

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PRIVACY IMPACT ASSESSMENT (PIA) FOR:
“FAIR LENDING PORTAL”
(OMB Unique Identifier 02500010502000000301092, PCAS # 0663500)
November 2004

NOTE: See Section 2 for PIA answers, and Section 3 for Privacy Advocate’s determination.

SECTION 1: BACKGROUND

Importance of Privacy Protection – Legislative Mandates:

HUD is responsible for ensuring the privacy and confidentiality of the information it collects on members of the public, beneficiaries of HUD programs, business partners, and its own employees. These people have a right to expect that HUD will collect, maintain, use, and disseminate identifiable personal information only as authorized by law and as necessary to carry out agency responsibilities.

The information HUD collects is protected by the following legislation and regulations:

- [Privacy Act of 1974, as amended](#) affords individuals the right to privacy in records that are maintained and used by Federal agencies. (See <http://www.usdoj.gov/foia/privstat.htm>; see also [HUD Handbook 1325.1 at www.hudclips.org](#));
- Computer Matching and Privacy Protection Act of 1988 is an amendment to the Privacy Act that specifies the conditions under which private information may (or may not) be shared among government agencies. (See <http://www.usdoj.gov/foia/privstat.htm>);
- [Freedom of Information Act of 1966, as amended](#) (http://www.usdoj.gov/oip/foia_updates/Vol_XVII_4/page2.htm) provides for the disclosure of information maintained by Federal agencies to the public, while allowing limited protections for privacy. See also [HUD’s Freedom of Information Act Handbook \(HUD Handbook 1327.1 at www.hudclips.org\)](#));
- [E-Government Act of 2002](#) requires Federal agencies to conduct Privacy Impact Assessments (PIAs) on its electronic systems. (See http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:publ347.107.pdf; see also the summary of the E-Government Act at http://www.whitehouse.gov/omb/egov/pres_state2.htm);
- [Federal Information Security Management Act of 2002](#) (which superceded the Computer Security Act of 1987) provides a comprehensive framework for ensuring the effectiveness of information security controls over information resources that support Federal operations and assets, etc. See also the codified version of Information Security regulations at [Title 44 U.S. Code chapter 35 subchapter II](#) (<http://uscode.house.gov/search/criteria.php>); and

- [OMB Circular A-130, Management of Federal Information Resources, Appendix I](http://www.whitehouse.gov/omb/circulars/a130/appendix_i.pdf) (http://www.whitehouse.gov/omb/circulars/a130/appendix_i.pdf) defines Federal Agency responsibilities for maintaining records about individuals.

Access to personally identifiable information will be restricted to those HUD staff who have been authorized because of their duties; and they will be held accountable for ensuring privacy and confidentiality.

What is the Privacy Impact Assessment (PIA) Process?

The Privacy Impact Assessment (PIA) is a process that evaluates issues related to the privacy of personally identifiable information in electronic systems. See background on PIAs and the 7 questions that need to be answered, at: <http://www.hud.gov/offices/cio/privacy/pia/pia.cfm>. Personally identifiable information is defined as information that actually identifies an individual, e.g., name, address, social security number (SSN), or identifying number or code; or other personal/ sensitive information such as race, marital status, financial information, home telephone number, personal e-mail address, etc. Of particular concern is the combination of multiple identifying elements. For example, knowing name + SSN + birth date + financial information would pose more risk to privacy than just name + SSN alone.

The PIA:

- Identifies the type of personally identifiable information in the system (including any ability to combine multiple identifying elements on an individual);
- Identifies who has access to that information (whether full access or limited access rights); and
- Describes the administrative controls that ensure that only information that is necessary and relevant to HUD's mission is included.

Who Completes the PIA?

Both the program area system owner and IT project leader work together to complete the PIA. The system owner describes what personal data types are collected, how the data is used, and who has access to the personal data. The IT project leader describes whether technical implementation of the system owner's requirements presents any risks to privacy, and what controls are in place to restrict access of personally identifiable information.

When is a Privacy Impact Assessment (PIA) Required?

- 1. New Systems:** Any new system that will contain personal information on members of the public requires a PIA, per OMB requirements (this covers both major and non-major systems).
- 2. Existing Systems:** Where there are significant modifications involving personal information on members of the public, or where significant changes been made to the system that may create a new privacy risk, a PIA is required.
- 3. Information Collection Requests, per the Paperwork Reduction Act (PRA):** Agencies must obtain OMB approval for new information collections from ten or more

members of the public. If the information collection is both a new collection and automated, then a PIA is required.

Privacy Act. The [Privacy Act of 1974](http://www.usdoj.gov/foia/privstat.htm), as amended (<http://www.usdoj.gov/foia/privstat.htm>) requires that agencies publish a Federal Register Notice for public comment on any intended information collection. Privacy Act Systems of Records are created when information pertaining to an individual is collected and maintained by the Department, and is retrieved by the name of the individual or by some other identifying number, symbol, or other identifying particular assigned to an individual. The [E-Government Act of 2002](#) requires PIAs for electronic systems as well as information collection requests that are automated. So, there is a relationship between the new PIA requirement (when automation is involved) and the long-standing Privacy Act System of Records Notices (for both paper-based and automated records that are of a private nature). For additional information, contact the Departmental Privacy Act Officer in the Office of the Chief Information Officer.

Publication of PIA summary. The E-Government Act of 2002 requires that the analysis and determinations resulting from the PIA be made publicly available. The Privacy Advocate in HUD's Office of the Chief Information Officer (OCIO) is responsible for publishing the PIA summary on HUD's web site. See: <http://www.hud.gov/offices/cio/privacy/pia/pia.cfm>.

SECTION 2 – COMPLETING A PRIVACY IMPACT ASSESSMENT

Please submit answers to the Departmental Privacy Advocate in Office of the Chief Information Officer (OCIO). If any question does not apply, state Not Applicable (N/A) for that question, and briefly explain why it is not applicable.

Program Area: Office of Fair Housing and Equal Opportunity

Subject matter expert in the program area: Dudley R. Williams, Enforcement Support Division, 202-619-8041, ext. 6992

Program area manager: Turner Russell, Director, Enforcement Support Division, 202-619-8041 ext. 6995

IT Project Leader: Fatima L. Dasti, 202-708-0204, ext. 4591

For IT Systems:

- **Name of system:** Fair Lending Portal
- **PCAS #:** 00663500
- **OMB Unique Project Identifier # (if submitting an Exhibit 300 to OMB):** 02500010502000000301092

For Information Collection Requests:

- **Name of Information Collection Request:**
- **OMB Control #:**

Question 1: Provide a brief description of what information is collected.

The Fair Lending Portal uses two tools to compare statistics on loan patterns by mortgage lenders, with the characteristics of the individual complaining of discrimination. Data is drawn from the Home Mortgage Disclosure Act (HMDA) and Census Bureau databases.

Personally identifiable information is not entered into the tool – only characteristics such as race, without associating those characteristics with a person’s name.

The Portal consists of two commercial off-the-shelf (COTS) standalone tools used by HUD FHEO staff in Headquarters and the Field. Both tools are installed on the staff person’s PC/laptop, not on the network:

- Fair Lending Wiz
- Community Reinvestment Act (CRA) Wiz

If this automated system (or Information Collection Request) involves personally identifiable information on members of the public, then **mark any of the categories that apply below:**

Personal Identifiers:

	Name
	Social Security Number (SSN)
	Other identification number (specify type):

X	Birth date: Age of person complaining, but not exact birth date. This is used to generate a comparison of persons of similar age being approved or disapproved for a loan.
X	Home address: Only the street name is usually entered in order to generate Census tract statistical averages – the exact street number is <u>not</u> entered into the tool.
	Home telephone
	Personal e-mail address
	Fingerprint/ other “biometric”
	Other (specify):
	None

Personal/ Sensitive Information:

X	Race/ ethnicity: Race is entered, but because the name is not included, it is not personally identifiable.
X	Gender/ sex
	Marital status
	Spouse name
X	# of children: Sometimes, the # of children may be entered into the tool, if the investigator thinks this is a factor warranting comparison with statistical averages.
X	Income/ financial data (specify type of data, such as salary, Federal taxes paid, bank account number, etc.): Income (or income range) may be entered into the tool, if the investigator thinks this is a factor warranting comparison with statistical averages.
	Employment history
	Education level
	Medical history/ information
	Disability
	Criminal record
	Other (specify):
	None
X	Comment: Selected “characteristics” (such as those above) are entered into the tools, but are not identified with the person’s name.

Question 2: Type of electronic system or information collection. Fill out Section A, B, or C as applicable.

A. If a new electronic system (or one in development): Is this a new electronic system (implemented after April 2003, the effective date of the E-Government Act of 2002)?

X	Yes
	No
	N/A

B. If an existing electronic system: Mark any of the following conditions for your existing system that OMB defines as a “trigger” for requiring a PIA (if not applicable, mark N/A):

	Conversion: When paper-based records that contain personal information are
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	converted to an electronic system
	From Anonymous (Non-Identifiable) to “Non-Anonymous” (Personally Identifiable): When any systems application transforms an existing database or data collection so that previously anonymous data becomes personally identifiable
	Significant System Management Changes: When new uses of an existing electronic system significantly change how personal information is managed in the system. (Example #1: when new “relational” databases could combine multiple identifying data elements to more easily identify an individual. Example #2: when a web portal extracts data elements from separate databases, and thereby creates a more open environment for exposure of personal data)
	Merging Databases: When government databases are merged, centralized, matched, or otherwise significantly manipulated so that personal information becomes more accessible (with special concern for the ability to combine multiple identifying elements)
	New Public Access: When <u>new</u> public access is given to members of the public or to business partners (even if the system is protected by password, digital certificate, or other user-authentication technology)
	Commercial Sources: When agencies systematically incorporate into databases any <u>personal</u> data from commercial or public sources (ad hoc queries of such sources using existing technology does not trigger the need for a PIA)
	New Inter-agency Uses: When agencies work together (such as the federal E-Gov initiatives), the lead agency should prepare the PIA
	Business Process Re-engineering: When altering a business process results in significant new uses, disclosures, or additions of personal data
	Alteration in Character of Data: When adding new personal data raises the risks to personal privacy (for example, adding financial information to an existing database that contains name and address)

C. If an Information Collection Request (ICR): Is this a new Request that will collect data that will be in an automated system? Agencies must obtain OMB approval for information collections from 10 or more members of the public. The E-Government Act of 2002 requires a PIA for ICRs only if the collection of information is a new request and the collected data will be in an automated system.

	Yes, this is a new ICR and the data will be automated
	No, the ICR does not require a PIA because it is not <u>new</u> or <u>automated</u>
X	N/A

Question 3: Why is the personally identifiable information being collected? How will it be used? Mark any that apply:

Homeownership:

	Credit checks (eligibility for loans)
	Loan applications and case-binder files (via lenders) – including borrower SSNs, salary, employment, race, and other information
	Loan servicing (MIP collections/ refunds and debt servicing for defaulted loans)

	assigned to HUD)
	Loan default tracking
	Issuing mortgage and loan insurance
	Other (specify):
	Comment:

Rental Housing Assistance:

	Eligibility for rental assistance or other HUD program benefits
	Characteristics on those receiving rental assistance (for example, race/ethnicity, # of children, age)
	Property inspections
	Other (specify):
	Comment:

Grants:

	Grant application scoring and selection – if any personal information on the grantee is included
	Disbursement of funds to grantees – if any personal information is included
	Other (specify):
	Comment:

Fair Housing:

<input checked="" type="checkbox"/>	Housing discrimination complaints and resulting case files
	Other (specify):
	Comment:

Internal operations:

	Employee payroll or personnel records
	Payment for employee travel expenses
	Payment for services or products (to contractors) – if any personal information on the payee is included
	Computer security files – with personal information in the database, collected in order to grant user IDs
	Other (specify):
	Comment:

Other lines of business (specify uses):

Question 4: Will you share the information with others (e.g., another agency for a programmatic purpose, or outside the government)? Mark any that apply:

	Federal agencies? (specify):
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	State, local, or tribal governments?
	Public Housing Agencies (PHAs) or Section 8 property owners/agents?
	FHA-approved lenders?
	Credit bureaus?
	Local and national organizations?
	Non-profits?
	Faith-based organizations?
	Builders/ developers?
	Others? (specify):
X	Comment: The Fair Lending Portal tools are used only by selected FHEO staff in Headquarters and Field Offices.

Question 5: Can individuals “opt-out” by declining to provide personal information or by consenting only to particular use (e.g., allowing their financial information to be used for basic rent eligibility determination, but for not for sharing with other government agencies)?

	Yes, they can “opt-out” by declining to provide private information or by consenting only to particular use
	No, they can’t “opt-out” – all personal information is required
X	Comment: None of the information entered into the Fair Lending Portal tools can be identifiable by person – only the “characteristics” of the person filing a complaint (such as race) are entered, in order to compare with statistical averages.

If Yes, please explain the issues and circumstances of being able to opt-out (either for specific data elements or specific uses of the data): _____

Question 6: How will the privacy of the information be protected/ secured? What are the administrative and technological controls? Mark any that apply and give details if requested:

	System users must log-in with a password
	When an employee leaves: <ul style="list-style-type: none"> • How soon is the user ID terminated (1 day, 1 week, 1 month, unknown)? ____ • How do you know that the former employee no longer has access to your system? (explain your procedures or describe your plan to improve):
	Are access rights selectively granted, depending on duties and need-to-know? If Yes, specify the approximate # of authorized users who have either: <ul style="list-style-type: none"> • Full access rights to all data in the system (specify #)? ____ • Limited/ restricted access rights to only selected data (specify #)? ____
	Are disks, tapes, and printouts that contain personal information locked in cabinets

	when not in use? (explain your procedures, or describe your plan to improve):
	If data from your system is shared with another system or data warehouse, who is responsible for protecting the privacy of data that came from your system but now resides in another? Explain the existing privacy protections, or your plans to improve:
	Other methods of protecting privacy (specify): <ul style="list-style-type: none"> • The application system provides built-in security using authorization codes to authenticate authorized users to the system and control access to system functions and data. • User IDs are separated into different levels of access, to reduce risk of unauthorized access to mortgage lending information. • Data within the Fair Lending Portal has restrictive access. Data can only be release by FHEO following strict authority regarding the Freedom of Information Act (FOI) and the Privacy Act. • The system security plan will be developed during the initiate phase (FY 2005). • Security controls are tested in the HUD Test Center for each system release.
X	Comment: The Fair Lending Portal tools are installed on the FHEO investigator's stand-alone PC/ laptop. It is not a "system" in the sense of being installed on a local area network or on the web.

Question 7: If private information is involved, by what data elements can it be retrieved?

Mark any that apply:

	Name
	Social Security Number (SSN)
	Identification number (specify type):
	Birth date
X	Race/ ethnicity: Race is entered as a "characteristic" but is not linked to an individual by name.
	Marital status
	Spouse name
X	Home address: The street name (not the exact #) is entered in order to generate Census tract statistical averages, but is not linked to an individual by name.
	Home telephone
	Personal e-mail address
	Other (specify):
	None

Other Comments (or details on any Question above):

SECTION 3: DETERMINATION BY HUD PRIVACY ADVOCATE

The information put into the Fair Lending Portal tools is not a privacy concern because it only describes the “characteristics” (such as race) of the person filing a complaint. These characteristics are compared with statistical averages, which are analyzed to help the investigator determine the merits of the complaint.

/signed/
Eric M. Stout
Privacy Advocate, Office of the Chief Information Officer
U.S. Department of Housing and Urban Development

November 8, 2004
date