

Committee appointed by the Board of Governors to codify the Exchange's practice of using "Wells" letters with respect to the Business Conduct Committee process. Prior to submitting any investigative report to the Business Conduct Committee, in which the staff of the Exchange is recommending that there is a reasonable basis to believe that a violation within the disciplinary jurisdiction of the Exchange has occurred, the staff will notify the person who is the subject of the report of the general nature of the allegations and the specific rule or by-law that appears to have been violated. The staff will also inform the subject that the report will be reviewed by the Business Conduct Committee and that the subject may submit a written statement to the Business Conduct Committee concerning why he believes that no disciplinary action should be taken. This practice is often referred to as a "Wells" submission and is used by the Commission in its enforcement program. The Exchange has always adhered to this practice and is now merely codifying it as an Exchange rule.³ Although no time frame is specified within the rule, a reasonable amount of time depending on the circumstances of the matter is afforded the subject and the deadline for submission is always included in the notice to the subject.

The proposed rule change is consistent with Section 6 of the Act in general, and in particular, with Section 6(b)(7), in that it provides a fair procedure for the disciplining of members and persons associated with members because it codifies an existing practice which affords rights to members and associated persons of notice and opportunity to comment prior to the staff submitting a report to the Business Conduct Committee which may result in enforcement proceedings against such member or associated person.

B. Self-Regulatory Organization's Statement on Burden on Competition

The PHLX does not believe that the proposed rule change will impose any inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments were either solicited or received.

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

Because the foregoing proposed rule change: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days from February 3, 1998, the date on which it was filed, and the Exchange provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(e)(6) thereunder.⁴

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. 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 change that are filed with the Commission, and all written communications relating to the proposed rule change 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. Copies of the filing will also be available for inspection and copying at the PHLX's principal offices. All submissions should refer to File No. SR-PHLX-98-01 and should be submitted by March 4, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁵

Margaret H. McFarland,

Deputy Secretary.

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SOCIAL SECURITY ADMINISTRATION

Privacy Act of 1974; New Systems of Records

AGENCY: Social Security Administration (SSA).

ACTION: Notification of two proposed new systems of records.

SUMMARY: In accordance with the Privacy Act of 1974 as amended (5 U.S.C. 552a(e)(4) and (11)), we are notifying the public of our intent to establish two new systems of records. The proposed systems are entitled:

- Vocational Rehabilitation; State Vocational Rehabilitation Agency Information (VR SVRA) File; and
- Vocational Rehabilitation; SSA Disability Beneficiaries/Recipients Eligible for Re-referral to an Alternate Vocational Rehabilitation Service Provider (VR Re-referral) File.

For convenience we will refer to the first system as the "VR SVRA File" and the second system as the "VR Re-referral File."

We are also proposing to establish routine uses of the information to be maintained in these systems. The proposed systems and the proposed routine uses are discussed below in the **SUPPLEMENTARY INFORMATION** section.

We invite public comments on this publication.

DATES: We filed a report of the proposed systems of records with the Chairman, Senate Committee on Governmental Affairs, the Chairman, House Committee on Government Reform and Oversight, and the Director, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB) on December 29, 1997. The proposed systems, including the proposed routine uses will become effective on March 23, 1998, unless we receive comments on or before that date which would warrant preventing the proposed systems from taking effect.

ADDRESSES: Interested individuals may comment on this proposal by writing to the SSA Privacy Officer, 3-A-6 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235; comments may be faxed to (410) 966-0869. All comments received will be available for public inspection at the above address.

FOR FURTHER INFORMATION CONTACT: Mrs. Stephanie J. Green, Social Insurance Specialist, Office of Disclosure Policy, Social Security Administration, 3-D-1 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235, Telephone 410-965-4561.

³ See Rule 17.2(d) of the Chicago Board Options Exchange ("CBOE") which is similar to this rule.

⁴ 17 CFR 240.19b-4(e)(6)(1997).

⁵ 17 CFR 200.30-3(a)(12)(1997).

SUPPLEMENTARY INFORMATION:

I. Discussion of the Proposed Systems of Records**A. General**

Sections 222(d)(2) and 1615(a) of the Social Security Act (the Act) authorize the Commissioner of Social Security to arrange with alternate participants to provide vocational rehabilitation (VR) services to certain disabled Social Security beneficiaries and certain disabled or blind Supplemental Security Income (SSI) recipients when a State VR agency (SVRA) is unable or unwilling to provide such services. The Act authorizes SSA to pay the providers of services for the reasonable and necessary costs of the services in certain specified situations including where the furnishing of the services results in the performance of substantial gainful activity for a continuous period of 9 months.

The law and regulations provide for SSA to:

- Arrange for an alternate source of VR services when the SVRA is unable or unwilling to serve an SSA-referred title II or title XVI beneficiary/recipient who is disabled or blind.
- Select only alternate participants that meet the following basic qualifications:
 - Are licensed, certified, accredited or registered, as appropriate, to provide VR services in the State in which they provide services, and
 - Have a plan similar to the SVRA's which meets the requirements of title I of the Rehabilitation Act of 1973.
- Review the standards for the provision of VR services by alternate participants.
- First refer a Social Security disability beneficiary or SSI recipient who is disabled or blind to the SVRA for services.
- Identify all such SSA-referred beneficiaries/recipients who are not served by an SVRA.
- At its option to re-refer to an alternate participant (i.e., an alternate provider of VR services) if the SVRA is unable or unwilling to provide services to an individual initially referred by SSA.

The two proposed new systems of records will enable SSA to maintain records that will assist the Agency in administering the rehabilitation provisions of the Act.

B. VR SVRA File

The VR SVRA File will maintain information about the following categories of individuals:

- (a) Newly awarded title II disability beneficiaries referred by SSA to the SVRA for VR services;

- (b) Current title II disability beneficiaries who recently had a continuing disability review (CDR) and still are considered disabled, and were referred by SSA to the SVRA;

- (c) Newly awarded title XVI recipients who are disabled or blind, who are referred by SSA to the SVRA for VR services; and

- (d) Current title XVI recipients who are disabled or blind, who recently had a CDR and still are considered disabled or blind, and were referred by SSA to the SVRA.

(See the "Categories of records" section of the VR SVRA notice below for a complete description of the records that SSA will maintain about these individuals.)

The VR SVRA system will enable SSA to:

- Verify that disability beneficiaries and recipients who are disabled or blind are referred to the SVRA by SSA and are accepted for VR services;
- Conduct statistical studies; and
- Provide management information on VR referrals.

C. VR Re-referral File

The VR Re-referral File will maintain information about the same categories of individuals as the VR SVRA file, but only when the individuals are not accepted for VR services by the SVRA.

The VR Re-referral File will enable SSA to:

- Provide approved alternate participants with disability beneficiaries and recipients who are disabled or blind and who are eligible for VR services;
- Conduct statistical studies;
- Provide management information on VR re-referrals; and
- Identify the approved alternate participant who is providing the VR services.

(See the "Categories of records" section of the VR Re-referral File below for a complete description of the records that SSA will maintain about these individuals.)

II. Collection of Data for the Systems

Records in the VR SVRA and VR Re-referral File systems of records are obtained from information collected by the State disability determination services when adjudicating claims for disability and blindness, from SVRA responses, and from existing SSA systems of records (e.g. the Claims Folders system).

III. Proposed Routine Use Disclosures of Data in the Systems

We are proposing to establish the following routine use disclosures of the information that will be maintained in the VR SVRA and VR Re-referral File systems:

1. Information may be disclosed to State or private alternate providers having an approved business arrangement with SSA to perform vocational rehabilitation services for SSA disability beneficiaries and recipients who are disabled or blind.

This proposed routine use would permit us to disclose information from the proposed systems for the purpose of assisting beneficiaries/recipients to participate in vocational rehabilitation. Information in the VR Re-referral File system also will be used to identify the alternate provider of record for successful rehabilitation of a disability beneficiary/recipient.

2. Information may be disclosed to contractors and other Federal agencies, as necessary, to assist SSA in the efficient administration of its programs.

We contemplate disclosing information under this proposed routine use only in situations in which SSA may enter into a contractual or similar agreement with a third party to assist in accomplishing an agency function relating to these systems of records. In administering our programs, we often find that it is more efficient to use an outside contractor to carry out some of our functions. This proposed routine use will allow us to disclose information from the systems under such circumstances. Contractors, or other Federal agencies, will, under agreements with SSA, be required to safeguard information disclosed to them consistent with the requirements of the Privacy Act.

3. Information may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the subject of the record.

We contemplate disclosing information under this proposed routine use only in situations in which the individual asks his/her Member of Congress to intercede in an SSA matter on his/her behalf. Information will be disclosed from the proposed systems only when the Member of Congress inquires and presents evidence that he/she is acting on behalf of the individual whose record is requested.

4. Information may be disclosed to the Department of Justice (DOJ), a court, or other tribunal, or another party before such tribunal, when:

- (1) SSA, or any component thereof; or
- (2) Any SSA employee in his/her official capacity; or
- (3) Any SSA employee in his/her individual capacity when DOJ (or SSA, when it is authorized to do so) has agreed to represent the employee; or

(4) The United States or any agency thereof when SSA determines that the litigation is likely to affect the operations of SSA or any of its components, is a party to litigation or has an interest in such litigation, and SSA determines that the use of such records by DOJ, the court or other tribunal, or the other party before the tribunal is relevant and necessary to the litigation, provided, however, that in each case SSA determines that such disclosure is compatible with the purposes for which the records were collected.

This proposed routine use would permit us to disclose information from the proposed systems when an SSA component and/or employee is involved in litigation involving information in the proposed systems. The routine use would also permit disclosure when SSA brings suit or when another party brings suit and SSA has an interest in the litigation.

5. Information may be disclosed to the Office of the President for responding to an individual who is the subject of the record pursuant to an inquiry received from that individual or from a third party on his or her behalf.

We contemplate disclosing information under this routine use only in situations in which the individual who is the subject of the record or someone else on the individual's behalf asks the President to intercede in an SSA matter pertaining to the individual. Information may be disclosed from the proposed systems when the Office of the President inquires and presents evidence that it is acting on behalf of the individual whose record is requested.

6. Information may be disclosed to student volunteers and other workers, who technically do not have the status of Federal employees, when they are performing work for SSA as authorized by law, and they need access to personally identifiable information in SSA records in order to perform their assigned Agency functions.

Under certain Federal statutes, SSA is authorized to use the services of volunteers and participants in certain educational, training, employment and community service programs. Examples of such statutes and programs are: 5 U.S.C. 3111 regarding student volunteers; and 42 U.S.C. 2753 regarding the College Work Study Program. We contemplate disclosing information under this routine use only when SSA uses the services of these individuals and they need access to information in these systems to perform their assigned duties.

7. Nontax return information, the disclosure of which is not expressly

restricted by Federal law, may be disclosed to the General Services Administration and the National Archives and Records Administration under 44 U.S.C. 2904 and 2906 for the use of those agencies in conducting records management studies.

The Administrator of the General Services Administration (GSA) and the Archivist of the National Archives and Records Administration (NARA) are charged by 44 U.S.C. 2904 with promulgating standards, procedures, and guidelines regarding records management and conducting records management studies. Section 2906 of that law, also amended by the NARA Act of 1984, provides that GSA and NARA are to have access to Federal agencies' records and that agencies are to cooperate with GSA and NARA. In carrying out these responsibilities, it may be necessary for GSA and NARA to have access to these proposed systems of records. In such instances, the routine use will facilitate disclosure.

IV. Compatibility of the Proposed Routine Uses

Both the Privacy Act (5 U.S.C. 552a(a)(7) and (b)(3)) and our disclosure regulations (20 CFR part 401) permit us to disclose information under a routine use for a purpose which is compatible with the purposes for which we collected the information. Section 401.150(c) of our regulations permits us to disclose information under a routine use to administer our programs. Section 401.120 of our regulations provides that we will disclose information when a law specifically requires the disclosure.

The proposed routine uses numbered 1, 2, 3, 4, 5 and 6, described above, will facilitate SSA's administration of its programs. Routine use number 7 will allow GSA or NARA to inspect our records, as required by 44 U.S.C. 2904 and 2906, when those agencies conduct records management studies. Thus, all of the routine uses are appropriate and meet the relevant statutory and regulatory criteria.

V. Safeguards

We will employ a number of security measures to minimize the risk of unauthorized access to or disclosure of personal data in these proposed systems. These measures include the use of access codes to enter the computer system which will maintain the data, and storage of the computerized records in secured areas which are accessible only to employees who require the information in performing their official duties. All individuals who have access to the data will be informed of the criminal

penalties of the Privacy Act for unauthorized access to or disclosure of information maintained in the systems.

Any business arrangement which SSA may sign with an alternate participant to access the information in the VR Referral file will stipulate that (a) the alternate participant must establish safeguards to protect the personal information temporarily in its custody, in accordance with the Privacy Act requirements; (b) the alternate participant may use the information only as necessary in fulfilling the business arrangement and (c) the alternate participant would be subject to criminal penalties for violations of the Privacy Act.

VI. Effect of the Proposed Systems of Records on the Privacy of Individuals

As discussed above, a number of security measures will be used to minimize the risk of unauthorized access to or disclosure of personal data. Thus, we do not anticipate that the proposed systems will have any unwarranted effect on the privacy of individuals.

Dated: December 29, 1998.

Kenneth S. Apfel,
Commissioner of Social Security.

05-007

SYSTEM NAME:

Vocational Rehabilitation; State Vocational Rehabilitation Agency Information (VR SVRA) File, SSA/OD.

SECURITY CLASSIFICATION:

None.

SYSTEM LOCATION:

Social Security Administration, Office of Systems 6401 Security Boulevard, Baltimore, MD 21235.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

(a) Newly awarded title II disability beneficiaries referred by SSA to the SVRA for VR services.

(b) Current title II disability beneficiaries who recently had a continuing disability review (CDR) and still are considered disabled, and were referred by SSA to the SVRA.

(c) Newly awarded title XVI recipients who are disabled or blind and who are referred by SSA to the SVRA for VR services.

(d) Current title XVI recipients who are disabled or blind who recently had a CDR and still are considered disabled or blind, and were referred by SSA to the SVRA.

CATEGORIES OF RECORDS IN THE SYSTEM:

This system contains the following information about each beneficiary/recipient:

- Name;
- Beneficiary's or recipient's own account number (BOAN);
- Claim account number (CAN);
- Prior incorrect account number—in the event either SSA or the SVRA provides an incorrect account number, it will be retained for reference only;
- Date of birth;
- SVRA;
- Referral source—identifies source of the record (new awards or CDR continuances);
- Date decision due—date ending the fourth month after the month of referral when SVRA decision is due;
- District office;
- Action—identifies SSA-referred beneficiaries or recipients accepted by SVRA for VR services or placed in extended evaluation status;
- Date of extended evaluation—date the SVRA placed the beneficiary or recipient in extended evaluation;
- Date of final decision—date the SVRA accepted the beneficiary or recipient for services, or if in extended evaluation, date resolving extended evaluation;
- Date SSA notified—date SSA informed of SVRA decision;
- Control—identifies records the SVRA added to or deleted from their reports.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Secs. 222, 223, 225, 1611, 1615, 1631 and 1633 of the Social Security Act (42 U.S.C. 422, 423, 425, 1382, 1382d, 1383, and 1383b); the Federal Records Act of 1950 (Pub. L. 81-754, 64 Stat. 583), as amended.

PURPOSE:

Information in this system of records is used for the following purposes:

- To verify that disability beneficiaries and recipients who are disabled or blind are referred to the SVRA by SSA and accepted for VR services;
- To conduct statistical studies; and
- To provide management information on VR referrals.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Disclosure may be made for routine uses as indicated below:

1. Information may be disclosed to State or private alternate providers having an approved business arrangement with SSA to perform vocational rehabilitation services for

SSA disability beneficiaries and recipients who are disabled or blind.

2. Information may be disclosed to contractors and other Federal agencies, as necessary, to assist SSA in the efficient administration of its programs.

3. Information may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the subject of the record.

4. Information may be disclosed to the Department of Justice (DOJ), a court, or other tribunal, or another party before such tribunal, when:

- (1) SSA, or any component thereof; or
 - (2) Any SSA employee in his/her official capacity; or
 - (3) Any SSA employee in his/her individual capacity when DOJ (or SSA, when it is authorized to do so) has agreed to represent the employee; or
 - (4) The United States or any agency thereof when SSA determines that the litigation is likely to affect the operations of SSA or any of its components,
- is a party to litigation or has an interest in such litigation, and SSA determines that the use of such records by DOJ, the court or other tribunal, or the other party before the tribunal is relevant and necessary to the litigation, provided, however, that in each case SSA determines that such disclosure is compatible with the purpose for which the records were collected.

5. Information may be disclosed to the Office of the President for responding to an individual who is the subject of the record pursuant to an inquiry received from that individual or from a third party on his or her behalf.

6. Information may be disclosed to student volunteers and other workers, who technically do not have the status of Federal employees, when they are performing work for SSA as authorized by law, and they need access to personally identifiable information in SSA records in order to perform their assigned Agency functions.

7. Nontax return information, the disclosure of which is not expressly restricted by Federal law, may be disclosed to the General Services Administration and the National Archives and Records Administration under 44 U.S.C. 2904 and 2906 for the use of those agencies in conducting records management studies.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS IN THE SYSTEMS:**STORAGE:**

SSA records may be stored in various forms including magnetic media (e.g.,

magnetic tape and disc), microfilm, or paper.

RETRIEVABILITY:

Data will be retrieved from the system by the individual's SSN and/or by name.

SAFEGUARDS:

Security measures include the use of access codes to enter the computer system which will maintain the data, and storage of the computerized records in secured areas which are accessible only to employees who require the information in performing their official duties. SSA personnel who have access to the data will be informed of the criminal penalties of the Privacy Act for unauthorized access to or disclosure of information maintained in this system.

Access to information in this system of records will be restricted to authorized SSA personnel and alternate participants. Any business arrangement that SSA may enter into with an alternate participant to access the information in this system will stipulate (a) the alternate participant must establish safeguards to protect the personal information temporarily in its custody, in accordance with the Privacy Act requirements; (b) the alternate participant may use the information only as necessary in fulfilling the business arrangement; and (c) the alternate participant would be subject to criminal penalties for violations of the Privacy Act.

RETENTION AND DISPOSAL:

SSA retains records for one year when they concern: (1) Documents returned to an individual, (2) denials of requests for confidential information, (3) release of confidential information to an authorized third party, and (4) undeliverable material. SSA retains records for four years when they concern information and evidence pertaining to coverage, wage, and self-employment determinations or when it affects future claims development, especially coverage, wage, and self-employment determinations. Information is erased or otherwise destroyed after the retention period.

SYSTEM MANAGER(S) AND ADDRESS:

Associate Commissioner, Office of Disability, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235.

NOTIFICATION PROCEDURE:

An individual can determine if this system of records contains a record pertaining to him/her by providing his/her name, signature, and SSN to the address shown above under "Systems

manager and address" and by referring to the system. (Furnishing the SSN is voluntary, but it will enable an easier and faster search for an individual's record.) If the SSN is not known, the individual should provide name, signature, date and place of birth, sex, mother's birth name, and father's name, and evidence of identity. An individual requesting notification of records in person need furnish only an identification document he/she would normally carry on his/her person (e.g., driver's license, or voter registration card). An individual requesting notification via mail or telephone must furnish a minimum of his/her name, SSN, and date of birth in order to establish identity, plus any additional information which may be requested.

RECORD ACCESS PROCEDURES:

Same as notification procedures. Also, requesters should reasonably identify the record contents they are seeking.

CONTESTING RECORD PROCEDURE:

Same as notification procedures. Also, requesters should reasonably identify the record, specify the information they are contesting and state the corrective action sought and the reasons for the correction with supporting justification.

RECORD SOURCE CATEGORIES:

Records in this system of records are obtained from information collected by the State disability determination services when adjudicating claims for Social Security or Supplemental Security Income benefits based on disability and blindness, from SVRA responses, and from existing SSA systems of records (e.g. the Claims Folders system).

SYSTEM EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

None.

05-008

SYSTEM NAME:

Vocational Rehabilitation; SSA Disability Beneficiaries/Recipients Eligible for Re-referral to an Alternate Vocational Rehabilitation Service Provider (VR Re-referral) File, SSA/OD.

SECURITY CLASSIFICATION:

None.

SYSTEM LOCATION:

Social Security Administration, Office of Systems, 6401 Security Boulevard, Baltimore, MD 21235.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

(a) Newly awarded title II disability beneficiaries referred by SSA to the

State Vocational Rehabilitation Agency (SVRA) for VR services, but not accepted for VR services by the SVRA.

(b) Current title II disability beneficiaries who recently had a continuing disability review (CDR) and still are considered disabled and who were referred by SSA to the SVRA but were not accepted for VR services by the SVRA.

(c) Newly awarded title XVI recipients who are disabled or blind and who are referred by SSA to the SVRA for VR services but not accepted for VR services by the SVRA.

(d) Current title XVI recipients who are disabled or blind who recently had a CDR and still are considered disabled or blind and who were referred by SSA to the SVRA, but were not accepted for VR services by the SVRA.

CATEGORIES OF RECORDS IN THE SYSTEM:

This system contains the following information about each beneficiary/recipient:

- Name;
- Social security number (SSN);
- Date of birth;
- Address;
- Telephone number (if available);
- Alternate participant service categories;

• Date first available for alternate participant selection;

• Name of representative payee (where applicable).

AUTHORITY FOR MAINTENANCE OF THESE SYSTEMS:

Secs. 222, 223, 225, 1611, 1615, 1631 and 1633 of the Social Security Act (42 U.S.C. 422, 423, 425, 1382, 1382d, 1383 and 1383b); the Federal Records Act of 1950 (Pub. L. 81-754, 64 Stat. 583), as amended.

PURPOSE:

Information in this system of records is used for the following purposes:

- To provide approved alternate participants with disability beneficiaries and recipients who are disabled or blind and who are eligible for VR services;
- To conduct statistical studies;
- To provide management information on VR re-referrals;
- To identify the approved alternate participant who is providing the VR services.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Disclosure may be made for routine uses as indicated below:

1. Information may be disclosed to State or private alternate providers having an approved business arrangement with SSA to perform

vocational rehabilitation services for SSA disability beneficiaries and recipients who are disabled or blind.

2. Information may be disclosed to contractors and other Federal agencies, as necessary, to assist SSA in the efficient administration of its programs.

3. Information may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the subject of the record.

4. Information may be disclosed to the Department of Justice (DOJ), a court, or other tribunal, or another party before such tribunal, when:

- (1) SSA, or any component thereof; or
- (2) any SSA employee in his/her official capacity; or

(3) any SSA employee in his/her individual capacity when DOJ (or SSA, when it is authorized to do so) has agreed to represent the employee; or

- (4) the United States or any agency thereof when SSA determines that the litigation is likely to affect the operations of SSA or any of its components,

is a party to litigation or has an interest in such litigation, and SSA determines that the use of such records by DOJ, the court or other tribunal, or the other party before the tribunal is relevant and necessary to the litigation, provided, however, that in each case SSA determines that such disclosure is compatible with the purpose for which the records were collected.

5. Information may be disclosed to the Office of the President for responding to an individual who is the subject of the record pursuant to an inquiry received from that individual or from a third party on his or her behalf.

6. Information may be disclosed to student volunteers and other workers, who technically do not have the status of Federal employees, when they are performing work for SSA as authorized by law, and they need access to personally identifiable information in SSA records in order to perform their assigned Agency functions.

7. Nontax return information, the disclosure of which is not expressly restricted by Federal law, may be disclosed to the General Services Administration and the National Archives and Records Administration under 44 U.S.C. 2904 and 2906 for the use of those agencies in conducting records management studies.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS IN THE SYSTEMS:

STORAGE:

SSA records may be stored in various forms including magnetic media (e.g.,

magnetic tape and disc), microfilm, or paper.

RETRIEVABILITY:

Data will be retrieved from the system by the individual's SSN and/or name and/or address.

SAFEGUARDS:

Security measures include the use of access codes to enter the computer system which will maintain the data, and storage of the computerized records in secured areas which are accessible only to employees who require the information in performing their official duties. SSA employees who have access to the data will be informed of the criminal penalties of the Privacy Act for unauthorized access to or disclosure of information maintained in the system.

Access to information in this system of records will be restricted to authorized SSA personnel and alternate participants. Any business arrangement that SSA may enter into with an alternate participant to access the information in this system will stipulate (a) the alternate participant must establish safeguards to protect the personal information temporarily in its custody, in accordance with the Privacy Act requirements; (b) the alternate participant may use the information only as necessary in fulfilling the business arrangement; and (c) the alternate participant would be subject to criminal penalties for violations of the Privacy Act.

RETENTION AND DISPOSAL:

SSA retains records for one year when they concern: (1) Documents returned to an individual, (2) denials of confidential information, (3) release of confidential information to an authorized third party, and (4) undeliverable material. SSA retains records for four years when they concern information and evidence pertaining to coverage, wage, and self-employment determinations or when it affects future claims development, especially coverage, wage, and self-employment determinations. Information is erased or otherwise destroyed after the retention period.

SYSTEM MANAGER(S) AND ADDRESS:

Associate Commissioner, Office of Disability, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235.

NOTIFICATION PROCEDURE:

An individual can determine if this system of records contains a record pertaining to him/her by providing his/her name, signature, and SSN to the address shown above under "Systems manager and address" and by referring

to the system. (Furnishing the SSN is voluntary, but it will enable an easier and faster search for an individual's record.) If the SSN is not known, the individual should provide name, signature, date and place of birth, sex, mother's birth name, and father's name, and evidence of identity. An individual requesting notification of records in person need furnish only an identification document he/she would normally carry on his/her person (e.g., driver's license, or voter registration card). An individual requesting notification via mail or telephone must furnish a minimum of his/her name, SSN, and date of birth in order to establish identity, plus any additional information which may be requested.

RECORD ACCESS PROCEDURES:

Same as notification procedures. Also, requesters should reasonably identify the record contents they are seeking.

CONTESTING RECORD PROCEDURE:

Same as notification procedures. Also, requesters should reasonably identify the record, specify the information they are contesting and state the corrective action sought and the reasons for the correction with supporting justification.

RECORD SOURCE CATEGORIES:

Records in this system of records are obtained from information collected by the State disability determination services when adjudicating claims for Social Security or Supplemental Security Income benefits based on disability and blindness, from SVRA responses, and from existing SSA systems of records (e.g. the Claims Folders system).

SYSTEM EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

None.

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DEPARTMENT OF STATE

[Public Notice 2723]

Privacy Act of 1974; Altered System of Records

Notice is hereby given that the Department of State proposes to alter an existing system of records, STATE-30, pursuant to the provisions of the Privacy Act of 1974, as amended (5 U.S.C. 552a(r)), and Office of Management and Budget Circular No. A-130, Appendix I. The Department's report was filed with the Office of Management and Budget on February 2, 1998.

It is proposed that the altered system description include revisions and/or additions to each section except "System name" and "Systems exempted from certain provisions of the Act." These changes to the existing system description are proposed to reflect more accurately the Bureau of Finance and Management Policy's record-keeping practices, a reorganization of its activities and operations, and the enlargement of its mandate pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act (Welfare Reform Law, 42 U.S.C. 653) and the disclosure of data from the Personnel Payroll 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.

Any persons interested in commenting on the altered system of records may do so by submitting comments in writing to Kenneth F. Rossman, Acting Chief, Programs and Policies Division; Office of Information Resources Management Programs and Services; Room 1239; Department of State; 2201 C Street, NW.; Washington, DC 20520-1512. This system of records will be effective 40 days from the date of publication unless the Department receives comments which will result in a contrary determination.

The altered system, the "Personnel Payroll Records, STATE-30" will read as set forth below.

Dated: February 2, 1998.

Andrew J. Winter,
Acting Assistant Secretary for the Bureau of Administration.

STATE-30

SYSTEM NAME:

Personnel Payroll Records.

SECURITY CLASSIFICATION:

Unclassified and classified.

SYSTEM LOCATION:

Department of State, Room 1921, 2201 C Street, NW, Washington, DC 20520; Annex 15, 1800 N. Kent Street, Arlington, VA 22209; Charleston Financial Service Center, Building 646A, 1969 Dyess Avenues, Charleston, SC 29408; and overseas at U.S. embassies, U.S. consulates general and consulates.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Current and former Civil Service and Foreign Service employees of the Department of State including those serving under full-time, part-time, intermittent, temporary, and limited