

concerning an individual's indebtedness that is waived under 38 U.S.C. 3102, compromised under 4 CFR part 103, otherwise forgiven, or for which the applicable statute of limitations for enforcing collection has expired, to the Department of the Treasury as a report of income under 26 U.S.C. 61(a)(12).

14. Treasury, to Report Earnings as Income VA may disclose information to the Department of the Treasury to report calendar year earnings of \$600 or more for income tax reporting purposes.

15. Treasury, for Payment or Reimbursement VA may disclose information to the Department of the Treasury to facilitate payments to physicians, clinics, and pharmacies for reimbursement of services rendered or to veterans for reimbursement of authorized expenses, as well as to collect, by set off or otherwise, debts owed the United States.

16. Unions VA may disclose information identified in 5 U.S.C. 7114(b)(4) to officials of labor organizations recognized under 5 U.S.C. chapter 71 when relevant and necessary to their duties of exclusive representation concerning personnel policies, practices, and matters affecting working conditions.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

The systems on this SORN retains data readily available for a period of 6 years.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

These records may be retrieved using various combinations of name, social security number, employee identification number, ticket number, or by employee user ID.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

In accordance with General Records Schedule 1.1, Item #10, records are destroyed 6 years after final payment or cancellation, but longer retention is authorized for business use.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Access to these records is restricted to authorized VA employees or contractors, on a "need to know" basis. Offices where these records are maintained are locked after working hours and are protected from outside access by the Federal Protective Service, other security officers, and alarm systems. Access to computerized records is restricted to authorized VA employees or contractors, by means of unique user identification and passwords.

RECORD ACCESS PROCEDURES:

Individuals seeking information concerning the existence of a record must submit a written request to the current or the last VA payroll office that the employee worked. Such requests must contain a reasonable description of the records requested. In addition, identification of the individual requesting the information will be required in the written request and will consist of the requester's name, signature, and address, as a minimum.

CONTESTING RECORD PROCEDURES:

Individuals contesting accuracy of the record should contact their current or their last VA Payroll Office.

NOTIFICATION PROCEDURES:

Payroll Field Support Branch
vafscpayrolltier1@va.gov.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

There is no category of records in this system that has been identified as exempt from any section of the Privacy Act.

HISTORY:

Not applicable.

[FR Doc. 2023-20051 Filed 9-14-23; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900-0161]

Agency Information Collection Activity Under OMB Review: Medical Expense Report

AGENCY: Veterans Benefits Administration, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (PRA) of 1995, this notice announces that the Veterans Benefits Administration, Department of Veterans Affairs, will submit the collection of information abstracted below to the Office of Management and Budget (OMB) for review and comment. The PRA submission describes the nature of the information collection and its expected cost and burden and it includes the actual data collection instrument.

DATES: Written comments and recommendations on the proposed collection of information should be received on or before September 5, 2023.

FOR FURTHER INFORMATION CONTACT: Maribel Aponte, Office of Enterprise and Integration, Data Governance

Analytics (008), 810 Vermont Ave. NW, Washington, DC 20420, (202) 266-4688 or email maribel.aponte@va.gov. Please refer to "OMB Control No. 2900-0161" in any correspondence.

SUPPLEMENTARY INFORMATION:

Authority: U.S. Code: 38 U.S.C. 1503; U.S. Code: 38 U.S.C. 1541; U.S. Code: 38 U.S.C. 1543; U.S. Code: 38 U.S.C. 1315.

Title: VA Form 21P-8416, Medical Expense Report.

OMB Control Number: 2900-0161.

Type of Review: Revision of a currently approved collection.

Abstract: VBA would be unable to properly administer needs-based benefits without this collection of information. The information is collected on an ad hoc basis, and, therefore, cannot be collected less frequently. The form is designed to collect the minimum amount of information which will allow VBA to properly administer the program.

An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The **Federal Register** Notice with a 60-day comment period soliciting comments on this collection of information was published at 88 FR 43013 on July 5, 2023, page 43013.

Affected Public: Individuals and households.

Estimated Annual Burden: 50,000.

Estimated Average Burden per Respondent: 30 minutes.

Frequency of Response: One time, or as needed.

Estimated Number of Respondents: 100,000.

By direction of the Secretary.

Dorothy Glasgow,

VA PRA Clearance Officer, (Alt) Office of Enterprise and Integration, Data Governance Analytics, Department of Veterans Affairs.

[FR Doc. 2023-19969 Filed 9-14-23; 8:45 am]

BILLING CODE 8320-01-P

DEPARTMENT OF VETERANS AFFAIRS

Privacy Act of 1974; System of Records

AGENCY: Veterans Benefits Administration, Department of Veterans Affairs (VA).

ACTION: Notice of a modified system of records.

SUMMARY: Pursuant to the Privacy Act of 1974, notice is hereby given that VA is modifying the system of records entitled, "Loan Guaranty Home, Condominium and Manufactured Home Loan Applicants Records, Specially

Adapted Housing Applicant Records, and Vendee Loan Applicant Records—VA” (55VA26). This system is used to identify potential liability to the Federal Government for exposure to loans guaranteed by VA; to maintain data to accurately provide information pursuant to annual congressional reporting obligations; to conduct oversight over the loan process and review loans issued by lenders for compliance to credit underwriting policies; and to allow for the review of eligibility and entitlements for Veteran applicants as well as compliance to policies by the program participants (which would include lenders, servicers, appraisers, builders, staff appraiser reviewer (SARs), underwriters, compliance inspectors, and other requesters. VA is republishing the system notice in its entirety.

DATES: Comments on this modified system of records must be received no later than 30 days after date of publication in the **Federal Register**. If no public comment is received during the period allowed for comment or unless otherwise published in the **Federal Register** by VA, the modified system of records will become effective a minimum of 30 days after date of publication in the **Federal Register**. If VA receives public comments, VA shall review the comments to determine whether any changes to the notice are necessary.

ADDRESSES: Comments may be submitted through www.Regulations.gov or mailed to VA Privacy Service, 810 Vermont Avenue NW, (005X6F), Washington, DC 20420. Comments should indicate that they are submitted in response to Loan Guaranty Home, Condominium, Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records—VA (55VA26). Comments received will be available at regulations.gov for public viewing, inspection, or copies.

FOR FURTHER INFORMATION CONTACT: Robert Colin Deaso, 202–632–8796, Assistant Director, PMDI, Loan Guaranty Service (26), VA Central Office, Washington, DC 20420.

SUPPLEMENTARY INFORMATION: VA is modifying the system of records by making revisions to the following sections: System Location; Authority for Maintenance of the System; Purpose; Categories of Individuals Covered by the System; Categories of Records in the System; Record Source Categories; Policies and Practices for Storage of Records; Policies and Practices for Retrieval of Records; Policies and

Practices for Retention and Disposal of Records; Record Access Procedures; Contesting Record Procedures; Notification Procedures; and History. The Routine Uses of Records Maintained in the System section is also being updated. Specifically, the first 11 routine uses are standard across most VA Systems of Records and were either modified and/or added. The routine uses are otherwise the same or minorly edited for consistency and clarity.

The Report of Intent to Amend a System of Records Notice and an advance copy of the system notice have been sent to the appropriate Congressional committees and to the Director of the Office of Management and Budget (OMB) as required by 5 U.S.C. 552a(r) (Privacy Act) and guidelines issued by OMB (65 FR 77677), December 12, 2000.

Signing Authority

The Senior Agency Official for Privacy, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Kurt D. DelBene, Assistant Secretary for Information and Technology and Chief Information Officer, approved this document on August 7, 2023 for publication.

SYSTEM NAME AND NUMBER:

Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records—VA (55VA26).

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

Records are maintained in the VA information systems, VA Central Office, Regional Offices, Regional Loan Centers, VA offices and VA data processing centers having jurisdiction over the geographic area in which the property securing a VA-guaranteed, insured, or direct loan or on which a specially adapted housing grant has been issued is located. Records may be temporarily transferred between fields stations or to the VA Central Office for necessary appeals, reviews, or quality control reviews. Address locations are listed in VA Appendix I.

SYSTEM MANAGER(S):

R. Colin Deaso, Assistant Director, PMDI, Loan Guaranty Service (26), VA Central Office, Washington, DC 20420.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

38 U.S.C. 501; 38 U.S.C. Ch. 21; 38 U.S.C. Ch. 37.

PURPOSE(S) OF THE SYSTEM:

The purpose of this system is to identify potential liability to the Federal Government for exposure to loans guaranteed by VA; to maintain data to accurately provide information pursuant to annual congressional reporting obligations; to conduct oversight over the loan process and review loans issued by lenders for compliance to credit underwriting policies; and to allow for the review of eligibility and entitlements for Veteran applicants as well as compliance to policies by the program participants (which would include lenders, servicers, appraisers, builders, staff appraiser reviewer (SARs), underwriters, compliance inspectors, and other requesters.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

The following categories of individuals will be covered by this system:

(1) Disabled Veterans who have applied for and received specially adapted housing assistance under title 38 U.S.C. Ch. 21;

(2) Veterans, their spouses or unmarried surviving spouses who have applied for and received VA housing credit assistance under title 38 U.S.C. Ch. 37;

(3) Person(s) applying to purchase VA owned properties (vendee loans);

(4) Transferee owners of properties encumbered by a VA-guaranteed, insured, direct or vendee loan (*e.g.*, individuals who have assumed a VA-guaranteed loan and those who have purchased property directly from VA); and

(5) Individuals other than those identified above who may have applied for loan guaranty benefits from VA.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records (or information contained in records) may include the following:

(1) Military service information from a Veteran’s discharge certificate (DD Form 214, 215) which specifies name, service number, date of birth, rank, period of service, length of service, branch of service, pay grade, and other information relating to a Veteran’s military service (*e.g.*, character of service, assigned separation reason code, whether a Veteran is out of the service);

(2) Medical records containing specific information regarding a Veteran’s physical disability (*e.g.*, blindness, paraplegic condition, loss of

limbs) which is used to determine eligibility and need for specially adapted housing;

(3) Adjudication records relating to: (a) Medical determinations by VA that a Veteran is eligible and needs specially adapted housing; or (b) VA determinations for Veterans who have received an Other than Honorable discharge might be eligible for VA credit assistance benefits;

(4) Applications for certificates of eligibility (these applications generally contain information from a Veteran's military service records except for character of discharge);

(5) Applications for FHA Veterans' low-down payment loans (these applications generally contain information from a Veteran's military service records including whether or not a Veteran is in the service);

(6) Applications for a guaranteed or direct loan, applications for release of liability, applications for substitutions of VA entitlement and applications for specially adapted housing (these applications generally contain information relating to employment, income, credit, personal data; *e.g.*, social security number, marital status, number and identity of dependents; assets and liabilities at financial institutions, profitability data concerning business of self-employed individuals, information relating to an individual Veteran's loan account and payment history on a VA-guaranteed, direct, or vendee loan on an acquired property, medical information when specially adapted housing is sought, and information regarding whether a Veteran owes a debt to the United States) and may be accompanied by other supporting documents which contain the above information;

(7) Applications for the purchase of a VA acquired property (*e.g.*, vendee loans)—these applications generally contain personal and business information on a prospective purchaser such as social security number, credit, income, employment history, payment history, business references, personal information and other financial obligations and may be accompanied by other supporting documents which contain the above information);

(8) Loan instruments including deeds, notes, installment sales contracts, and mortgages;

(9) Property management information, *e.g.*, condition and value of property, inspection reports, notices of value, correspondence and other information regarding the condition of the property (occupied, vandalized), and a legal description of the property, including geographic identifying information including, but not limited to, latitude

and longitude coordinates, and FIPS or Block ID codes;

(10) Information regarding VA loan servicing activities regarding default, repossession and foreclosure procedures, assumable loans, payment of taxes and insurance, filing of judgments (liens) with State or local authorities and other related matters in connection with active and/or foreclosed loans; and

(11) Information regarding the status of a loan (*i.e.*, approved, pending, or rejected by VA).

RECORD SOURCE CATEGORIES:

The VA records in this system are obtained from the applicant; lenders; brokers and builder/sellers; an applicant's credit sources; depository institutions and employers; hazard insurance companies; taxing authorities; title companies; fee personnel; other VA records; other Federal, State and local agencies; and other parties of interest involving VA-guaranteed, insured, vendee or direct loans or specially adapted housing.

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

1. Congress

To a Member of Congress or staff acting upon the Member's behalf when the Member or staff requests the information on behalf of, and at the request of, the individual who is the subject of the record.

2. Data Breach Response and Remediation, for VA

To appropriate agencies, entities, and persons when (1) VA suspects or has confirmed that there has been a breach of the system of records, (2) VA has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, VA (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with VA's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

3. Data Breach Response and Remediation, for Another Federal Agency

To another Federal agency or Federal entity, when VA determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1) responding to a suspected or confirmed breach or (2) preventing, minimizing, or remedying the risk of harm to

individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

4. Law Enforcement

To a Federal, state, local, territorial, tribal, or foreign law enforcement authority or other appropriate entity charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing such law, provided that the disclosure is limited to information that, either alone or in conjunction with other information, indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature. The disclosure of the names and addresses of veterans and their dependents from VA records under this routine use must also comply with the provisions of 38 U.S.C. 5701.

5. DoJ, Litigation, Administrative Proceeding

To the Department of Justice (DoJ), or in a proceeding before a court, adjudicative body, or other administrative body before which VA is authorized to appear, when:

(a) VA or any component thereof;

(b) Any VA employee in his or her official capacity;

(c) Any VA employee in his or her individual capacity where DoJ has agreed to represent the employee; or

(d) The United States, where VA determines that litigation is likely to affect the agency or any of its components is a party to such proceedings or has an interest in such proceedings, and VA determines that use of such records is relevant and necessary to the proceedings.

6. Contractors

To contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for VA, when reasonably necessary to accomplish an agency function related to the records.

7. OPM

To the Office of Personnel Management (OPM) in connection with the application or effect of civil service laws, rules, regulations, or OPM guidelines in particular situations.

8. EEOC

To the Equal Employment Opportunity Commission (EEOC) in connection with investigations of alleged or possible discriminatory practices, examination of Federal affirmative employment programs, or other functions of the Commission as authorized by law.

9. FLRA

To the Federal Labor Relations Authority (FLRA) in connection with the investigation and resolution of allegations of unfair labor practices, the resolution of exceptions to arbitration awards when a question of material fact is raised, matters before the Federal Service Impasses Panel, and the investigation of representation petitions and the conduct or supervision of representation elections.

10. MSPB

To the Merit Systems Protection Board (MSPB) in connection with appeals, special studies of the civil service and other merit systems, review of rules and regulations, investigation of alleged or possible prohibited personnel practices, and such other functions promulgated in 5 U.S.C. 1205 and 1206, or as authorized by law.

11. NARA

To the National Archives and Records Administration (NARA) in records management inspections conducted under 44 U.S.C. 2904 and 2906, or other functions authorized by laws and policies governing NARA operations and VA records management responsibilities.

12. Credit Underwriting

To credit reporting agencies, companies extending credit, depository institutions, utility companies, investors, insurance companies, governmental agencies, lenders, and employers to enable such parties to provide VA with information regarding income, credit, assets and liabilities information on applicants, mortgagors, or obligors and to provide VA with information regarding the status of obligations, payment records, employment histories, assets for closing fees and other assets and liabilities.

13. Asset Verification

To a prospective mortgagee proposing to make a guaranteed loan on the Veteran applicant's behalf, provided that VA discloses information on the application for a guaranteed or direct loan, and on the certificate of reasonable value and information verifying an applicant's employment and/or amount of deposit in a financial institution.

14. Commitment Denial

To a prospective lender regarding the status (*i.e.*, approved, pending, or rejected) of an application for VA loan benefits or for a loan account and the reasons for rejection. When VA has rejected a loan application, the information disclosed may include information from another VA record such as a debt which the Veteran owes to the United States or information from a claims file relating to a Veteran's ability to discharge an obligation.

15. Commitment Status

To a seller, a spouse of a seller, or the spouse of the Veteran-applicant who is an actual party in interest to the guaranteed, insured or direct loan transaction in order to inform such party of the status of the loan application, provided that only the fact that the loan has been approved, rejected, or is pending may be disclosed. However, a statement of the reason for rejection of the loan may also be provided to the spouse of the Veteran-applicant if the spouse is a joint applicant for the loan or would be jointly liable on the loan.

16. Acquired Properties

To a broker aiding in the sale of a VA-acquired property in order for the broker to assist the prospective purchaser in completing his or her application, provided that the information disclosed is about the application for a VA-acquired property (vendee loan) concerning a prospective purchaser. Such information may include an explanation of specific loan document discrepancies or specific information on income or credit.

17. Loan Status

To persons or organizations extending credit or providing services or other benefits to the obligor, or persons or organizations considering the extension of credit, services or other benefits to the potential obligor provided the name, address, or other information necessary to identify the obligor is given beforehand by the requester, and that information disclosed is about the status (*i.e.*, the payment record), of a guaranteed, insured, direct, or VA-acquired property (vendee) loan account(s).

18. Hazard Insurance, Real Estate Taxing Authorities

To hazard insurance companies and real estate taxing authorities to obtain billings and to authorize payments of such obligations as they become due from the direct and vendee (portfolio) loan escrow accounts, provided that disclosed information is the name and address of an obligor (*e.g.*, an individual who has obtained a VA-guaranteed loan or purchased a VA property), and the account number (insurance, tax number).

19. Substitution of Entitlement Release of Liability

To parties presently liable on a VA loan, loan guaranty or loan insurance agreement, provided that disclosed information is about information as to the acceptability or nonacceptability of a prospective purchaser preparing to assume liability to VA under a mortgage contract or of a prospective purchaser preparing to substitute loan guaranty entitlement for the party presently

obligated. In addition, the acceptability or nonacceptability of a transferee owner may be disclosed to parties presently liable on a VA loan, loan guaranty or loan insurance agreement, for the purpose of releasing the original Veteran borrower, or a Veteran who substituted loan guaranty entitlement for the original Veteran borrower, from liability. The reason(s) for nonacceptability of the prospective loan assumer or transferee or of a purchaser/transferee (*e.g.*, poor credit history, insufficient income and/or debts owed the U.S.) may also be disclosed to parties presently liable on a VA loan, loan guaranty or loan insurance agreement in order to inform the parties presently liable of the reasons for the nonacceptability.

20. Delinquent Loan

To prior owners remaining contingently liable for indebtedness to permit prior owners to take necessary action(s) to protect their interest where loan liquidation is indicated and to prevent a possible debt to the Government which may be placed against the prior owner, provided that disclosure is of the default status of a delinquent loan account (*e.g.*, amount of payments in arrears, number of months in arrears, what efforts VA has taken to service the loan, condition of the property, repayment schedule, and total amount of debt).

21. Liquidate Defaulted Loans

To the U.S. Department of Justice or United States Attorneys in order for the Department of Justice of U.S. Attorneys to liquidate a defaulted loan by judicial process and take title on the foreclosed property in accordance with State law. Any information in this system may also be disclosed to the Department of Justice or U.S. Attorneys in order for the foregoing parties to prosecute or defend litigation involving or pertaining to the United States. Any relevant information in this system may also be disclosed to other Federal agencies upon their request in connection with review of administrative tort claims and potential tort claims filed under the Federal Tort Claims Act, 28 U.S.C. 2672, the Military Claims Act, 10 U.S.C. 2733, and other similar claims statutes.

22. Loan Data

To the General Accounting Office (GAO) to enable the GAO to pursue necessary collection activities and obtain a judgment against the obligor(s), provided that disclosed information is loan account information (*e.g.*, loan account number, property condition, legal description of property, date loan issued, amount of loan and amount in arrears), current credit reports containing name and address of an

obligor and the cause and date(s) of default may be disclosed.

23. Vendee Loan Data

To active investors purchasing or considering the purchase of VA direct or vendee loans from VA or from a previous investor, provided that information disclosed is from a direct or vendee loan account record. Such information will be furnished to active prospective investors to provide a basis for their submitting an offer to purchase loans and to actual investors in order that they may establish loan accounts on purchased loans. Such information may also be disclosed to financial advisors to assist VA in developing strategies for marketing these loans, and to investment bankers, bond rating agencies, other government agencies, private mortgage insurance companies, bonding companies, master servicers, and others involved in the marketing or sale of vendee loans, including legal counsel, accountants and auditors for such entities.

24. Federal Employee Obligations

To a debtor's Federal employing agency or commanding officer so that the debtor-employee may be counseled by his or her federal employer or commanding officer and to assist in the collection of unpaid financial obligations owed the U.S., provided that information is about the nature and amount of a financial obligation. This purpose is consistent with 5 U.S.C. 5514, 4 CFR 102.5, and section 206 of Executive Order 11222 of May 8, 1965 (30 FR 6469).

25. Guardians Ad Litem, for Representation

To a fiduciary or guardian ad litem in relation to his or her representation of a claimant in any legal proceeding as relevant and necessary to fulfill the duties of the fiduciary or guardian ad litem.

26. Locate Contact Information for Debt Collection

To other Federal agencies, State probate courts, State driver's license bureaus, and State automobile title and license bureaus in order for VA to obtain current name, address, locator and credit report assistance in the collection of unpaid financial obligations owed to the United States. This purpose is consistent with the Federal Claims Collection Act of 1966 (Pub. L. 89-508, 31 U.S.C. 951-953 and 4 CFR parts 101-105), and the disclosure is authorized by 38 U.S.C. 3301(b)(6).

27. Disclose Contact for Debt Collection

To fee attorneys, fee appraisers, management brokers, process servers, subordinate lien holders, title

companies, abstractors and VA attorneys for the purposes of loan approval or loan termination of direct or vendee loans by judicial or nonjudicial means; to obtain possession of VA property in cases of default or foreclosure to issue and post Demands for Possession or Notices to Quit; to file judgments (liens) in accordance with State and local law and to carry out all other necessary VA program responsibilities. VA fee attorneys may disclose record information contained therein to title insurance companies and title agents, for Trustee's sale advertisements, and to subordinate lien holders.

28. Obligor's Personal Information

To appropriate State and local authorities in order to conform to State and local law requirements and to assist VA and State and local authorities in identifying VA judgment debtors on State and local judgment records, provided that disclosure is limited to an obligor's social security number and other information regarding the filing of judgments (liens).

29. Veteran's Competency

To a lender or prospective lender extending credit or proposing to extend credit on behalf of a Veteran in order for VA to protect Veterans that are unable to manage their finances from entering into unsound financial transactions which might deplete the resources of the Veteran and to protect the interests of the Government giving credit assistance to a Veteran, provided that information disclosed is relating to the adjudication of incompetency of a Veteran either by a court of competent jurisdiction or by VA.

30. Fraudulently Obtained Benefits

To any third party, except consumer reporting agencies, in connection with any proceeding for the collection of any amount owed to the United States, provided that information disclosed is concerning the Veteran's indebtedness to the United States by virtue of a person's participation in a benefits program administered by VA, including personal information obtained from other Federal agencies through computer matching programs. Purposes of these disclosures may be (a) to assist VA in collection of title 38 benefit overpayments, overdue indebtedness, and/or costs of services provided individuals not entitled to such services, and (b) to initiate legal actions for prosecuting individuals who willfully or fraudulently obtained title 38 benefits without entitlement.

31. Consumer Reporting Agencies

To a consumer reporting agency for purposes of reporting delinquencies, defaults and indebtedness and assisting

in the collection of such indebtedness, provided that information disclosed is the name and address of an obligor, as well as other information that is reasonably necessary to identify the person, including personal information obtained from other Federal agencies through computer or other matching programs, and any information concerning such person's delinquency or default on a loan made or guaranteed by VA.

32. VA Inquiry to Other Federal Agencies

To a federal agency in order for VA to obtain information relevant to the making, insuring, or guaranteeing of a loan under 38 U.S.C. Chapter 37, except for the name and address of a Veteran. The name and address of a Veteran may be disclosed to a federal agency under this routine use if they are required by the Federal agency to respond to the VA inquiry.

33. Federal Debt Notice to IRS

To the Department of Treasury, Internal Revenue Service, for the collection of 38 U.S.C. benefit overpayments, overdue indebtedness, and/or costs of services provided to an individual not entitled to such services, by the withholding of all or a portion of the person's Federal income tax refund. Examples of information of information that can be disclosed are the name of a Veteran, other beneficiary, or other information as is reasonably necessary to identify such individual, and any other information concerning the individual's indebtedness by virtue of a person's participation in a benefits program administered by VA.

34. Abandonment or Foreclosure of Property

To the Department of the Treasury, Internal Revenue Service, where required by law, including the borrower's name, address, social security or taxpayer identification number, amount of interest paid, and information relating to any abandonment or foreclosure of a property.

35. VA Acquired Properties

To prospective purchasers and their representatives in order to assist VA in the timely disposal of its acquired properties. Such information may include: the name of the purchaser and purchaser's sales agent; price and terms of the successful offeror's, along with the reason(s) for selecting such offer over any other competing offer; loan number; property address; property survey; title limitations/policy; termite inspections; existing warranties; repairs made by VA and items still requiring repair; and dues payable to and services

provided by homeowner or condominium associations.

36. *Closing Fees*

To the lender or holder of a VA, guaranteed loan, or their attorneys, in support of a decision by VA to reject a claim under guaranty, demand reimbursement for a claim previously paid, or in the course of settlement negotiations. When a demand for reimbursement will be made against a party other than the lender or holder, such as the real estate broker, fee appraiser or seller of the property, the information may be disclosed to the party and its attorneys.

37. *VA Data Provided to HUD*

To the Department of Housing and Urban Development (HUD) for inclusion in its Credit Alert Interactive Voice Response System (CAIVRS), all participating agencies, and lenders who participate in those agencies' programs to enable them to verify information provided by new loan applicants and evaluate the creditworthiness of applicants. Information disclosed under this routine use includes VA guaranteed and portfolio loans which fall under one of the following categories:

- (a) The accounts are not current;
- (b) There has been a foreclosure; or
- (c) The Department has paid a claim.

These records may also be disclosed as part of an ongoing computer matching program to accomplish these purposes.

38. *Vendors*

To any individual, organization, or other entity with whom VA has a contract or agreement under which that entity will perform services to assist VA in the administration of the Loan Guaranty Program, provided that information disclosed is relevant loan guaranty record information. The information that may be disclosed under this routine use is limited to that which is necessary to permit the contractor to perform the services required under the contract or agreement.

39. *Prior Loan Information*

To an active VA lender, lender's agent, mortgage broker, or other program participant in response to a request from that individual or entity if that information is necessary in connection with the origination of a VA-guaranteed Interest Rate Reduction Refinancing Loan (IRRRL). In order to obtain information under this routine use, the party requesting the information must establish the fact that it is a participant in the VA home loan program through the use of a VA lender identification number. The requester must also provide the Veteran's name and social security number and the month and

year of the loan being refinanced or the 12-digit VA loan number.

40. *Servicemembers Loan Status*

To a service member's commanding officer or designee if VA determines that sharing this information is necessary in order to reach a service member who has otherwise not responded to VA to attempt to assist in curing a default or resolving a foreclosure or eviction of a VA-guaranteed or direct loan.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

VA-guaranteed, insured, direct and vendee loan records information are maintained at LGY Regional Loan Centers and VA LGY Central Office. Loan records may be located in individual folders on paper documents.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Records are retrieved by name and VA loan file number. Automated records are indexed for statistical purposes by a file number, field station and county code number and lender identification number. However, an individual loan record in automated format may only be retrieved by name or loan number.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Records in this system are retained and disposed of in accordance with the schedule approved by the Archivist of the United States, Records Control Schedule VB-1, Part II, 2-23; 2-3; 2-24.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Access to VA working spaces and record file storage areas is restricted to VA employees on a "need to know" basis. Generally, VA file areas are locked after normal duty hours and are protected from outside access by the Federal Protective Service or other VA security personnel. Loan and property security instruments are stored in separate fire-resistant locked files. VA employee loan file records and other files which, in the opinion of VA, are, or may become, sensitive are stored in separate locked files. Access to electronic VA information is managed through identity and access manager controls. Information in the system may be accessed from authorized terminals in the VA network. Terminal locations include VA Central Office and regional offices. Access to terminals is by authorization controlled by the site security officer. The security officer is assigned responsibility for privacy-security measures, especially for review of violations logs, information logs and control of password and badge readers and audible alarms. Electronic keyboard

locks are activated on security errors. Also, beginning in 1986, sensitive files were established using the social security numbers of the VA Veterans Benefits Administration employees and other prominent individuals to prevent indiscriminate access to their automated records.

Access to programs is controlled at three levels: Programming, auditing, and operations. Access to data processing centers is generally restricted to center employees, custodial personnel, Federal Protective Service and other security personnel. Access to computer rooms is restricted to authorized operational personnel through electronic locking devices.

LGY operates at VA's FedRAMP authorized Amazon Web Services (AWS) GovCloud data centers. AWS data centers are highly restricted for both physical and logical access. Physical access controls are inherited from AWS to all GovCloud customers. VA's AWS environment is logically restricted to support VA operations only. Further, LGY's AWS environment is logically restricted to LGY authorized operations personnel whose duties require management of LGY systems.

LGY follows VA's data security requirements to protect VA, LGY, and Veteran's data at rest. LGY's servers utilize FIPS 140-2 compliant encryption methods to protect the confidentiality of data at rest at the operating system (OS) level and for data storage. VA authorized baselines are used to build LGY servers and are configured with FIPS mode enabled by default. Similarly, LGY virtual storage devices such as AWS Elastic Block Store Volumes (EBS) and S3 are encrypted by default using Amazon Key Management Service (KMS) for protection of data at rest. These methods ensure that LGY data is protected in real-time as it's stored within the LGY security boundary. The S3 environment stores the LGY electronic data indefinitely till LGY Central Office provides disposition requirements.

RECORD ACCESS PROCEDURES:

Individuals seeking information on the existence and content of records in this system pertaining to them should contact the system manager in writing as indicated above. A request for access to records must contain the requester's full name, address, telephone number, be signed by the requester, and describe the records sought in sufficient detail to enable VA personnel to locate them with a reasonable amount of effort. However, some of the records in this system are exempt from the record access requirements under 5 U.S.C.

552a(k). To the extent that records in this system of records are not subject to exemption, the records are subject to access procedures.

CONTESTING RECORD PROCEDURES:

Individuals seeking to contest or amend records in this system pertaining to them should contact the system manager in writing as indicated above. A request to contest or amend records must state clearly and concisely what record is being contested, the reasons for contesting it, and the proposed amendment to the record. However, some of the records in this system are exempt from the record contesting requirements under 5 U.S.C. 552a(k). To the extent that records in this system of records are not subject to exemption, the records are subject to contesting procedures.

NOTIFICATION PROCEDURES:

Generalized notice is provided by the publication of this notice. For specific notice, see Record Access Procedure, above.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

The Department of Veterans Affairs has exempted this system of records from the following provisions of the Privacy Act of 1974, as permitted by 5 U.S.C. 552a(k)(2).

- 5 U.S.C. 552a(c)(3)
- 5 U.S.C. 552a(d)
- 5 U.S.C. 552a(e)(1)
- 5 U.S.C. 552a(e)(4)(G), (H) and (I)
- 5 U.S.C. 552a(f)

Reasons for exemptions: The exemption of information and material in this system of records is necessary in order to accomplish the law enforcement functions of the Loan

Guaranty Service to prevent subjects of internal audit investigations for potential fraud and abuse in the VA Loan Guaranty Program from frustrating the investigatory process, to fulfill commitments made to protect the confidentiality of sources, to maintain access to sources of information and to avoid endangering these sources.

HISTORY:

67 FR 72721 (December 6, 2002); 77 FR 74282 (December 13, 2012); and 79 FR 3922 (January 23, 2014).

Dated: September 12, 2023.

Amy L. Rose,

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[FR Doc. 2023-20055 Filed 9-14-23; 8:45 am]

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