

SOCIAL SECURITY ADMINISTRATION**Privacy Act of 1974; Computer Matching Program (SSA/State or Local Vital Statistics Organizations)**

AGENCY: Social Security Administration.

ACTION: Notice of computer matching programs.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces computer matching programs that SSA plans to conduct.

DATES: SSA will file a report of the subject matching program with the Committee on Governmental Affairs of the Senate, the Committee on Government Reform and Oversight of the House of Representatives and the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB). The matching programs will be effective as indicated below.

ADDRESSES: Interested parties may comment on this notice by either telefax to (410) 966-2935 or writing to the Associate Commissioner for Program Support, 4400 West High Rise Building, 6401 Security Boulevard, Baltimore, MD 21235. All comments received will be available for public inspection at this address.

FOR FURTHER INFORMATION CONTACT: The Associate Commissioner for Program Support at the above address.

SUPPLEMENTARY INFORMATION:**A. General**

The Computer Matching and Privacy Protection Act of 1988 (Public Law (Pub. L.) 100-503), amended the Privacy Act (5 U.S.C. 552a) by establishing the conditions under which computer matching involving the Federal Government could be performed and adding certain protections for individuals applying for and receiving Federal benefits. Section 7201 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508) further amended the Privacy Act regarding protections for such individuals. The Privacy Act, as amended, regulates the use of computer matching by Federal agencies when records pertaining to individuals in a system of records are matched with other Federal, State or local government records. Among other things, it requires Federal agencies involved in computer matching programs to:

- (1) Negotiate written agreements with the other agency or agencies participating in the matching programs;
- (2) Obtain required Data Integrity Board approval of matching agreements;

(3) Furnish detailed reports about matching programs to Congress and OMB;

(4) Notify applicants and beneficiaries that their records are subject to matching; and

(5) Verify match findings before reducing, suspending, terminating or denying an individual's benefits or payments.

B. SSA Computer Matches Subject to the Privacy Act

We have taken action to ensure that the computer matching programs comply with the requirements of the Privacy Act, as amended.

Dated: April 16, 1997.

John J. Callahan,

Acting Commissioner of Social Security.

Notice of Computer Matching Programs, Social Security Administration (SSA) with Participating State or Local Vital Statistics Organizations**A. Participating Agencies**

SSA and State or Local Vital Statistics Organizations.

B. Purpose of the Matching Programs

The purpose of these matching programs is to establish conditions under which each participating State or local vital statistics operation agrees to the disclosure to SSA of information regarding certain individuals who have divorced or married. The disclosure will provide SSA with information useful in determining claim and benefit status under both title II and title XVI of the Social Security Act (the Act), as changes in marital status of certain persons may affect benefits/payments under specific provisions of those titles.

C. Authority for Conducting the Matching Programs

This matching operation is carried out under the authority of sections 202 (42 U.S.C. 402), 216 (42 U.S.C. 416) and 1614 (42 U.S.C. 1382c) of the Act, which require SSA to make determinations of entitlement/eligibility for certain categories of Social Security or Supplemental Security Income (SSI) benefits/payments due to changes in marital status. In addition, section 1631(e)(1)(B) of the Act (42 U.S.C. 1383(e)(1)(B)) requires SSA to verify declarations of applicants for and recipients of SSI payments before making a determination of eligibility or payment amount.

D. Categories of Records and Individuals Covered

Each participating State or local government vital statistics operation will disclose certain State marriage and divorce information to SSA. Each participating operation will provide SSA with a file including Social Security Numbers (if available) of individuals who have married or divorced within its jurisdiction during the period covered by the matching program. The State and local sources will disclose the data for SSA's use in verifying entitlement/eligibility and/or benefit/payment amounts under the Social Security and SSI programs administered by SSA. Changes in marital status can affect entitlement to various categories of Social Security benefits under title II of the Social Security Act (Act). In the SSI program under title XVI of the Act, marriage or divorce can affect eligibility for payments, or the amount of payments. The marriage and divorce data thus provided will be matched with appropriate systems of records maintained by SSA in order to help determine eligibility or correct benefit/payment amounts under titles II and XVI of the Act.

E. Inclusive Dates of the Match

Any specific matching agreement with a State or local entity shall become effective no sooner than 40 days after notice of the matching program and of the model agreement for the program is sent to Congress and the Office of Management and Budget, 30 days after publication of this notice in the **Federal Register**, or after the signature of both parties to the specific agreement, whichever is later. The matching program will continue for 18 months from the effective date and may be extended for an additional 12 months thereafter, if certain conditions are met.

[FR Doc. 97-11241 Filed 4-30-97; 8:45 am]

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SOCIAL SECURITY ADMINISTRATION**Social Security Disability Program Demonstration; Referral System for Vocational Rehabilitation Providers Demonstration Project**

AGENCY: Social Security Administration (SSA).

ACTION: Notice.

SUMMARY: The Commissioner of Social Security (the Commissioner) announces the Referral System for Vocational Rehabilitation Providers (RSVP) demonstration project. This

demonstration project will test using an outside contractor to carry out certain administrative functions for an expanded vocational rehabilitation (VR) referral and reimbursement program. Under titles II and XVI of the Social Security Act (the Act), this expanded program permits public and private providers of VR services (called alternate participants) to join with the 82 State VR agencies to provide greater access to VR services for Social Security disability insurance (SSDI) beneficiaries and disabled or blind Supplemental Security Income (SSI) recipients to the end that these beneficiaries and recipients can secure employment and reduce or eliminate benefit dependency. The demonstration project will be conducted under the authority of section 505(a) of Pub. L. 96-265 (the Social Security Disability Amendments of 1980), as amended, and section 1110(b) of the Act. These statutes authorize the Commissioner to conduct demonstration projects to test, among other things, ways to increase the availability of VR services leading to employment opportunities for SSDI beneficiaries and disabled or blind SSI recipients. We are publishing this notice to comply with 20 CFR 404.1599(e) and 20 CFR 416.250(e) which provide for publication of a notice in the **Federal Register** before placing certain demonstration projects into operation.

FOR FURTHER INFORMATION CONTACT: J. Kenneth McGill, Social Security Administration, Office of Disability, 560 Altmeyer, 6401 Security Boulevard, Baltimore, Maryland 21235, Phone (410) 965-3988.

SUPPLEMENTARY INFORMATION:

Sections 222 and 1615 of the Act require SSA to refer SSDI beneficiaries and disabled or blind SSI recipients to State VR agencies for rehabilitation services. SSA is authorized under these sections of the Act to reimburse State VR agencies for the reasonable and necessary costs of VR services provided to SSDI beneficiaries and disabled or blind SSI recipients when the services contributed to their performance of substantial gainful activity (SGA) for nine continuous months.

Regulations published on March 15, 1994 (59 FR 11899), entitled "Payments for Vocational Rehabilitation Services," allows SSA to refer an SSDI beneficiary or disabled or blind SSI recipient to an alternate participant if a State VR agency has not accepted the SSA-referred individual for services. Alternate participants are any approved public or private VR service providers

other than the designated State VR agencies.

Under the Act and regulations, SSA must refer an SSDI beneficiary or disabled or blind SSI recipient initially to the State VR agency for services. However, the regulations provide that if the State VR agency does not accept the individual for services following such referral, SSA may refer the beneficiary or recipient to an alternate participant for VR services and may reimburse the alternate participant for the cost of services furnished to the beneficiary or recipient under the same terms and conditions that apply to the reimbursement of State VR agencies.

We anticipate that the use of alternate participants under the expanded VR referral and reimbursement program will increase the provider base from the current 82 participating State VR agencies to several hundred or even several thousand providers.

This new referral option will require recruitment of these additional providers, increased handling and tracking of referrals, interaction with a greatly expanded provider base, and more VR reimbursement claims activity. Consequently, the new process must be managed in a manner different from that for managing the former program.

Project Objectives

This three-year demonstration will determine whether expansion of the provider base can best be accomplished by the use of an outside organization to carry out the necessary activities to implement the provisions of the March 1994 regulatory changes affecting SSA's VR referral and reimbursement programs. The project also is intended to determine whether an outside organization can carry out activities to assure that VR services are more readily available to SSDI beneficiaries and disabled or blind SSI recipients. The project will determine whether it is more efficient and cost-effective to have a contractor manage parts of the referral process and the reimbursement claims process.

Description of the Project

Under the demonstration project, SSA will award a contract for one year plus a potential option year(s). The demonstration will be conducted nationwide.

No waivers of any of the provisions of the Social Security Act are required to carry out this demonstration. During the base year of the demonstration, the basic functions of the contractor shall include:

- Developing and implementing a marketing plan that will enhance the

marketing campaign begun by SSA to expand the alternate participant base, including activities to improve the knowledge and understanding of SSA's VR referral and reimbursement program and work incentive provisions among potential new alternate participants;

- Maintaining and increasing the network of qualified alternate participants who are ready to provide rehabilitation services to SSDI beneficiaries and disabled or blind SSI recipients;

- Assisting VR providers with the application process to become alternate participants in SSA's VR program, including review of VR provider credentials;

- Maintaining a process for determining that new and previously approved alternate participants retain their qualifications to provide VR services under SSA's VR program;

- Implementing and managing a secure, automated system that will include the database developed by SSA to re-refer beneficiaries and recipients to alternate participants;

- Training alternate participants who are ready to serve our beneficiaries and recipients on SSA's policies, procedures, processes, etc. that are related to SSA's VR referral and reimbursement program;

- Developing and staffing a toll-free telephone number to disseminate information about the SSA VR referral and reimbursement program, work incentives, types of VR services available to SSDI beneficiaries and disabled or blind SSI recipients, and information about alternate participants in our VR program;

- Developing surveys and other data analyses to monitor and evaluate provider, beneficiary, and recipient satisfaction; and

- Developing and implementing procedures to monitor and review the claims submitted by alternate participants for completeness of documentation.

After the base year of the demonstration, the contractor will expend fewer resources on recruiting and training alternate participants. However, the contractor will continue activities to operate the toll-free telephone number, assist in the application process, increase the number of alternate participants, ensure that they retain their qualifications, and evaluate provider, beneficiary, and recipient satisfaction. In addition, the contractor's basic functions shall include:

- Assuming complete responsibility for SSA's established database for

referring beneficiaries and recipients to alternate participants for services;

- Assuming complete responsibility for providing management information; and

- Developing and implementing procedures to monitor and review reimbursement claims submitted by alternate participants for completeness of documentation and compliance with SSA filing requirements.

At the conclusion of the RSVP demonstration project we will have determined: (1) The feasibility of a contractor performing certain administrative functions of SSA's VR referral and reimbursement program; (2) what type of VR service providers are willing to serve SSA beneficiaries and recipients under the expanded VR referral and reimbursement system; (3) what types of disability groups, alternate participants are willing to serve; (4) whether using alternate participants resulted in greater numbers of SSA beneficiaries and recipients engaging in SGA; (5) if a greater understanding of SSA's work incentive provisions both by providers of services and by beneficiaries and recipients resulted; (6) whether SSA received more claims for reimbursement; (7) if there is an improvement in the quality of claims filed for reimbursement which can be attributed to the contractor's reviews of claims for completeness of documentation and compliance with SSA filing requirements; and (8) whether beneficiaries, recipients, alternate participants, and SSA are satisfied with the management of the process by an outside organization.

Authority: Section 505(a) of Pub. L. 96-265, as amended by section 12101 of Pub. L. 99-272, section 10103 of Pub. L. 101-239, section 5120 of Pub. L. 101-508, and section 315 of Pub. L. 103-296; and section 1110(b) of the Social Security Act.

(Catalog of Federal Domestic Assistance Programs Nos. 96.001, Social Security-Disability Insurance; 96.002 Social Security-Retirement Insurance; 96.004 Social Security-Survivors Insurance; 96.006-Supplemental Security Income.)

Dated: April 21, 1997.

John J. Callahan,

Acting Commissioner of Social Security.

[FR Doc. 97-11240 Filed 4-30-97; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Ex Parte No. 347 (Sub-No. 2)]

Rate Guidelines—Non-Coal Proceedings

AGENCY: Surface Transportation Board.

ACTION: Updated RSAM and Average R/VC > 1.8 percentages for the period 1992-1995.

SUMMARY: The Surface Transportation Board established guidelines for handling small maximum rate complaints in *Rate Guidelines—Non-Coal Proceedings*, Ex Parte No. 347 (Sub-No. 2) (served Dec. 31, 1996). In that decision, the Board provided tables containing composite "Revenue Shortfall Allocation Method" (RSAM) and "Average Revenue to Variable Cost > 1.80" (Average R/VC > 1.8) percentages for class I railroads for the period 1991-1994 for use in addressing small rail rate complaints.

The Board has now updated these tables to provide percentages for the period 1992-1995. In addition, the Board has computed regional (Eastern and Western) and national percentages for use in proceedings involving non-class I railroads.

EFFECTIVE DATE: May 1, 1997.

FOR FURTHER INFORMATION CONTACT: William H. Washburn, (202) 565-1550. TDD for the hearing impaired (202) 565-1695.

SUPPLEMENTARY INFORMATION: The updated tables are contained in the Board's notice. To purchase a copy of the notice, write to, call, or pick up in person from: DC NEWS & DATA, INC., Suite 210, 1925 K Street, NW., Washington, DC 20423, (202) 289-4357. [Assistance for the hearing impaired is available through TDD services (202) 565-1695.]

This action will not significantly affect either the quality of the human environment or energy conservation.

Pursuant to 5 U.S.C. 605(b), we conclude that our action will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act.

Decided: April 18, 1997.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams,
Secretary.

[FR Doc. 97-11361 Filed 4-30-97; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Forms 5712 and 5712-A

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 5712, Election To Be Treated as a Possessions Corporation Under Section 936, and Form 5712-A, Election and Verification of the Cost Sharing or Profit Split Method Under Section 936(h)(5).

DATES: Written comments should be received on or before June 30, 1997 to be assured of consideration.

ADDRESSES: Direct all written comments to Garrick R. Shear, Internal Revenue Service, room 5571, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Martha R. Brinson, (202) 622-3869, Internal Revenue Service, room 5571, 1111 Constitution Avenue NW., Washington, DC 20224.

SUPPLEMENTARY INFORMATION:

Title: Election To Be Treated as a Possessions Corporation Under Section 936 (Form 5712), and Election and Verification of the Cost Sharing or Profit Split Method Under Section 936(h)(5) (Form 5712-A).

OMB Number: 1545-0215

Form Number: 5712 and 5712-A

Abstract: Domestic corporations may elect to be treated as possessions corporations on Form 5712. This election allows the corporation to take a tax credit. Possession corporations may elect on Form 5712-A to share their taxable income with their affiliates under Internal Revenue Code section 936(h)(5). These forms are used by the IRS to ascertain if corporations are entitled to the credit and if they may share their taxable income with their affiliates.

Current Actions: There are no changes being made to the forms at this time.

Type of Review: Extension of a currently approved collection.