; (3) entering into a written agreement or requiring a certification that those authorized entities will comply with such safeguards; and (4) periodically monitoring to verify compliance, conducting audits, and otherwise enforcing all such safeguards within those entities.

IX. RECORDS ACCURACY ASSESSMENTS

The Privacy Act requires that each matching agreement specify information on assessments that have been made about the accuracy of records that will be used in the matching program. 5 U.S.C. § 552a(o)(1)(J).

A. NDNH Records

The information maintained within the NDNH is reported to OCSS by state and federal agencies. OCSS verifies the accuracy of name and Social Security number combinations maintained by OCSS against Social Security Administration databases in accordance with subsection 453(j)(1) of the Social Security Act. 42 U.S.C. § 653(j)(1).

A record reported to the NDNH is considered "verified" if the name and Social Security number combination has a corresponding name and Social Security number combination within Social Security Administration databases.

One hundred percent of the employee name and Social Security number combinations contained in the new hire, quarterly wage and the unemployment insurance files against which input files are compared have been verified against Social Security Administration databases. For quarterly wage, 77 percent of name and Social Security number combinations have been verified because some states do not collect enough name data. However, information comparisons may be conducted, and reliable results obtained.

B. HUD Records

HUD verifies the accuracy of name and Social Security number combinations maintained by HUD against Social Security Administration databases. The input file to be compared to the NDNH only contains name and Social Security number combinations that have been verified by the Social Security Administration. Thus, HUD deems 100 percent of the name/Social Security number combinations that HUD transmits to OCSS to be accurate.

X. COMPTROLLER GENERAL ACCESS

The Privacy Act requires that each matching agreement specify that the Comptroller General of the United States may have access to all records of a recipient agency or a non-federal agency that the Comptroller General deems necessary in order to monitor or verify compliance with this agreement. 5 U.S.C. § 552a(o)(1)(K). OCSS and HUD agree that the Comptroller General may have access to such records for the authorized purpose of monitoring or verifying compliance with this agreement.

XI. REIMBURSEMENT/FUNDING

Subsection 453(k)(3) of the Social Security Act requires a state or federal agency that receives information from the Secretary of the U.S. Department of Health and Human Services to reimburse the Secretary for costs incurred by the Secretary in furnishing the information. The reimbursement must be at rates which the Secretary determines to be reasonable and will include the costs of obtaining, verifying, maintaining, and comparing the information. 42 U.S.C. § 653(k)(3).

Subsection 453(j)(7)(F) of the Social Security Act requires HUD to reimburse OCSS, in accordance with subsection (k)(3), for the costs incurred by OCSS in furnishing the information. [42 U.S.C. § 653(j)(7)(F).

OCSS has established a full-cost reimbursement methodology for calculating user fees for each state or federal agency receiving information from the NDNH. A reimbursement agreement will be executed each fiscal year of the computer matching agreement and HUD will reimburse OCSS in accordance with the terms of such reimbursement agreement.

XII. DURATION OF AGREEMENT

A. Effective Date of the Agreement

As stated in III.E., HUD and OCSS intend that the effective date of this agreement will be February 28, 2024, the day after the expiration date of the renewal of the prior matching agreement, No. 2107, and intend for this agreement to remain in effect for 18 months as permitted by 5 U.S.C. § 552a(o)(2)(C).

OCSS and HUD may commence comparisons and disclosures under this agreement upon completion of the following requirements:

- OCSS and the authorized HUD officials sign the agreement
- HUD and HHS Data Integrity Boards approve this matching agreement, and HUD and HHS DIB Chairpersons sign the agreement
- HUD submits the documentation required by OCSS to assess the HUD EIV System's security posture
- HUD reports the matching program to OMB and Congress for their advance review and, upon completion of OMB's advance review, HUD publishes the matching notice in the *Federal Register* for 30 calendar days as required by 5 U.S.C. §§ 552a(e)(12), (o)(2)(A), and (r), and OMB Circular A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*, 81 FR 94424 (Dec. 23, 2016), at pages 17-23

The parties may, within three months prior to the expiration date of this agreement, renew the agreement for a period of up to one year, as permitted by 5 U.S.C. § 552a(O)(2)(D). To renew a matching program OCSS and HUD must meet requirements of subsection q, which provides that no source agency may renew a matching agreement unless the recipient agency or non-federal agency has certified that it has complied with the provisions of that agreement and the source agency has no reason to believe that the certification is inaccurate. 5 U.S.C. § 552a(q)(2)(A) and (B).

OCSS and HUD anticipate the matching program will meet renewal requirements and will certify to the Data Integrity Boards in writing that the program has been conducted in compliance with the agreement and will be conducted without any significant change. *See* 5 U.S.C. § 552a(o)(2)(D) and OMB Circular A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*, 81 FR 94424 (Dec. 23, 2016), at pages 17-20.

B. Modification of the Agreement

This agreement may be modified at any time by a written amendment which is approved by HUD, OCSS, and by the Data Integrity Boards of each agency. If any significant changes are requested, a new agreement will be required.

C. Termination of the Agreement

This agreement may be terminated at any time with the consent of both agencies.

Either agency may unilaterally terminate this agreement upon written notice to the other agency, in which case the termination date will be effective 90 days after the date of the notice or later as specified in the notice provided this date does not exceed the approved duration of the agreement.

If OCSS has reason to believe that the verification and opportunity to contest requirements of subsection (p) of the Privacy Act any other requirement of this agreement are not being met, OCSS will terminate disclosures of records contained in the NDNH under the agreement. 5 U.S.C. § 552a(q)(1).

If OCSS determines that any authorized entity to which NDNH information is redisclosed is not complying with any of the terms and provisions in this agreement, OCSS may terminate this agreement.

If OCSS determines that the privacy or security of NDNH information is at risk, OCSS may terminate the agreement and any further disclosures without prior notice to HUD.

Each agency will submit to its Data Integrity Board a copy of any notification of termination.

XIII. NECESSITY OF INFORMATION FOR AUTHORIZED PURPOSE

Subsection 453(j)(7)(B) of the Social Security Act requires HUD to seek minimum information only to the extent necessary to verify the employment and income of participants of specified programs. 42 U.S.C. § 653(j)(7)(B).

HUD will comply with such requirement by ensuring that each individual pertaining to whom information is requested and for whom each data element is requested and the frequency of transmission and the retention and disposition periods of NDNH information, are necessary to accomplish the authorized purpose for obtaining NDNH information – verifying the employment and income of participants of the specified programs. (*See* sections III.B, III.D, and VI).

HUD may provide to each entity listed in sections VIII.E.1 and 2 only the specific NDNH information necessary to perform their official duties and to accomplish the purpose for obtaining NDNH information – verifying the employment and income of participants of the specified programs.

XIV. PERIODIC REPORTING OF PERFORMANCE OUTCOMES

The Office of Management and Budget requires OCSS to periodically report measures of the performance of the FPLS, including the NDNH, through various federal management devices, such as the Office of Management and Budget Information Technology Dashboard, the Annual Report to Congress, and the Major IT Business Case. OCSS is required to provide performance measures demonstrating how the FPLS supports the OCSS strategic mission, goals and objectives, and cross-agency collaboration. OCSS also requests such performance reporting to ensure matching partners use NDNH information for the authorized purpose.

To assist OCSS in its compliance with federal reporting requirements and to provide assurance that HUD uses NDNH information for the authorized purpose, HUD will provide OCSS a

written report describing the performance outputs and outcomes attributable to its use of NDNH information for the purposes set forth in this agreement. The report will identify the estimate of the erroneous rental housing assistance payments attributable to tenant reporting of income that was determined through the comparison using NDNH information.

HUD will provide such reports, in a format determined by HUD and approved by OCSS, to OCSS on an annual basis, no later than three months after the end of each fiscal year of the matching program.

The reports may also assist HUD in the development of a cost-benefit analysis of the matching program required for any subsequent matching agreements in accordance with 5 U.S.C. § 552a(o)(1)(B). *See* section II.B of this agreement.

XV. DISPUTE RESOLUTION

Disputes related to this agreement over financial or accounting issues must be resolved in accordance with instructions provided in the Treasury Financial Manual, Volume I, Appendix 5, *Overall Intra-Governmental Transactions Processes/General Information*, Section 2.3, or a superseding directive, available on the Treasury Financial Manual website at <https://tfm.fiscal.treasury.gov/v1/p2/Appendix-5-2-4700.pdf>.

XVI. PERSONS TO CONTACT

- A.** The U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Services contact for programs is:
Sherri Grigsby
Deputy Director
Division of Federal Systems
Office of Child Support Services
Administration for Children and Families
Mary E. Switzer Building
330 C Street SW, 5th Floor
Washington, DC 20201
Phone: 202-401-6114
Email: Sherri.Grigsby@acf.hhs.gov
- B.** The U.S. Department of Housing and Urban Development contacts are: Matching Agreement and Systems Operations Issues
Shalene Domingo, EIV Program Manager
Office of Public and Indian Housing
Real Estate Assessment Center (REAC)
550 12th Street SW, Suite 100
Washington, DC 20410
Telephone: 202-475-8625
Email: Shalene.J.Domingo@hud.gov
- C.** Lindsey R. Redlin
Branch Chief, Subsidy Oversight Branch
Assisted Housing Oversight Division
Office of Asset Management and Portfolio Oversight
451 7th Street, S.W., Suite 6162
Washington DC 20410
Telephone: 202-402-5988
Email: Lindsey.Redlin@hud.gov

XVII. APPROVALS

By their signatures below, the authorized officials approve this agreement.

A. U. S. Department of Health and Human Services Program Official

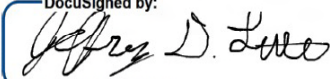
<div><div>Tanguler S. Gray -S</div><div>Date: 2023.08.29 15:53:31 -04'00'</div><div>Digitally signed by Tanguler S. Gray -S</div></div>	
<div>Tanguler Gray Commissioner Office of Child Support Services</div>	<div>Date</div>

B. U. S. Department of Health and Human Services Data Integrity Board

<div><div>Cheryl R. Campbell -S</div><div>Digitally signed by Cheryl R. Campbell -S</div><div>Date: 2023.10.31 12:56:35 -04'00'</div></div>	
<div>Cheryl Campbell Chairperson HHS Data Integrity Board</div>	<div>Date</div>

C. U.S. Department of Housing and Urban Development Program Official[s]

<div>Digitally signed by: DOMINIQUE BLOM DN: CN = DOMINIQUE BLOM C = US O = U.S. Government OU = Department of Housing and Urban Development, Office of Public and Indian Housing Date: 2023.09.27 12:07:57 -04'00'</div> <div>DOMINIQUE BLOM</div>	
Dominique Blom General Deputy Assistant Secretary for Office of Public and Indian Housing	Date

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Jeffrey D. Little General Deputy Assistant Secretary Office of Housing	Date 9/25/2023

<div>Digitally signed by: Ashley L. Sheriff DN: CN = Ashley L. Sheriff email = Ashley.L.Sheriff@hud.gov C = US OU = REAC OU PIH Date: 2023.09.25 14:23:37 -04'00'</div> <div>Ashley L. Sheriff</div>	
Ashley L. Sheriff Deputy Assistant Secretary for the Real Estate Assessment Center U.S. Department of Housing and Urban Development	Date

D. U.S. Department of Housing and Urban Development Data Integrity Board

<div>Digitally signed by BRADLEY JEWITT Date: 2024.01.19 16:27:57 -05'00'</div> <div>BRADLEY JEWITT</div>	
Bradley S. Jewitt Chairperson Data Integrity Board Department of Housing and Urban Development	Date

SECURITY ADDENDUM

**U.S. Department of Health and Human Services
Administration for Children and Families
Office of Child Support Services**

and

U.S. Department of Housing and Urban Development
Verification of Employment and Income and Analysis

I. PURPOSE AND EFFECT OF THIS SECURITY ADDENDUM

The purpose of this security addendum is to specify the security controls that the Office of Child Support Services (OCSS) and U.S. Department of Housing and Urban Development (HUD) must have in place to ensure the security of the records compared against records in the National Directory of New Hires (NDNH), and the results of the information comparison.

By signing this security addendum, OCSS and HUD agree to comply with the provisions of the Social Security Act, the Privacy Act of 1974, the Federal Information Security Modernization Act of 2014 (FISMA), Office of Management and Budget (OMB) directives, the National Institute of Standards and Technology (NIST) series of Special Publications (SP), and the underlying agreement to this security addendum. Further, each agency has implemented the minimum security controls required for a system categorized as “moderate” in accordance with the Federal Information Processing Standards (FIPS) Publication 199, *Standards for Security Categorization of Federal Information and Information Systems*. OCSS and HUD agree to use the information (such as input and output files) received from each agency for authorized purposes in accordance with the terms of the agreement.

As federal requirements change or new requirements are established, OCSS and HUD must comply with such requirements.

II. APPLICABILITY OF THIS SECURITY ADDENDUM

This security addendum is applicable to the agency, personnel, facilities, documentation, information, electronic and physical records, other machine-readable information, and the information systems of OCSS and HUD and HUD authorized entities specified in the agreement which are hereinafter “OCSS” and “HUD.”

III. SECURITY AND PRIVACY SAFEGUARDING REQUIREMENTS

The safeguarding requirements in this security addendum are drawn from the *Office of Child Support Services Division of Federal Systems Security Requirements for Federal Agencies*

Receiving National Directory of New Hires Data. This document is available upon request from ocsssecurity@acf.hhs.gov.

This section provides the safeguarding requirements with which OCSS and HUD must comply and continuously monitor. HUD must also comply with three additional requirements: Breach Reporting and Notification Responsibility; Security Authorization; and Audit Requirements.

The safeguarding requirements for receiving NDNH information as well as the safeguards in place at OCSS for protecting the agency input files are as follows:

1. HUD must restrict access to, and disclosure of, NDNH information to authorized personnel who need NDNH information to perform their official duties in connection with the authorized purposes specified in the agreement.

OCSS restricts access to and disclosure of the agency input files to authorized personnel who need them to perform their official duties as authorized in this agreement.

Policy/Requirements Traceability: 5 U.S.C. § 552a(b)(1), NIST SP 800-53 Rev 5, *Security and Privacy Controls for Information Systems and Organizations*, AC-3, AC-6

2. HUD must establish and maintain an ongoing management oversight and quality assurance program to ensure that only authorized personnel have access to NDNH information.

OCSS management oversees the use of the agency input files to ensure that only authorized personnel have access.

Policy/Requirements Traceability: 5 U.S.C. § 552a; NIST SP 800-53 Rev 5, PL-4(1), PS-6, PS-8

3. HUD must advise all authorized personnel who will access NDNH information of the confidentiality of NDNH information, the safeguards required to protect NDNH information, and the civil and criminal sanctions for non-compliance contained in the applicable federal laws, including section 453(l)(2) of the Social Security Act. 42 U.S.C. § 653(l)(2).

OCSS advises all personnel who will access the agency input files of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in the applicable federal laws.

Policy/Requirements Traceability: 5 U.S.C. § 552a; NIST SP 800-53 Rev 5, PL-4(1), PS-6, PS-8

4. HUD must deliver security and privacy awareness training to personnel with authorized access to NDNH information and the system that houses, processes, or transmits NDNH information. The training must describe each user's responsibility for proper use and protection of NDNH information, how to recognize and report potential indicators of insider threat, and the possible sanctions for misuse. All personnel must receive security and privacy awareness training before accessing NDNH information and at least annually thereafter. The training must cover the matching provisions of the federal Privacy Act, the Computer Matching and Privacy Protection Act, and other federal laws governing use and misuse of protected information.

OCSS delivers security and privacy awareness training to personnel. The training describes each user's responsibility for proper use and protection of other agencies' input files, how to recognize and report potential indicators of insider threat, and the possible sanctions for misuse. All personnel receive security and privacy awareness training before accessing agency input files and at least annually thereafter. The training covers the other federal laws governing use and misuse of protected information.

Policy/Requirements Traceability: 5 U.S.C. § 552a; 44 U.S.C. § 3551 et seq; OMB Circular A-130, *Managing Information as a Strategic Resource*; OMB M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information*; NIST SP 800-53 Rev 5, AT-2(2), AT-3, AT-4

5. HUD personnel with authorized access to NDNH information must sign non-disclosure agreements, rules of behavior, or equivalent documents before system access, annually, and if changes in assignment occur. The non-disclosure agreement, rules of behavior, or equivalent documents must outline the authorized purposes for which the HUD may use NDNH information, the privacy and security safeguards contained in this agreement and security addendum, and the civil and criminal penalties for unauthorized use. HUD may use "wet" and/or electronic signatures to acknowledge non-disclosure agreements, rules of behavior, or equivalent documents.

OCSS personnel with authorized access to the agency input files sign non-disclosure agreements and rules of behavior annually.

Policy/Requirements Traceability: OMB Circular A-130 – Appendix I, *Responsibilities for Protecting and Managing Federal Information Resources*; OMB M-17-12; NIST SP 800-53 Rev 5, PS-6

6. HUD must maintain records of authorized personnel with access to NDNH information. The records must contain a copy of each individual's signed non-disclosure agreement, rules of behavior, or equivalent document and proof of the individual's participation in security and privacy awareness training. HUD must make such records available to OCSS upon request.

OCSS maintains a record of personnel with access to the agency input files. The records contain a copy of each individual's signed non-disclosure agreement, rules of behavior, or equivalent document and proof of the individual's participation in security and privacy awareness training.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AT-4

7. HUD must have appropriate procedures in place to report confirmed and suspected security or privacy incidents (unauthorized use or disclosure involving personally identifiable information), involving NDNH information. Immediately upon discovery, but in no case later than one hour after discovery of the incident, HUD must report confirmed and suspected incidents, in either electronic or physical form, to OCSS, as designated in this security addendum. The requirement for HUD to report confirmed or suspected incidents involving NDNH information to OCSS exists in addition to, not in lieu of, any HUD requirements to report to the United States Computer Emergency Readiness Team (US-CERT) or other reporting agencies.

OCSS has appropriate procedures in place to report security or privacy incidents, or suspected incidents involving the agency input files. Immediately upon discovery but in no case later than one hour after discovery of the incident, OCSS will report confirmed and suspected incidents to the HUD security contact designated in this security addendum. The requirement for OCSS to report confirmed or suspected incidents to HUD exists in addition to, not in lieu of, requirements to report to US-CERT or other reporting agencies.

Policy/Requirements Traceability: OMB Circular A-130 – Appendix I; OMB M-17-12; NIST SP 800-53 Rev 5, IR-6

8. HUD must prohibit the use of non-HUD furnished equipment to access NDNH information without specific written authorization from the appropriate HUD representatives.

OCSS does not permit personnel to access the agency input files remotely using non-agency furnished equipment.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AC-20(1)(2)

9. HUD must require that personnel accessing NDNH information remotely (for example, telecommuting) adhere to all the security and privacy safeguarding requirements provided in this security addendum. HUD and non-HUD furnished equipment must have appropriate software with the latest updates to protect against attacks, including, at a minimum, current antivirus software and up-to-date system patches and other software patches. Before electronic connection to HUD resources, HUD must scan the HUD and non-HUD furnished equipment to ensure compliance with HUD standards. All remote connections must be through Network Access Control, and all data in transit between the remote location and HUD must be

encrypted using FIPS 140-3 encryption standards. Personally owned devices must not be authorized. See numbers 8 and 19 of this section for additional information.

OCSS does not permit personnel to access the agency input files remotely using non-agency furnished equipment.

Policy/Requirements Traceability: OMB-M-17-12; NIST SP 800-53 Rev 5, AC-17, AC-20

10. HUD must implement an effective continuous monitoring strategy and program that must ensure the continued effectiveness of security controls by maintaining ongoing awareness of information security, vulnerabilities, and threats to the information system housing NDNH information. The continuous monitoring program must include configuration management, patch management, vulnerability management, risk assessments before making changes to the system and environment, ongoing security control assessments, and reports to HUD officials as required.

OCSS has implemented a continuous monitoring strategy and program that ensures the continued effectiveness of security controls by maintaining ongoing awareness of information security, vulnerabilities, and threats to the information system housing the input files. The continuous monitoring program includes configuration management, patch management, vulnerability management, risk assessments before making changes to the system and environment, ongoing security control assessments, and reports to the U.S. Department of Health and Human Services officials as required.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, CA-7(1)(4); NIST SP 800-137, *Information Security Continuous Monitoring (ISCM) for Federal Information Systems and Organizations*

11. HUD must maintain an asset inventory of all software and hardware components within the boundary of the information system housing NDNH information. The inventory must be detailed enough for HUD to track and report.

OCSS maintains an inventory of all software and hardware components within the boundary of the information system housing the agency input files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, CM-2(3)(7), CM-7(1)(2)(4), CM-8(1)(3), CM-11, IA-3, PM-5, SA-4(1)(2)(9)(10), SC-17, SC-18, SI-4(2)(4)(5)

12. HUD must maintain a system security plan describing the security requirements for the system housing NDNH information and the security controls in place or planned for meeting those requirements. The system security plan must describe the responsibilities and expected behavior of all individuals who access the system.

OCSS maintains a system security plan that describes the security requirements for the information system housing the agency input files and the security controls in place or planned for meeting those requirements. The system security plan includes responsibilities and expected behavior of all individuals who access the system.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, PL-2, NIST SP 800-18 Rev 1, *Guide for Developing Security Plans for Federal Information Systems*

13. HUD must maintain a plan of action and milestones (and when applicable, a corrective action plan) for the information system housing NDNH information to document plans to correct weaknesses identified during security control assessments and to reduce or eliminate known vulnerabilities in the system. HUD must update the plan of action and milestones (and when applicable, the corrective action plan) as necessary based on the findings from security control assessments, security impact analyses, and continuous monitoring activities.

OCSS maintains a plan of action and milestones for the information system housing the agency input files to document plans to correct weaknesses identified during security control assessments and to reduce or eliminate known vulnerabilities in the system. OCSS updates the plan of action and milestones as necessary based on the findings from security control assessments, security impact analyses, and continuous monitoring activities.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, CA-5, NIST SP 800-18 Rev 1

14. HUD must maintain a baseline configuration of the system housing NDNH information. The baseline configuration must include information on system components (for example, standard software packages installed on workstations, notebook computers, servers, network components, or mobile devices; current version numbers and patch information on operating systems and applications; and configuration settings/parameters), network topology, and the logical placement of those components within the system architecture.

OCSS maintains a baseline configuration of the information system housing the agency input files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, CA-7, CA-9, CM-2(3)(7), CM-3(2), CM-5, CM-6, CM-7(1)(2)(4), CM-8(1)(3), CM-11, SI-4(2)(4)(5)

15. HUD must limit and control logical and physical access to NDNH information to only those personnel authorized for such access based on their official duties, and identified in the records maintained by HUD pursuant to numbers 6 and 27 of this section. HUD must prevent personnel from browsing by using technical controls or other compensating controls.

OCSS limits and controls logical and physical access to the agency input files to only those personnel authorized for such access based on their official duties. OCSS prevents browsing using technical controls that limit and monitor access to the agency input files.

Policy/Requirements Traceability: 5 U.S.C. § 552a; NIST SP 800-53 Rev 5, AC-2, AC-3

16. HUD must transmit and store all NDNH information provided pursuant to this agreement in a manner that safeguards the information and prohibits unauthorized access. All electronic HUD transmissions of information to HUD and entities specified in the agreement must be encrypted utilizing a FIPS 140-3 compliant product.

HUD and OCSS exchange data via a mutually approved and secured data transfer method that utilizes a FIPS 140-3 compliant product.

Policy/Requirements Traceability: OMB M-17-12; FIPS 140-3, *Security Requirements for Cryptographic Modules*; NIST SP 800-53 Rev 5, MP-4, SC-8

17. HUD must transfer and store NDNH information only on HUD owned portable digital media and mobile computing and communications devices that are encrypted at the disk or device level, using a FIPS 140-3 compliant product. See numbers 8 and 18 of this section for additional information.

OCSS does not copy the agency input files to mobile media.

Policy/Requirements Traceability: OMB M-17-12; FIPS 140-3

18. HUD must prohibit the use of computing resources resident in commercial or public facilities (for example, hotels, convention centers, airports) from accessing, transmitting, or storing NDNH information.

OCSS prohibits the use of computing resources resident in commercial or public facilities (for example, hotels, convention centers, airports) from accessing, transmitting, or storing the agency input files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AC-19(5), CM-8(3)

19. HUD must prohibit remote access to NDNH information, except via a secure and encrypted (FIPS 140-3 compliant) transmission link and using two-factor authentication. HUD must control remote access through a limited number of managed access control points.

OCSS prohibits remote access to the agency input files except via a secure and encrypted (FIPS 140-3 compliant) transmission link and using two-factor authentication.

Policy/Requirements Traceability: OMB M-17-12; FIPS 140-3; NIST SP 800-53 Rev 5, AC-17, IA-2(6)(12), SC-8

20. HUD must maintain a fully automated audit trail system with audit records that, at a minimum, collect data associated with each query transaction to its initiator, capture date and time of system events and type of events. The audit trail system must protect data and the audit tool from addition, modification or deletion and should be regularly reviewed and analyzed for indications of inappropriate or unusual activity.

OCSS maintains a fully automated audit trail system with audit records that, at a minimum, collect data associated with each query transaction with its initiator, capture date and time of system events and type of events. The audit trail system must protect data and the audit tool from addition, modification or deletion and should be regularly reviewed and analyzed for indications of inappropriate or unusual activity.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AU-2, AU-3, AU-6(1)(3), AU-8, AU-9(4), AU-11

21. HUD must log each computer-readable data extract (secondary store or files with duplicate NDNH information) from any database holding NDNH information and verify that each extract has been erased within 60 days after completing authorized use. If HUD requires the extract for longer than 60 days to accomplish a purpose authorized pursuant to this agreement, HUD must request permission, in writing, to keep the extract for a defined period, subject to OCSS written approval. HUD must comply with the retention and disposition requirements in the agreement.

OCSS does not extract information from the agency input files.

Policy/Requirements Traceability: OMB M-17-12, NIST SP 800-53 Rev 5, MP-4, MP-6, SI-12

22. HUD must utilize a time-out function for remote access and mobile devices that require a user to re-authenticate after no more than 30 minutes of inactivity. See numbers 8, 9, and 19 of this section for additional information.

OCSS utilizes a time-out function for remote access and mobile devices that requires a user to re-authenticate after no more than 30 minutes of inactivity.

Policy/Requirements Traceability: OMB M-17-12, NIST SP 800-53 Rev 5, AC-11, AC-12, AC-17, SC-10

23. HUD must erase electronic records after completing authorized use in accordance with the retention and disposition requirements in the agreement.

OCSS erases the electronic records after completing authorized use in accordance with the retention and disposition requirements in the agreement.

Policy/Requirements Traceability: 5 U.S.C. § 552a, NIST SP 800-53 Rev 5, MP-4, MP-6, SI-12

24. When storage media are disposed of, the media will be destroyed or sanitized so that the erased records are not recoverable.

Policy/Requirements Traceability: 5 U.S.C. § 552a, NIST SP 800-53 Rev 5, MP-4, MP-6, SI-12

25. HUD must implement a Network Access Control (also known as Network Admission Control (NAC)) solution in conjunction with a Virtual Private Network (VPN) option to enforce security policy compliance on all HUD and non-HUD remote devices that attempt to gain access to, or use, NDNH information. HUD must use a NAC solution to authenticate, authorize, evaluate, and remediate remote wired and wireless users before they can access the network. The implemented NAC solution must evaluate whether remote machines are compliant with security policies through host(s) integrity tests against predefined templates, such as patch level, service packs, antivirus, and personal firewall status, as well as custom created checks tailored for the HUD enterprise environment. HUD must disable functionality that allows automatic code execution. The solution must enforce security policies by blocking, isolating, or quarantining non-compliant devices from accessing the HUD network and resources while maintaining an audit record on users' access and presence on the HUD network. See numbers 8 and 19 of this section for additional information.

OCSS ensures that personnel do not access the agency input files remotely using non-agency furnished equipment.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AC-17, AC-20, IA-2(6)(12), IA-3

26. HUD must ensure that the organization responsible for the data processing facility storing, transmitting, or processing NDNH information complies with the security requirements established in this security addendum. The "data processing facility" includes the personnel, facilities, documentation, data, electronic and physical records and other machine-readable information, and the information systems of HUD including, but not limited to, employees and contractors working with the data processing facility, contractor data centers, and any other individual or entity collecting, storing, transmitting, or processing NDNH information.

OCSS ensures that the data processing facility complies with the security requirements established in this security addendum.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, SA-9(2)

27. HUD must store all NDNH information provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.

OCSS stores the agency input files provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, PE-2, PE-3

28. HUD must maintain a list of personnel authorized to access facilities and systems processing sensitive data, including NDNH information. HUD must control access to facilities and systems wherever NDNH information is processed. Designated officials must review and approve the access list and authorization credentials initially and periodically thereafter, but no less often than annually.

OCSS maintains lists of personnel authorized to access facilities and systems processing the agency input files. OCSS controls access to facilities and systems wherever the agency input files are processed. Designated officials review and approve the access list and authorization credentials initially and periodically thereafter, but no less often than annually.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AC-2, PE-2

29. HUD must label printed reports containing NDNH information to denote the level of sensitivity of the information and limitations on distribution. HUD must maintain printed reports in a locked container when not in use and must not transport NDNH information off of HUD and HUD authorized entities' premises. When no longer needed, in accordance with the retention and disposition requirements in the agreement, HUD must destroy these printed reports by burning or shredding.

OCSS does not generate printed reports containing the agency input files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, MP-2, MP-3, MP-4, MP-5, MP-6

30. HUD must use locks and other protective measures at all physical access points (including designated entry and exit points) to prevent unauthorized access to computer and support areas containing NDNH information.

OCSS uses locks and other protective measures at all physical access points (including designated entry/exit points) to prevent unauthorized access to computer and support areas.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, PE-3

IV. CLOUD SOLUTION (OPTIONAL)

HUD may choose to use cloud computing to distribute services over broader architectures. HUD must leverage vendors and services only when all FPLS information physically resides in systems located within the United States and all support and services of the system that may facilitate FPLS access must be done from the U.S., its possessions, and territories.

The cloud service provider must be Federal Risk and Authorization Management Program (FedRAMP) certified in order to meet federal security requirements for cloud-based computing or data storage solutions. Cloud implementations are defined by the service model and deployment model used. Software as a Service, Platform as a Service, and Infrastructure as a Service are examples of cloud service models for cloud implementation. The deployment models may include private cloud, community cloud, public cloud, and hybrid cloud. Data security requirements as defined below still must be met regardless of the type of cloud implementation chosen.

1. The cloud-based solution must reside on a FedRAMP compliant system. FedRAMP is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.
2. Use of a cloud solution must be approved in advance by OCSS at least 45 days before connectivity to FPLS information and confidential child support program information can be established. States that have already established a cloud solution housing FPLS information must send official notification of this major change to OCSS.
3. FPLS information must be encrypted in transit, to, from, and within the cloud environment. All mechanisms used to encrypt FPLS information must use FIPS 140 validated modules. Adequate logging controls must be in place to determine key changes and access.
4. HUD must provide the physical address of the cloud provider/data center where FPLS information will be received, processed, stored, accessed, protected and/or transmitted.
5. Software and/or services that receive, transmit, process, or store FPLS information, be isolated within the cloud environment, so other cloud customers sharing physical or virtual space cannot access other customers information or applications.

6. Any storage devices where FPLS information has resided, must be securely sanitized and/or destroyed using methods acceptable by the National Institute of Standards and Technology (NIST).
7. HUD must implement sufficient multifactor authentication for accessing their cloud environment including cloud management console(s) and systems within the cloud environment.
8. HUD and the cloud service provider must comply with all requirements in this agreement, including the security addendum, including the data retention policies agreed upon by the HUD and OCSS to ensure that all required statutory requirements are met. The HUD must ensure such compliance by the cloud service provider.
9. The data stored by the cloud service provider should ONLY be used for the authorized purpose of the matching program.
10. It is the obligation of HUD to ensure that the cloud solution that houses the FPLS information and confidential child support program information is stored domestically and is specified in the contract or Service Level Agreement between HUD and the cloud service provider.

Policy/Requirements Traceability: IRS Publication 1075 *Tax Information Security Guidelines for Federal, State and Local Agencies*, revised November 2021, Section 3.3.1 Cloud Computing

V. BREACH REPORTING AND NOTIFICATION RESPONSIBILITY

Upon disclosure of NDNH information from OCSS to HUD, HUD is the responsible party in the event of a confirmed or suspected breach of the information, including responsibility for any costs associated with breach mitigation and remediation. Immediately upon discovery, but in no case later than one hour after discovery of the incident, HUD must report confirmed and suspected incidents, in either electronic or physical form, to OCSS security team. Incident reporting contact information is in this security addendum (See section VIII). HUD is responsible for all reporting and notification activities, including but not limited to: investigating the incident; communicating with US-CERT; notifying individuals whose information is breached; notifying any third parties, including the media; notifying any other public and private sector agencies involved; responding to inquiries about the breach; responding to Congressional inquiries; resolving all issues surrounding the information breach; performing any follow-up activities; correcting the vulnerability that allowed the breach; and any other activity as required by OMB M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information*, and other federal law and guidance.

Policy/Requirements Traceability: US-CERT *Federal Incident Notification Guidelines* (April 1, 2017); OMB Circular A-130 – Appendix I; OMB M-17-12; NIST SP 800-53 Rev 5, IR-6

VI. SECURITY AUTHORIZATION

OCSS requires systems that process, transmit or store NDNH information to be granted authorization to operate following the guidelines in NIST 800-37 Revision 2, *Risk Management Framework for Information Systems and Organizations: A System Life Cycle Approach for Security and Privacy*.

1. HUD Security Posture

OCSS requires HUD to demonstrate its security posture before receiving NDNH information and periodically thereafter, by providing a copy of the Authorization to Operate (ATO) for the HUD environment that will house NDNH information on HUD premises.

HUD signed a six-month ATO extension on November 9, 2023, which includes POA&Ms (Appendix A of the ATO) that are in progress. OCSS considers this extension as evidence that the HUD environment meets the minimum security requirements in this security addendum. HUD must provide a signed ATO letter whenever the ATO signature date on file with OCSS expires during this agreement and provide documentation demonstrating remediation of POA&Ms identified in the previous ATO. Failure to provide an updated ATO and acceptable security improvements may result in the termination of this agreement or delay in release of files until current ATO is provided.

HUD is only authorized to process, transmit, and store NDNH information in the HUD environment and premises.

2. HUD Permitted Entity Security Posture

Prior to the redisclosure of NDNH information by HUD to any entity authorized pursuant to 453(j)(7)(E) and specified within the agreement, HUD must demonstrate, and OCSS must review and approve, the security posture of the entity's systems and processes.

All information systems and applications that process, transmit or store NDNH information must be fully compliant with FISMA, OMB directives, and NIST guidelines.

Prior to receiving NDNH information, entities must have implemented the minimum security controls required for a system categorized as "moderate" in accordance with FIPS 199.

All systems and applications handling NDNH information must first be granted the ATO through the authorization process according to NIST SP 800-37 Revision 2. In addition, if applicable, federal agencies that share NDNH information with entities specified in the agreement must ensure the specified contractors meet the same safeguarding requirements. The authorizing official of the agency that re-discloses NDNH information to the permitted entity may grant them the ATO or security authorization.

The security authorization process must have been conducted according to the NIST SP 800-37 Revision 2, as appropriate.

Federal agencies must comply with NIST SP 800-37 Revision 1, including implementing a continuous monitoring program for permitted entities. Agencies must conduct the authorization process at least every three years or when there are major changes to a system. Agencies must verify privacy protection periodically through audits and reviews of the systems and procedures.

By signing the security addendum, HUD signatories confirm that HUD has reviewed the entities specified in the agreement, reviewed the security controls in place to safeguard information and information systems and has determined that the risk to federal data is at an acceptable level. The security controls in place at all entities specified in the agreement are commensurate with those of a federal system categorized as “moderate” according to FIPS 199. *See also: OMB M-23-03, Fiscal Year 2023 FISMA Guidance (Guidance on Federal Information Security and Privacy Management Requirements), December 2, 2022.*

VII. AUDIT REQUIREMENTS

Section 453(j)(7)(E)(ii) and (iv)(II) of the Social Security Act provides that the disclosure of NDNH information to HUD and additional authorized entities is conditioned upon the disclosure being subject to audit in a manner satisfactory to the Secretary of Health and Human Services. 42 U.S.C. § 653(j)(7)(E)(ii) and (iv)(II).

Policy/Requirements Traceability:

OMB M-23-03, Fiscal Year 2022 FISMA Guidance (Guidance on Federal Information Security and Privacy Management Requirements), December 2, 2022. OMB Circular No. A-130 – Appendix I

VIII. PERSONS TO CONTACT

- A.** The U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Services security contact is:

Venkata Kondapolu, Director
Division of Federal Systems
Office of Child Support Services
Administration for Children and Families
Mary E. Switzer Building
330 C Street, SW, 5th Floor
Washington, DC 20201
Phone: 202-260-4712
Email: Venkata.kondapolu@acf.hhs.gov

- B.** The U.S. Department of Housing and Urban Development security contact is:

Gregg R. Kendrick, Chief Information Security Officer
U.S. Department of Housing and Urban Development
451 7th Street SW, Room 4278
Washington, DC 20410
Mobile: (202) 655-1437
Telephone: (202) 404-7403
Email: Gregg.R.Kendrick@hud.gov

- C.** Incident Reporting contact information for the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Services is:

OCSS Security Team
Phone: 202-401-9389
Email: ocsssecurity@acf.hhs.gov

IX. APPROVALS

By their signatures below, the authorized officials approve this security addendum.

A. U.S. Department of Health and Human Services Officials

<div>Digitally signed by Venkata Kondapolu -S Date: 2023.08.28 14:08:40 -04'00'</div> <div>Venkata Kondapolu -S Director Division of Federal Systems</div>	
Date	
<div>Digitally signed by Tanguler S. Gray -S Date: 2023.08.29 15:54:04 -04'00'</div> <div>Tanguler S. Gray -S Commissioner</div>	
Date	

B. U.S. Department of Housing and Urban Development

<div>DocuSigned by: <i>Gregg Kendrick</i> C0479FFFC309436...</div> <div>Gregg R. Kendrick Chief Information Security Officer U.S. Department of Housing and Urban Development</div>	
Date	
<div>DocuSigned by: <i>Beth Niblock</i> FEC106C6BD35430...</div> <div>Elizabeth Niblock Chief Information Officer U.S. Department of Housing & Urban Development</div>	
Date	

APPENDIX A

Previous Computer Matching Agreements, Evaluation, and Other Agreements Between OCSS and HUD

Prior matching agreements and renewals, a legislatively required evaluation, and other agreements conducted between OCSS and HUD are as follows:

1. Computer Matching Agreement and Renewal “Verification of Employment and Income Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 2107, effective August 28, 2021, through February 27, 2024.
2. Computer Matching Agreement and Renewal “Verification of Employment and Income Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 1814, effective January 28, 2019, through July 27, 2021.
3. Computer Matching Agreement and Renewal “Verification of Employment and Income Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 1513, effective April 25, 2016, through October 24, 2018.
4. Computer Matching Agreement, Renewal and Amendment, “Verification of Employment and Income Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 1304, effective March 16, 2015, through March 15, 2016.
5. Computer Matching Agreement, “Verification of Employment and Income and Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 1304, effective September 16, 2013, through March 15, 2015.
6. Computer Matching Agreement, Renewal and Amendment, “Verification of Employment and Income Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 1008 effective August 4, 2012, through August 3, 2013.
7. Computer Matching Agreement, “Verification of Employment and Income and Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 1008, effective February 4, 2011, through August 3, 2012.
8. Computer Matching Agreement, Renewal and Amendment, “Verification of Employment and Income Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 0802, effective January 6, 2010, through January 5, 2011.
9. Computer Matching Agreement, “Verification of Employment and Income and Reduction and Measurement of Improper Payments,” HHS DIB Approval No. 0802, effective July 6, 2008, through January 5, 2010 (superseded previous matching agreement).
10. Computer Matching Agreement, “Verification of Eligibility for Benefits for HUD Multifamily Housing Programs,” HHS DIB Approval No. 0703, effective December 11, 2007, through June 11, 2009.
11. Memorandum of Understanding, “Measurement of Improper Payments,” August 15, 2007.
12. Computer Matching Agreement, Renewal, “Verification of Eligibility for HUD Housing Programs,” HHS DIB Approval No. 0509, effective March 29, 2007, through March 28, 2008.

13. Computer Matching Agreement, "Verification of Eligibility for HUD Housing Programs," HHS DIB Approval No. 0509, effective July 12, 2005, through March 28, 2007.
14. "Evaluation, The Cost and Benefits and the Adequacy of Safeguarding Measures: Comparisons of Information in the National Directory of New Hires and Information in the Custody of the Department of Housing and Urban Development," May 2007.
15. Memorandum of Understanding, "Measurement of Improper Payments," September 2006.
16. Memorandum of Understanding, "Measurement of Improper Payments," March 2005.
17. Memorandum of Understanding, "Measurement of Improper Payments," June 2004.

APPENDIX B

HUD Forms - Release of Information

**Authorization for the Release of Information/
Privacy Act Notice**

to the U.S. Department of Housing and Urban Development (HUD)
and the Housing Agency/Authority (HA)

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing
OMB Control Number 2577-0295
Expiration Date 1/31/2025

PHA requesting release of information: (Cross out space if none)
(Full address, name of contact person, and date)

HA requesting release of information: (Cross out space if none)
(Full address, name of contact person, and date)

Authority: Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended by Section 903 of the Housing and Community Development Act of 1992 and Section 3003 of the Omnibus Budget Reconciliation Act of 1993. This law is found at 42 U.S.C. 3544.

This law requires that you sign a consent form authorizing: (1) HUD and the Housing Agency/Authority (HA) to request verification of salary and wages from current or previous employers; (2) HUD and the HA to request wage and unemployment compensation claim information from the state agency responsible for keeping that information; (3) HUD to request certain tax return information from the U.S. Social Security Administration and the U.S. Internal Revenue Service. The law also requires independent verification of income information. Therefore, HUD or the HA may request information from financial institutions to verify your eligibility and level of benefits.

Purpose: In signing this consent form, you are authorizing HUD and the above-named HA to request income information from the sources listed on the form. HUD and the HA need this information to verify your household's income, in order to ensure that you are eligible for assisted housing benefits and that these benefits are set at the correct level. HUD and the HA may participate in computer matching programs with these sources in order to verify your eligibility and level of benefits.

Uses of Information to be Obtained: HUD is required to protect the income information it obtains in accordance with the Privacy Act of 1974, 5 U.S.C. 552a. HUD may disclose information (other than tax return information) for certain routine uses, such as to other government agencies for law enforcement purposes, to Federal agencies for employment suitability purposes and to HAs for the purpose of determining housing assistance. The HA is also required to protect the income information it obtains in accordance with any applicable State privacy law. HUD and HA employees may be subject to penalties for unauthorized disclosures or improper uses of the income information that is obtained based on the consent form. **Private owners may not request or receive information authorized by this form.**

Who Must Sign the Consent Form: Each member of your household who is 18 years of age or older must sign the consent form. Additional signatures must be obtained from new adult members joining the household or whenever members of the household become 18 years of age.

Persons who apply for or receive assistance under the following programs are required to sign this consent form:

PHA-owned rental public housing
Turnkey III Homeownership Opportunities
Mutual Help Homeownership Opportunity
Section 23 and 19(c) leased housing
Section 23 Housing Assistance Payments
HA-owned rental Indian housing
Section 8 Rental Certificate
Section 8 Rental Voucher
Section 8 Moderate Rehabilitation

Failure to Sign Consent Form: Your failure to sign the consent form may result in the denial of eligibility or termination of assisted housing benefits, or both. Denial of eligibility or termination of benefits is subject to the HA's grievance procedures and Section 8 informal hearing procedures.

Sources of Information To Be Obtained

State Wage Information Collection Agencies. (This consent is limited to wages and unemployment compensation I have received during period(s) within the last 5 years when I have received assisted housing benefits.)

U.S. Social Security Administration (HUD only) (This consent is limited to the wage and self employment information and payments of retirement income as referenced at Section 6103(3)(7)(A) of the Internal Revenue Code.)

U.S. Internal Revenue Service (HUD only) (This consent is limited to unearned income [i.e., interest and dividends].)

Information may also be obtained directly from: (a) current and former employers concerning salary and wages and (b) financial institutions concerning unearned income (i.e., interest and dividends). I understand that income information obtained from these sources will be used to verify information that I provide in determining eligibility for assisted housing programs and the level of benefits. Therefore, this consent form only authorizes release directly from employers and financial institutions of information regarding any period(s) within the last 5 years when I have received assisted housing benefits.

Consent: I consent to allow HUD or the HA to request and obtain income information from the sources listed on this form for the purpose of verifying my eligibility and level of benefits under HUD's assisted housing programs. I understand that HAs that receive income information under this consent form cannot use it to deny, reduce or terminate assistance without first independently verifying what the amount was, whether I actually had access to the funds and when the funds were received. In addition, I must be given an opportunity to contest those determinations.

This consent form expires 15 months after signed.

Signatures:

Head of Household	Date		
Social Security Number (if any) of Head of Household		Other Family Member over age 18	Date
Spouse	Date	Other Family Member over age 18	Date
Other Family Member over age 18	Date	Other Family Member over age 18	Date
Other Family Member over age 18	Date	Other Family Member over age 18	Date

Privacy Act Notice. Authority: The Department of Housing and Urban Development (HUD) is authorized to collect this information by the U.S. Housing Act of 1937 (42 U.S.C. 1437 et. seq.), Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), and by the Fair Housing Act (42 U.S.C. 3601-19). The Housing and Community Development Act of 1987 (42 U.S.C. 3543) requires applicants and participants to submit the Social Security Number of each household member who is six years old or older. Purpose: Your income and other information are being collected by HUD to determine your eligibility, the appropriate bedroom size, and the amount your family will pay toward rent and utilities. Other Uses: HUD uses your family income and other information to assist in managing and monitoring HUD-assisted housing programs, to protect the Government's financial interest, and to verify the accuracy of the information you provide. This information may be released to appropriate Federal, State, and local agencies, when relevant, and to civil, criminal, or regulatory investigators and prosecutors. However, the information will not be otherwise disclosed or released outside of HUD, except as permitted or required by law. Penalty: You must provide all of the information requested by the HA, including all Social Security Numbers you, and all other household members age six years and older, have and use. Giving the Social Security Numbers of all household members six years of age and older is mandatory, and not providing the Social Security Numbers will affect your eligibility. Failure to provide any of the requested information may result in a delay or rejection of your eligibility approval.

Penalties for Misusing this Consent:

HUD, the HA and any owner (or any employee of HUD, the HA or the owner) may be subject to penalties for unauthorized disclosures or improper uses of information collected based on the consent form.

Use of the information collected based on the form HUD 9886 is restricted to the purposes cited on the form HUD 9886. Any person who knowingly or willfully requests, obtains or discloses any information under false pretenses concerning an applicant or participant may be subject to a misdemeanor and fined not more than \$5,000.

Any applicant or participant affected by negligent disclosure of information may bring civil action for damages, and seek other relief, as may be appropriate, against the officer or employee of HUD, the HA or the owner responsible for the unauthorized disclosure or improper use.

U.S. Department of Housing and Urban Development

Document Package for Applicant's/Tenant's Consent to the Release Of Information

This Package contains the following documents:

1. HUD-9887/A Fact Sheet describing the necessary verifications
2. Form HUD-9887 (to be signed by the Applicant or Tenant)
3. Form HUD-9887-A (to be signed by the Applicant or Tenant and Housing Owner)
4. Relevant Verifications (to be signed by the Applicant or Tenant)

Each household must receive a copy of the 9887/A Fact Sheet, form HUD-9887, and form HUD-9887-A.

Attachment to forms HUD-9887 & 9887-A (02/2007)

HUD-9887/A Fact Sheet**Verification of Information Provided by Applicants and Tenants of Assisted Housing****What Verification Involves**

To receive housing assistance, applicants and tenants who are at least 18 years of age and each family head, spouse, or co-head regardless of age must provide the owner or management agent (O/A) or public housing agency (PHA) with certain information specified by the U.S. Department of Housing and Urban Development (HUD).

To make sure that the assistance is used properly, Federal laws require that the information you provide be verified. This information is verified in two ways:

1. HUD, O/As, and PHAs may verify the information you provide by checking with the records kept by certain public agencies (e.g., Social Security Administration (SSA), State agency that keeps wage and unemployment compensation claim information, and the Department of Health and Human Services' (HHS) National Directory of New Hires (NDNH) database that stores wage, new hires, and unemployment compensation). HUD (only) may verify information covered in your tax returns from the U.S. Internal Revenue Service (IRS). You give your consent to the release of this information by signing form HUD-9887. Only HUD, O/As, and PHAs can receive information authorized by this form.
2. The O/A must verify the information that is used to determine your eligibility and the amount of rent you pay. You give your consent to the release of this information by signing the form HUD-9887, the form HUD-9887-A, and the Individual verification and consent forms that apply to you. Federal laws limit the kinds of information the O/A can receive about you. The amount of income you receive helps to determine the amount of rent you will pay. The O/A will verify all of the sources of income that you report. There are certain allowances that reduce the income used in determining tenant rents.

Example: Mrs. Anderson is 62 years old. Her age qualifies her for a medical allowance. Her annual income will be adjusted because of this allowance. Because Mrs. Anderson's medical expenses will help determine the amount of rent she pays, the O/A is required to verify any medical expenses that she reports.

Example: Mr. Harris does not qualify for the medical allowance because he is not at least 62 years of age and he is not handicapped or disabled. Because he is not eligible for the medical allowance, the amount of his medical expenses does not change the amount of rent he pays. Therefore, the O/A cannot ask Mr. Harris anything about his medical expenses and cannot verify with a third party about any medical expenses he has.

Customer Protections

Information received by HUD is protected by the Federal Privacy Act. Information received by the O/A or the PHA is subject to State privacy laws. Employees of HUD, the O/A, and the PHA are subject to penalties for using these consent forms improperly. You do not have to sign the form HUD-9887, the form HUD-9887-A, or the individual verification consent forms when they are given to you at your certification or recertification interview. You may take them home with you to read or to discuss with a third party of your choice. The O/A will give you another date when you can return to sign these forms.

If you cannot read and/or sign a consent form due to a disability, the O/A shall make a reasonable accommodation in accordance with Section 504 of the Rehabilitation Act of 1973. Such accommodations may include: home visits when the applicant's or tenant's disability prevents him/her from coming to the office to complete the forms; the applicant or tenant authorizing another person to sign on his/her behalf; and for persons with visual impairments, accommodations may include providing the forms in large script or braille or providing readers.

If an adult member of your household, due to extenuating circumstances, is unable to sign the form HUD-9887 or the individual verification forms on time, the O/A may document the file as to the reason for the delay and the specific plans to obtain the proper signature as soon as possible.

The O/A must tell you, or a third party which you choose, of the findings made as a result of the O/A verifications authorized by your consent. The O/A must give you the opportunity to contest such findings in accordance with HUD Handbook 4350.3 Rev. 1. However, for information received under the form HUD-9887 or form HUD-9887-A, HUD, the O/A, or the PHA, may inform you of these findings.

O/As must keep tenant files in a location that ensures confidentiality. Any employee of the O/A who fails to keep tenant information confidential is subject to the enforcement provisions of the State Privacy Act and is subject to enforcement actions by HUD. Also, any applicant or tenant affected by negligent disclosure or improper use of information may bring civil action for damages, and seek other relief, as may be appropriate, against the employee.

HUD-9887/A requires the O/A to give each household a copy of the Fact Sheet, and forms HUD-9887, HUD-9887-A along with appropriate individual consent forms. The package you will receive will include the following documents:

1. **HUD-9887/A Fact Sheet:** Describes the requirement to verify information provided by individuals who apply for housing assistance. This fact sheet also describes consumer protections under the verification process.
2. **Form HUD-9887:** Allows the release of information between government agencies.
3. **Form HUD-9887-A:** Describes the requirement of third party verification along with consumer protections.
4. **Individual verification consents:** Used to verify the relevant information provided by applicants/tenants to determine their eligibility and level of benefits.

Consequences for Not Signing the Consent Forms

If you fail to sign the form HUD-9887, the form HUD-9887-A, or the individual verification forms, this may result in your assistance being denied (for applicants) or your assistance being terminated (for tenants). See further explanation on the forms HUD-9887 and 9887-A.

If you are an applicant and are denied assistance for this reason, the O/A must notify you of the reason for your rejection and give you an opportunity to appeal the decision.

If you are a tenant and your assistance is terminated for this reason, the O/A must follow the procedures set out in the Lease. This includes the opportunity for you to meet with the O/A.

Programs Covered by this Fact Sheet

- Rental Assistance Program (RAP)
- Rent Supplement
- Section 8 Housing Assistance Payments Programs (administered by the Office of Housing)
- Section 202
- Sections 202 and 811 PRAC
- Section 202/162 PAC
- Section 221(d)(3) Below Market Interest Rate
- Section 236
- HOPE 2 Home Ownership of Multifamily Units

O/As must give a copy of this HUD Fact Sheet to each household. See the **Instructions on form HUD-9887-A.**

Attachment to forms HUD-9887 & 9887-A (02/2007)

Notice and Consent for the Release of Information

to the U.S. Department of Housing and Urban Development (HUD) and to an Owner and Management Agent (O/A), and to a Public Housing Agency (PHA)

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

HUD Office requesting release of information (Owner should provide the full address of the HUD Field Office, Attention: Director, Multifamily Division.):	O/A requesting release of information (Owner should provide the full name and address of the Owner.):	PHA requesting release of information (Owner should provide the full name and address of the PHA and the title of the director or administrator. If there is no PHA Owner or PHA contract administrator for this project, mark an X through this entire box.):

Notice To Tenant: Do not sign this form if the space above for organizations requesting release of information is left blank. You do not have to sign this form when it is given to you. You may take the form home with you to read or discuss with a third party of your choice and return to sign the consent on a date you have worked out with the housing owner/manager.

Authority: Section 217 of the Consolidated Appropriations Act of 2004 (Pub L. 108-195). This law is found at 42 U.S.C. 653(j). This law authorizes HUD to disclose to the Department of Housing and Urban Development (HUD) information in the NDNH portion of the "Location and Collection System of Records" for the purposes of verifying employment and income of individuals participating in specified programs and, after removal of personal identifiers, to conduct analyses of the employment and income reporting of these individuals. Information may be disclosed by the Secretary of HUD to a private owner, a management agent, and a contract administrator in the administration of rental housing assistance.

Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1986, as amended by section 903 of the Housing and Community Development Act of 1992 and section 3003 of the Omnibus Budget Reconciliation Act of 1993. This law is found at 42 U.S.C. 3544. This law requires you to sign a consent form authorizing: (1) HUD and the PHA to request wage and unemployment compensation claim information from the state agency responsible for keeping that information; and (2) HUD, O/A, and the PHA responsible for determining eligibility to verify salary and wage information pertinent to the applicant's or participant's eligibility or level of benefits; (3) HUD to request certain tax return information from the U.S. Social Security Administration (SSA) and the U.S. Internal Revenue Service (IRS).

Purpose: In signing this consent form, you are authorizing HUD, the above-named O/A, and the PHA to request income information from the government agencies listed on the form. HUD, the O/A, and the PHA need this information to verify your household's income to ensure that you are eligible for assisted housing benefits and that these benefits are set at the correct level. HUD, the O/A, and the PHA may participate in computer matching programs with these sources to verify your eligibility and level of benefits. This form also authorizes HUD, the O/A, and the PHA to seek wage, new hire (W-4), and unemployment claim information from current or former employers to verify information obtained through computer matching.

Uses of Information to be Obtained: HUD is required to protect the income information it obtains in accordance with the Privacy Act of 1974, 5 U.S.C. 552a. The O/A and the PHA is also required to protect the income

information it obtains in accordance with any applicable State privacy law. After receiving the information covered by this notice of consent, HUD, the O/A, and the PHA may inform you that your eligibility for, or level of, assistance is uncertain and needs to be verified and nothing else.

HUD, O/A, and PHA employees may be subject to penalties for unauthorized disclosures or improper uses of the income information that is obtained based on the consent form.

Who Must Sign the Consent Form: Each member of your household who is at least 18 years of age and each family head, spouse or co-head, regardless of age, must sign the consent form at the initial certification and at each recertification. Additional signatures must be obtained from new adult members when they join the household or when members of the household become 18 years of age.

Persons who apply for or receive assistance under the following programs are required to sign this consent form:

Rental Assistance Program (RAP)

Rent Supplement

Section 8 Housing Assistance Payments Programs (administered by the Office of Housing)

Section 202; Sections 202 and 811 PRAC; Section 202/162 PAC Section 221(d)(3) Below Market Interest Rate

Section 236

HOPE 2 Homeownership of Multifamily Units

Failure to Sign Consent Form: Your failure to sign the consent form may result in the denial of assistance or termination of assisted housing benefits. If an applicant is denied assistance for this reason, the owner must follow the notification procedures in Handbook 4350.3 Rev. 1. If a tenant is denied assistance for this reason, the owner or managing agent must follow the procedures set out in the lease.

Consent: I consent to allow HUD, the O/A, or the PHA to request and obtain income information from the federal and state agencies listed on the back of this form for the purpose of verifying my eligibility and level of benefits under HUD's assisted housing programs.

Signatures:

Additional Signatures, if needed:

Head of Household	Date	Other Family Members 18 and Over	Date
Spouse	Date	Other Family Members 18 and Over	Date
Other Family Members 18 and Over	Date	Other Family Members 18 and Over	Date
Other Family Members 18 and Over	Date	Other Family Members 18 and Over	Date

Original is retained on file at the project site

ref. Handbooks 4350.3 Rev-1, 4571.1, 4571/2 & 4571.3 and HOPE II Notice of Program Guidelines

form HUD-9887 (02/2007)

Applicant's/Tenant's Consent to the Release of Information

Verification by Owners of Information
Supplied by Individuals Who Apply for Housing Assistance

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

Instructions to Owners

1. Give the documents listed below to the applicants/tenants to sign. Staple or clip them together in one package in the order listed.
 - a. The HUD-9887/A Fact Sheet.
 - b. Form HUD-9887.
 - c. Form HUD-9887-A.
 - d. Relevant verifications (HUD Handbook 4350.3 Rev. 1).
2. Verbally inform applicants and tenants that
 - a. They may take these forms home with them to read or to discuss with a third party of their choice and to return to sign them on a date they have worked out with you, and
 - b. If they have a disability that prevents them from reading and/or signing any consent, that you, the Owner, are required to provide reasonable accommodations.
3. Owners are required to give each household a copy of the HUD-9887/A Fact Sheet, form HUD-9887, and form HUD-9887-A after obtaining the required applicants/tenants signature(s). Also, owners must give the applicants/tenants a copy of the signed individual verification forms upon their request.

Instructions to Applicants and Tenants

This Form HUD-9887-A contains customer information and protections concerning the HUD-required verifications that Owners must perform.

1. Read this material which explains:
 - HUD's requirements concerning the release of information, and
 - Other customer protections.
2. Sign on the last page that:
 - you have read this form, or
 - the Owner or a third party of your choice has explained it to you, and
 - you consent to the release of information for the purposes and uses described.

Authority for Requiring Applicant's/Tenant's Consent to the Release of Information

Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended by section 903 of the Housing and Community Development Act of 1992. This law is found at 42 U.S.C. 3544.

In part, this law requires you to sign a consent form authorizing the Owner to request current or previous employers to verify salary and wage information pertinent to your eligibility or level of benefits.

In addition, HUD regulations (24 CFR 5.859, Family Information and Verification) require as a condition of receiving housing assistance that you must sign a HUD-approved release and consent authorizing any depository or private source of income to furnish such information that is necessary in determining your eligibility or level of benefits. This includes information that you have provided which will affect the amount of rent you pay. The information includes income and assets, such as salary, welfare benefits, and interest earned on savings accounts. They also include certain adjustments to your income, such as the allowances for dependents and for households whose heads or spouses are elderly handicapped, or disabled; and allowances for child care expenses, medical expenses, and handicap assistance expenses.

Purpose of Requiring Consent to the Release of Information

In signing this consent form, you are authorizing the Owner of the housing project to which you are applying for assistance to request information from a third party about you. HUD requires the housing owner to verify all of the information you provide that affects your eligibility and level of benefits to ensure that you are eligible for assisted housing benefits and that these benefits are set at the correct levels. Upon the request of the HUD office or the PHA (as Contract Administrator), the housing Owner may provide HUD or the PHA with the information you have submitted and the information the Owner receives under this consent.

Uses of Information to be Obtained

The individual listed on the verification form may request and receive the information requested by the verification, subject to the limitations of this form. HUD is required to protect the income information it obtains in accordance with the Privacy Act of 1974, 5 U.S.C. 552a. The Owner and the PHA are also required to protect the income information they obtain in accordance with any applicable state privacy law. Should the Owner receive information from a third party that is inconsistent with the information you have provided, the Owner is required to notify you in writing identifying the information believed to be incorrect. If this should occur, you will have the opportunity to meet with the Owner to discuss any discrepancies.

Who Must Sign the Consent Form

Each member of your household who is at least 18 years of age, and each family head, spouse or co-head, regardless of age must sign the relevant consent forms at the initial certification, at each recertification and at each interim certification, if applicable. In addition, when new adult members join the household and when members of the household become 18 years of age they must also sign the relevant consent forms.

Persons who apply for or receive assistance under the following programs must sign the relevant consent forms:

Rental Assistance Program (RAP)
Rent Supplement
Section 8 Housing Assistance Payments Programs (administered by the Office of Housing)
Section 202
Sections 202 and 811 PRAC
Section 202/162 PAC
Section 221(d)(3) Below Market Interest Rate
Section 236
HOPE 2 Home Ownership of Multifamily Units

Original is retained on file at the project site

ref. Handbooks 4350.3 Rev-1, 4571.1, 4571.2 & 4571.3
and HOPE II Notice of Program Guidelines

form HUD-9887-A (02/2007)

Failure to Sign the Consent Form

Failure to sign any required consent form may result in the denial of assistance or termination of assisted housing benefits. If an applicant is denied assistance for this reason, the O/A must follow the notification procedures in Handbook 4350.3 Rev. 1. If a tenant is denied assistance for this reason, the O/A must follow the procedures set out in the lease.

Conditions

No action can be taken to terminate, deny, suspend or reduce the assistance your household receives based on information obtained about you under this consent until the O/A has independently 1) verified the information you have provided with respect to your eligibility and level of benefits and 2) with respect to income (including both earned and unearned income), the O/A has verified whether you actually have (or had) access to such income for your own use, and verified the period or periods when, or with respect to which you actually received such income, wages, or benefits.

A photocopy of the signed consent may be used to request the information authorized by your signature on the individual consent forms. This would occur if the O/A does not have another individual verification consent with an original signature and the O/A is required to send out another request for verification (for example, the third party fails to respond). If this happens, the O/A may attach a photocopy of this consent to a photocopy of the individual verification form that you sign. To avoid the use of photocopies, the O/A and the individual may agree to sign more than one consent for each type of verification that is needed. The O/A shall inform you, or a third party which you designate, of the findings made on the basis of information verified under this consent and shall give you an opportunity to contest such findings in accordance with Handbook 4350.3 Rev. 1.

The O/A must provide you with information obtained under this consent in accordance with State privacy laws.

If a member of the household who is required to sign the consent forms is unable to sign the required forms on time, due to extenuating circum-

stances, the O/A may document the file as to the reason for the delay and the specific plans to obtain the proper signature as soon as possible.

Individual consents to the release of information expire 15 months after they are signed. The O/A may use these individual consent forms during the 120 days preceding the certification period. The O/A may also use these forms during the certification period, but only in cases where the O/A receives information indicating that the information you have provided may be incorrect. Other uses are prohibited.

The O/A may not make inquiries into information that is older than 12 months unless he/she has received inconsistent information and has reason to believe that the information that you have supplied is incorrect. If this occurs, the O/A may obtain information within the last 5 years when you have received assistance.

I have read and understand this information on the purposes and uses of information that is verified and consent to the release of information for these purposes and uses.

Name of Applicant or Tenant (Print)

Signature of Applicant or Tenant & Date

I have read and understand the purpose of this consent and its uses and I understand that misuse of this consent can lead to personal penalties to me.

Name of Project Owner or his/her representative

Title

Signature & Date
cc:Applicant/Tenant
Owner file

Penalties for Misusing this Consent:

HUD, the O/A, and any PHA (or any employee of HUD, the O/A, or the PHA) may be subject to penalties for unauthorized disclosures or improper uses of information collected based on the consent form.

Use of the information collected based on the form HUD 9887-A is restricted to the purposes cited on the form HUD 9887-A. Any person who knowingly or willfully requests, obtains or discloses any information under false pretenses concerning an applicant or tenant may be subject to a misdemeanor and fined not more than \$5,000.

Any applicant or tenant affected by negligent disclosure of information may bring civil action for damages, and seek other relief, as may be appropriate, against the officer or employee of HUD, the O/A or the PHA responsible for the unauthorized disclosure or improper use.

Original is retained on file at the project site

ref. Handbooks 4350.3 Rev. 1, 4571.1, 4571.2 & 4571.3
and HOPE II Notice of Program Guidelines

form HUD-9887-A (02/2007)

