

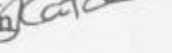


EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

NOV 3 1997

ADMINISTRATOR
OFFICE OF
INFORMATION AND
REGULATORY AFFAIRS

MEMORANDUM FOR THE CHIEF INFORMATION OFFICERS

FROM: Sally Katzen 

SUBJECT: Privacy Act Responsibilities for Implementing the Personal
Responsibility and Work Opportunity Reconciliation Act of 1996

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 requires Federal agencies and instrumentalities to transmit information about employees newly hired and quarterly earnings to a National Directory of New Hires (NDNH) at the Department of Health and Human Services (HHS). Pub. L. 104-193, § 316(f), codified at 42 U.S.C. 653.

Agencies which have not already done so must publish a notice in the *Federal Register* announcing that a new "routine use" will be added to your agency's Privacy Act system of records covering payroll information. Any other changes required to update the payroll system of records may be made at the same time.

To assist agencies in complying as soon as possible, we have attached a model notice. The model is easily adaptable by each agency. In addition, agencies may comply with the requirement for a narrative statement (5 U.S.C. 552a(r) and OMB Circular A-130, Appendix I, Item 4) by providing a copy of this memo. The report (including a transmittal letter, copy of this memo, and notice in *Federal Register* format) should be transmitted to OMB and to the Chairs of the Senate Committee on Governmental Affairs and the House Committee on Government Reform and Oversight at the same time the report is transmitted to the Office of the Federal Register.

Questions about Privacy Act issues related to this matter should be directed first to your agency Privacy Act Officer or Office of General Counsel. As always, we are available to discuss your agency's Privacy Act concerns. Please direct questions related to this initiative to Maya Bernstein at 202/395-4816 (voice), 202/395-5167 (facsimile), or via electronic mail: bernstein_m@al.eop.gov. Questions about the Personal Responsibility and Work Opportunity Reconciliation Act should be directed to the Federal Parent Locator Service at the Office of Child Support Enforcement, Department of Health and Human Services at 202/401-9267 (voice), 202/401-5553 (facimile), or via electronic mail: gmorris@os.dhhs.gov.

Attachment

cc: Privacy Act Officers
Payroll Officers

BILLING CODE

[insert name of agency]

AGENCY: [insert name of agency]

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Privacy Act (5 U.S.C. 552a(e)(11)), [insert name of Department or Agency] is issuing notice of our intent to amend the system of records entitled the [insert name and system code for payroll system of records] to include a new routine use. The disclosure is required by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA, Pub. L. 104-193). We invite public comment on this publication.

DATE: Persons wishing to comment on the proposed routine use must do so by [insert date 30 days from date of publication].

EFFECTIVE DATE: The proposed routine use will become effective as proposed without further notice on [insert date 30 days from date of publication] unless comments dictate otherwise.

ADDRESSES: Interested individuals may comment on this publication by writing to [insert name, mailing address, facsimile phone number and email address of person receiving comments]. All comments received will be available for public inspection at that address.

FOR FURTHER INFORMATION CONTACT: [insert name, address, voice phone, facsimile phone and email address of appropriate contact]

SUPPLEMENTARY INFORMATION: Pursuant to Pub. L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, [insert name of Department or Agency] will disclose data from its [insert name of payroll system of records] system of records to the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services for use in the National Database of New Hires, part of the Federal Parent Locator Service (FPLS) and Federal Tax Offset System, DHHS/OCSE No. 09-90-0074. A description of the Federal Parent Locator Service may be found at 62 Fed. Reg. 51663 (October 2, 1997).

FPLS is a computerized network through which States may request location information from Federal and State agencies to find non-custodial parents and their employers for purposes of establishing paternity and securing support. On October 1, 1997, the FPLS was expanded to include the National Directory of New Hires, a database containing employment information on employees recently hired, quarterly wage data on private and public sector employees, and information on unemployment compensation benefits. On October 1, 1998, the FPLS will be expanded further to include a Federal Case Registry. The Federal Case Registry will contain abstracts on all participants involved in child support enforcement cases. When the Federal Case Registry is instituted, its files will be matched on an ongoing basis against the files in the

National Directory of New Hires to determine if an employee is a participant in a child support case anywhere in the country. If the FPLS identifies a person as being a participant in a State child support case, that State will be notified. State requests to the FPLS for location information will also continue to be processed after October 1, 1998.

When individuals are hired by [insert name of Department or Agency], we may disclose to the FPLS their names, social security numbers, home addresses, dates of birth, dates of hire, and information identifying us as the employer. We also may disclose to FPLS names, social security numbers, and quarterly earnings of each [insert name of Department or Agency] employee, within one month of the end of the quarterly reporting period.

Information submitted by [insert name of Department or Agency] to the FPLS will be disclosed by the Office of Child Support Enforcement to the Social Security Administration for verification to ensure that the social security number provided is correct. The data disclosed by [insert name of Department or Agency] to the FPLS will also be disclosed by the Office of Child Support Enforcement to the Secretary of the Treasury for use in verifying claims for the advance payment of the earned income tax credit or to verify a claim of employment on a tax return.

[If applicable, add the following paragraph] We are also making other changes required to update the system of records. [Insert description of other changes, if applicable.]

Accordingly, the [insert name] system notice originally published at [insert citation] and most recently amended at [insert citation] is further amended by addition of the following routine use:

* * *

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

[]The names, social security numbers, home addresses, dates of birth, dates of hire, quarterly earnings, employer identifying information, and State of hire of employees may be disclosed to the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services for the purpose of locating individuals to establish paternity, establishing and modifying orders of child support, identifying sources of income, and for other child support enforcement actions as required by the Personal Responsibility and Work Opportunity Reconciliation Act (Welfare Reform law, Pub. L. 104-193).