will enhance NSCC's ability to protect itself and its members against loss.

(B) Self-Regulatory Organizations' Statement on Burden on Competition

OCC and NSCC do not believe the proposed rule changes will impose any material burden on competition.

(C) Self-Regulatory Organizations' Statement on Comments on the Proposed Rule Changes Received From Members, Participants or Others

Written comments were not and are not intended to be solicited by OCC or NSCC with respect to the proposed rule changes, and none have been received by OCC or NSCC.

III. Date of Effectiveness of the Proposed Rule Changes and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which OCC and NSCC consent, the Commission will:

(A) By order approve the proposed rule changes or

(B) Institute proceedings to determine whether the proposed rule changes should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule changes that are filed with the Commission, and all written communications relating to the proposed rule changes between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of OCC and NSCC. All submission should refer to the File Nos. SR–OCC–96–04 and SR–NSCC–96–11 and should be submitted by July 8, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[20]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–15274 Filed 6–14–96; 8:45 am]

BILLING CODE 8010–01–M

SOCIAL SECURITY ADMINISTRATION

Privacy Act of 1974; Report of New Routine Use

AGENCY: Social Security Administration.

ACTION: New routine use.

SUMMARY: In accordance with the Privacy Act (5 U.S.C. 552a(e) (4) and (11)), we are issuing public notice of our intent to establish a new routine use of information maintained in the Privacy Act system of records entitled Master Files of Social Security Number (SSN) Holders and SSN Applications, SSA/OSR, 09–60–0058. (For convenience, we will refer to the system as the Enumeration System.) The proposed routine use provides for disclosure of SSN and citizenship information to employers in connection with a pilot program to verify the employment authorization of newly-hired employees.

We invite public comments on this publication.

DATES: We filed a report of an altered systems of records—new routine use with the Chairman, Committee on Government Reform and Oversight of the House of Representatives, the Chairman, Committee on Governmental Affairs of the Senate, and the Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget on June 4, 1996. The routine use will become effective as proposed, without further notice on July 29, 1996, unless we receive comments on or before that date that would result in a contrary determination.

ADDRESSES: Interested individuals may comment on this publication by writing to the SSA Privacy Officer, Social Security Administration, Room 3–A–6 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235. Comments may be faxed to (410) 966–0869 or sent to internet address willie.j.polk@ssa.gov. All comments received will be available for public inspection at that address.

FOR FURTHER INFORMATION CONTACT: Mr. Willie J. Polk, Chief, Confidentiality and Disclosure Branch, Office of Disclosure Policy, Social Security Administration, 3–D–1 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235, telephone 410–965–1753.

SUPPLEMENTARY INFORMATION:

A. Discussion of Proposed Routine Use

On February 7, 1995, President Clinton announced that SSA, in partnership with the Immigration and Naturalization Service (INS), will conduct a pilot project to verify SSNs and employment authorization for newly-hired employees.

To work in the United States (U.S.), a person must be a U.S. citizen or an alien lawfully admitted to the country and authorized to work. Employers are currently required to view documents from all newly-hired employees to verify their identities and their authorization to work in the U.S. That process has been cumbersome for employers and is generally viewed as ineffective at identifying unauthorized workers. It has also been found to provide an opportunity for discrimination against people who look or sound foreign.

The Commission on Immigration Reform (also known as the Jordan Commission) released an interim report to the Congress in September 1994 that proposed a computer registry based on SSA and INS data that employers could check to determine if a newly-hired employee is authorized to work. The Commission recommended that the President immediately pilot the registry in the five States with the highest levels of illegal immigration and several less affected States. SSA and INS estimate it would take at least 5 years after the enactment of legislation to set up the joint computer registry proposed by the Jordan Commission. The President has authorized SSA and INS to develop pilot projects to test the effectiveness of some of the concepts embodied in the computer registry proposal, and to test the technical feasibility of matching data from the two agencies' databases.

The focus of the current pilot project would involve a two-step process using existing SSA and INS data bases. Current plans call for selected volunteer employers to provide SSA with a newly-hired employee's SSN, name and date of birth. SSA would match that information against the Enumeration System data base. If the identifying information furnished by the employer does not match the data in the Enumeration System, SSA would so inform the employer. If there is a match, SSA would also check for citizenship/alien status coding. If the Enumeration System indicates that the employee is a U.S. citizen, SSA's response would

[20] 17 CFR 200.30–3(a)(12) (1995).

convey this information and no further inquiries would be necessary. If the Enumeration System indicates that the employee was an alien at the time he or she last applied for a social security card, SSA would advise the employer to check with INS to determine whether the employee is authorized to work.

To comply with the Privacy Act (5 U.S.C. 552a) when disclosing information to the employers participating in the pilot, we are proposing to establish the following routine use:

In connection with a pilot program, conducted with the Immigration and Naturalization Service under 8 U.S.C. 1324a(d)(4) to test methods of verifying that individuals are authorized to work in the United States, the Social Security Administration will inform an employer participating in such pilot program that the identifying data (Social Security number, name and date of birth) furnished by an employer concerning a particular employee match, or do not match, the data maintained in this system of records, and when there is such a match, that information in this system of records indicates that the employee is, or is not, a citizen of the United States.

B. Compatibility of Proposed Routine Use

We are proposing the routine use discussed above in accordance with the Privacy Act (5 U.S.C. 552a(a)(7), (b)(3), and (e) (4) and (11)) and our disclosure regulation (20 CFR part 401). The Privacy Act permits us to disclose information about individuals without their consents for a routine use, i.e., where the information will be used for a purpose that is compatible with the purpose for which we collected the information. The disclosures that will be made under the proposed routine use meet the compatibility requirements in the Privacy Act and the regulation as discussed below.

Under 8 U.S.C. 1324a(a)(1), the Immigration and Nationality Act provides that it is unlawful for a person or other entity to hire, or to recruit or refer for a fee, for employment in the U.S. an individual without verifying that the individual is authorized to work in the U.S. Among the documents that can be used to verify the individual's authorization to work in the U.S., as discussed in 8 U.S.C. 1324a(b)(1), is the SSN card ''(other than such a card which specifies on the face that the issuance of the card does not authorize employment in the United States).'' Thus, the SSN and SSN card have a major role in the current process for verification of an employee's authorization to work in the U.S. Further, 8 U.S.C. 1324a(d) allows the President to consider the suitability of existing Federal identification systems for use in determining employment authorization and to undertake demonstration projects, such as the pilot project described above, that test the usefulness of such systems for improving employment verification. SSA's Enumeration System is such a Federal identification system. This statutory authority has been invoked with respect to the pilot project described above. Consequently, with respect to the pilot project, 8 U.S.C. 1324a(d) establishes employment authorization verification as one of the purposes for which SSA collects and maintains information in its Enumeration System. Use of that information by employers participating in that pilot project to verify authorization to work in the U.S. clearly serves that purpose.

In addition, sections 205(c)(2) and 208(a)(7) and (8) of the Social Security Act (the Act) also support a finding of compatibility. Under section 205(c)(2)(A) of the Act, SSA is required to establish and maintain records of the amounts of wages paid to individuals and of the periods in which such wages were paid. In performing these duties, SSA is required by section 205(c)(2)(B)(i)(I) of the Act to arrange for the issuance of SSNs to certain groups, including aliens lawfully admitted to the U.S. for permanent residence or under other authority to work in the U.S. Section 205(c)(2)(B)(ii) of the Act provides that SSA must require all applicants for SSNs to furnish evidence to establish the age, citizenship, or alien status, and true identity of such applicants, and to determine which (if any) SSN has previously been assigned to such individual. This provision was enacted to address, among other things, concerns about use of SSNs by aliens entering the U.S. illegally and work in the U.S. by aliens who are not authorized to do so. Further, section 208(a)(7)(B) and (a)(8) of the Act provides that any individual who, with intent to deceive for any purpose, falsely represents that a particular SSN was assigned to him or her when it was not so assigned, or uses the SSN of any person in violation of the laws of the U.S., is guilty of a felony.

Some of the statutorily authorized purposes for which SSA collects and uses information maintained in the Enumeration System are: (1) To keep accurate records of earnings as required by section 205(c)(2)(A) of the Act; (2) to detect instances in which an individual uses an SSN that has not been assigned to him or her; (3) to prevent the issuance of an SSN to an individual who has not furnished evidence that he or she is lawfully admitted to the U.S.; and (4) to deter and detect work in the U.S. that is not authorized by law.

The services we would provide to employers under the pilot project would assist them in reporting accurate wages to SSA and would help prevent and deter individuals from engaging in criminal activity described in section 208(a)(7) and (8) of the Act and unauthorized work in the U.S. Thus, the services that SSA would render to employers who would participate in the proposed pilot would serve some of the same purposes for which SSA collects and maintains the SSN and citizenship/alien status information in the Enumeration System.

In furnishing the services described above to employers who participate in the employment authorization pilot, SSA would perform functions for which it is responsible under Federal law, 8 U.S.C. 1324a(d). This activity would be necessary to carry out a Social Security program, as defined in 20 CFR 401.110, and would be consistent with SSA's disclosure regulation, 20 CFR 401.310. The regulation (20 CFR 401.310) provides, in part, that we will disclose information under a routine use ''where necessary to carry out Social Security programs.'' For purposes of that regulation, ''Social Security program'' is defined as ''any program or provision of law which SSA is responsible for administering * * *'' 20 CFR 401.110.

C. Effect of the Proposal on Individual Rights

The pilot is designed to assist employers in identifying employees who are not authorized to work in the U.S. When operating the pilot, SSA and INS will apply appropriate measures to ensure that the privacy rights of employees whose SSNs are verified under the pilot are protected to the full extent of the Privacy Act and all other applicable laws. SSA and INS will negotiate a written agreement with each participating employer that delineates the employer's responsibilities and states the safeguards the employer must apply to protect the privacy of information received from SSA and/or INS. Individuals will have the opportunity to reconcile any discrepancies between the information they furnish to their employers and the records of SSA before their employers can take any adverse action based on those discrepancies. Because employers participating in the pilot must confirm that all new hires are authorized to work, these disclosures should serve to lessen the incidence of discrimination against people who look or sound foreign. Also, we will keep a detailed

audit trail record of all disclosures made under the pilot. For these reasons, we do not anticipate that the disclosures will have any unwarranted adverse effect on the rights of individuals.

Dated: June 4, 1996.

Shirley S. Chater,

Commissioner of Social Security.

[FR Doc. 96–15265 Filed 6–14–96; 8:45 am]

BILLING CODE 4190–29–P

DEPARTMENT OF STATE

Bureau of Inter-American Affairs

[Public Notice 2403]

Guidelines Implementing Title IV of the Cuban Liberty and Democratic Solidarity Act

AGENCY: Bureau of Inter-American Affairs.

ACTION: Notice.

SUMMARY: Title IV, section 401(a), of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (''Act''), 22 U.S.C. 6021 *et seq.*, also known as the Helms-Burton Act, provides that the ''Secretary of State shall deny a visa to, and the Attorney General shall exclude from the United States, any alien who the Secretary of State determines is a person who, after the date of the enactment of this act—

(1) Has confiscated, or has directed or overseen the confiscation of, property [in Cuba] a claim to which is owned by a United States national, or converts or has converted for personal gain confiscated property, a claim to which is owned by a United States national;

(2) Traffics in confiscated property, a claim to which is owned by a United States national;

(3) Is a corporate officer, principal, or shareholder with a controlling interest of an entity which has been involved in the confiscation of property or trafficking in confiscated property, a claim to which is owned by a United States national; or

(4) Is a spouse, minor child, or agent of a person excludable under paragraph (1), (2), or (3).'' 22 U.S.C. 6091(a).

The following guidelines will be used by the Department of State for the purpose of implementing Title IV of the act.

EFFECTIVE DATE: This notice is effective on June 17, 1996.

FOR FURTHER INFORMATION CONTACT: Director, Office of Cuban Affairs, Bureau of Inter-American Affairs, Department of State, 2201 C Street, NW, Washington, D.C. 20520, 202–647–7505.

SUPPLEMENTARY INFORMATION:

Department of State Guidelines for Implementation of Title IV of the LIBERTAD Act

1. Purpose and Authority. These guidelines will be used by the Department of State (''Department'') for the purpose of implementing Title IV of the Cuban Liberty and Democratic Solidarity Act of 1996, P.L. 104–114, 22 U.S.C. § 6021 *et seq.*, also known as the Libertad Act or Helms-Burton Act (''Act''), and other applicable legislation as appropriate.

2. Delegation of Authority. The Secretary of State has delegated authority to the Assistant Secretary of State for Inter-American Affairs to make determinations of excludability and visa ineligibility under section 401(a) of the Act.

3. Point of Contact. The Office of Cuban Affairs in the Bureau of Inter-American Affairs at the Department is the central point of contact for all inquiries about implementation of Title IV of the Act. The Office may be contacted in Room No. 3244, U.S. Department of State, Washington, DC 20520; telephone number 202–647–7505.

4. Collection of Information—a. As resources permit, the Department may collect information from available sources on whether property in Cuba owned by a U.S. national has been confiscated or whether trafficking in such property confiscated from a U.S. national has occurred.

b. If the Department has information indicating that certain property may have been confiscated or subject to trafficking, it may request the Foreign Claims Settlement Commission (FCSC) to inform it whether the property in question was the subject of an FCSC-certified claim. the Department may also obtain information from the FCSC and other available sources about the current ownership of an FCSC-certified claim, including whether it is owned by a U.S. national.

c. For non-certified claims, the Department may request claimants to provide additional information related to ownership and confiscation of, or trafficking in, the property concerned.

d. The department will consult as appropriate with other agencies of the U.S. government and other sources regarding the identify of principals, officers, and controlling shareholders, and their agents, spouses, and minor children, or entities that may have confiscated property owned by a U.S. national or trafficked in such property.

5. Determinations of excludability and Ineligibility. Determinations of ineligibility and excludability under Title IV will be made when facts or circumstances exist that would lead the Department reasonably to conclude that a person has engaged in confiscation or trafficking after March 12, 1996.

6. Prior Notification.—a. An alien who may be the subject of a determination under Title IV will be sent notification by registered mail that his/her name will be entered in the visa lookout system and port of entry exclusion system, and that he/she will be denied a visa upon application or have his/her visa revoked, 45 days after the date of the notification letter. the alien will be informed that divesting from a ''trafficking'' arrangement would avert the exclusion. the Department may inform the government of the alien's country of nationality in confidence through diplomatic channels of the name of any corporation or other entity related to this action.

b. If no information is received within the 45 day period above that leads the Department reasonably to conclude (i) that the alien or company involved has not engaged in trafficking or is no longer doing so, or (ii) that an exception to trafficking under section 401(b)(2)(B) applies, the Department will notify consular officers and the Immigration and Naturalization Service (''INS'') of a determination by entering the alien's name, including the names of the alien's agents, spouse and minor children, if applicable, in the appropriate lookout system, and a visa application from the named alien will be denied or a visa revoked in accordance with the law. Entry of the named alien into the appropriate lookout systems will be the exclusive means by which consular officers and the INS will verify that the alien has been determined to be excludable under section 401 of the Act.

7. Exemptions. The Department may grant an exemption for diplomatic and consular personnel of foreign governments, and representatives to and officials of international organizations. An alien may request from the Department an exemption for medical reasons or for purposes of litigation of an action under Title III of the Act to the extent permitted under section 401(c) of the Act. The Department will notify Department consular officers and the INS through appropriate channels of the decision to grant an exemption to a person otherwise excludable under Title IV of the Act. The Department may impose appropriate conditions on any exemption granted.

8. Review of Determinations. The Department may review a determination made under Title IV at any time, as appropriate, upon the receipt of