

108TH CONGRESS  
1ST SESSION

# H. R. 1030

To reduce overpayments of subsidies in Department of Housing and Urban Development housing assistance programs by providing for more accurate verification of employment and income of participants in such programs.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 2003

Mr. SESSIONS introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To reduce overpayments of subsidies in Department of Housing and Urban Development housing assistance programs by providing for more accurate verification of employment and income of participants in such programs.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “HUD Programs Infor-  
5 mation Verification Act”.

1 **SEC. 2. HUD DATA MATCH WITH NATIONAL DIRECTORY OF**  
2 **NEW HIRES.**

3 (a) INFORMATION COMPARISONS FOR PUBLIC AND  
4 ASSISTED HOUSING PROGRAMS.—Section 453(j) of the  
5 Social Security Act (42 U.S.C. 653(j)) is amended by add-  
6 ing at the end the following new paragraph:

7 “(7) INFORMATION COMPARISONS FOR HOUSING  
8 ASSISTANCE PROGRAMS.—

9 “(A) FURNISHING OF INFORMATION BY  
10 HUD.—Subject to subparagraph (G), the Sec-  
11 retary of Housing and Urban Development  
12 shall furnish to the Secretary, on such periodic  
13 basis as determined by the Secretary of Hous-  
14 ing and Urban Development in consultation  
15 with the Secretary, information in the custody  
16 of the Secretary of Housing and Urban Devel-  
17 opment for comparison with information in the  
18 National Directory of New Hires, in order to  
19 obtain information in such Directory with re-  
20 spect to individuals who are participating in  
21 any program under—

22 “(i) the United States Housing Act of  
23 1937 (42 U.S.C. 1437 et seq.);

24 “(ii) section 202 of the Housing Act  
25 of 1959 (12 U.S.C. 1701q);

1           “(iii) section 221(d)(3), 221(d)(5), or  
2           236 of the National Housing Act (12  
3           U.S.C. 1715l(d) and 1715z-1);

4           “(iv) section 811 of the Cranston-  
5           Gonzalez National Affordable Housing Act  
6           (42 U.S.C. 8013); or

7           “(v) section 101 of the Housing and  
8           Urban Development Act of 1965 (12  
9           U.S.C. 1701s).

10          “(B) REQUIREMENT TO SEEK MINIMUM  
11          INFORMATION.—The Secretary of Housing and  
12          Urban Development shall seek information pur-  
13          suant to this section only to the extent nec-  
14          essary to verify the employment and income of  
15          individuals described in subparagraph (A).

16          “(C) DUTIES OF THE SECRETARY.—

17          “(i) INFORMATION DISCLOSURE.—The  
18          Secretary, in cooperation with the Sec-  
19          retary of Housing and Urban Develop-  
20          ment, shall compare information in the  
21          National Directory of New Hires with in-  
22          formation provided by the Secretary of  
23          Housing and Urban Development with re-  
24          spect to individuals described in subpara-  
25          graph (A), and shall disclose information

1 in such Directory regarding such individ-  
2 uals to the Secretary of Housing and  
3 Urban Development, in accordance with  
4 this paragraph, for the purposes specified  
5 in this paragraph.

6 “(ii) CONDITION ON DISCLOSURE.—

7 The Secretary shall make disclosures in ac-  
8 cordance with clause (i) only to the extent  
9 that the Secretary determines that such  
10 disclosures do not interfere with the effec-  
11 tive operation of the program under this  
12 part.

13 “(D) USE OF INFORMATION BY HUD.—The  
14 Secretary of Housing and Urban Development  
15 may use information resulting from a data  
16 match pursuant to this paragraph only—

17 “(i) for the purpose of verifying the  
18 employment and income of individuals de-  
19 scribed in subparagraph (A); and

20 “(ii) after removal of personal identi-  
21 fiers, to conduct analyses of the employ-  
22 ment and income reporting of individuals  
23 described in subparagraph (A).

24 “(E) DISCLOSURE OF INFORMATION BY  
25 HUD.—

1           “(i) PURPOSE OF DISCLOSURE.—The  
2           Secretary of Housing and Urban Develop-  
3           ment may make a disclosure under this  
4           subparagraph only for the purpose of  
5           verifying the employment and income of in-  
6           dividuals described in subparagraph (A).

7           “(ii) DISCLOSURES PERMITTED.—  
8           Subject to clause (iii), the Secretary of  
9           Housing and Urban Development may dis-  
10          close information resulting from a data  
11          match pursuant to this paragraph only to  
12          a public housing agency, the Inspector  
13          General of the Department of Housing and  
14          Urban Development, and the Attorney  
15          General in connection with the administra-  
16          tion of a program described in subpara-  
17          graph (A). Information obtained by the  
18          Secretary of Housing and Urban Develop-  
19          ment pursuant to this paragraph shall not  
20          be made available under section 552 of  
21          title 5, United States Code.

22          “(iii) CONDITIONS ON DISCLOSURE.—  
23          Disclosures under this paragraph shall  
24          be—

1           “(I) made in accordance with  
2 data security and control policies es-  
3 tablished by the Secretary of Housing  
4 and Urban Development and approved  
5 by the Secretary;

6           “(II) subject to audit in a man-  
7 ner satisfactory to the Secretary; and

8           “(III) subject to the sanctions  
9 under subsection (1)(2).

10          “(iv) ADDITIONAL DISCLOSURES.—

11           “(I) DETERMINATION BY SECRE-  
12 TARIES.—The Secretary of Housing  
13 and Urban Development and the Sec-  
14 retary shall determine whether to per-  
15 mit disclosure of information under  
16 this paragraph to persons or entities  
17 described in subclause (II), based on  
18 an evaluation made by the Secretary  
19 of Housing and Urban Development  
20 (in consultation with and approved by  
21 the Secretary), of the costs and bene-  
22 fits of disclosures made under clause  
23 (ii) and the adequacy of measures  
24 used to safeguard the security and

1 confidentiality of information so dis-  
2 closed.

3 “(II) PERMITTED PERSONS OR  
4 ENTITIES.—If the Secretary of Hous-  
5 ing and Urban Development and the  
6 Secretary determine pursuant to sub-  
7 clause (I) that disclosures to addi-  
8 tional persons or entities shall be per-  
9 mitted, information under this para-  
10 graph may be disclosed by the Sec-  
11 retary of Housing and Urban Devel-  
12 opment to a private owner, a manage-  
13 ment agent, and a contract adminis-  
14 trator in connection with the adminis-  
15 tration of a program described in sub-  
16 paragraph (A), subject to the condi-  
17 tions in clause (iii) and such addi-  
18 tional conditions as agreed to by the  
19 Secretaries.

20 “(v) RESTRICTIONS ON REDISCLO-  
21 SURE.—A person or entity to which infor-  
22 mation is disclosed under this subpara-  
23 graph may use or disclose such informa-  
24 tion only as needed for verifying the em-  
25 ployment and income of individuals de-

1           scribed in subparagraph (A), subject to the  
2           conditions in clause (iii) and such addi-  
3           tional conditions as agreed to by the Secre-  
4           taries.

5           “(F) REIMBURSEMENT OF HHS COSTS.—  
6           The Secretary of Housing and Urban Develop-  
7           ment shall reimburse the Secretary, in accord-  
8           ance with subsection (k)(3), for the costs in-  
9           curred by the Secretary in furnishing the infor-  
10          mation requested under this paragraph.

11          “(G) CONSENT.—The Secretary of Hous-  
12          ing and Urban Development shall not seek, use,  
13          or disclose information under this paragraph re-  
14          lating to an individual without the prior written  
15          consent of such individual (or of a person le-  
16          gally authorized to consent on behalf of such in-  
17          dividual).”.

18          (b) CONSENT TO INFORMATION COMPARISON AND  
19          USE AS CONDITION OF HUD PROGRAM ELIGIBILITY.—As  
20          a condition of participating in any program authorized  
21          under—

22                 (1) the United States Housing Act of 1937 (42  
23                 U.S.C. 1437 et seq.);

24                 (2) section 202 of the Housing Act of 1959 (12  
25                 U.S.C. 1701q);

1           (3) section 221(d)(3), 221(d)(5), or 236 of the  
2       National Housing Act (12 U.S.C. 1715l(d) and  
3       1715z-1);

4           (4) section 811 of the Cranston-Gonzalez Na-  
5       tional Affordable Housing Act (42 U.S.C. 8013); or

6           (5) section 101 of the Housing and Urban De-  
7       velopment Act of 1965 (12 U.S.C. 1701s),

8       the Secretary of Housing and Urban Development may  
9       require consent by an individual (or by a person legally  
10      authorized to consent on behalf of such individual) for  
11      such Secretary to obtain, use, and disclose information  
12      with respect to such individual in accordance with section  
13      453(j)(7) of the Social Security Act (42 U.S.C. 653(j)(7)).

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