DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. (FR–5478–N–06)]

Privacy Act of 1974; Notification To Delete and Create a New System of Records, “HUD/FHA Lender Approval Files” to New Lender Electronic Assessment Portal

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notification to Delete and Create a New System of Records.

SUMMARY: HUD is providing public notice that it proposes to design a new system, the Lender Electronic Assessment Portal (LEAP), and revise and delete information published in the Federal Register (FR) about one of its existing Privacy Act system of records. The creation of the new system is to facilitate migration and streamline efforts for record collection activities under the Federal Housing Administration (FHA) lender approval and recertification process. The new system LEAP will take full custody over the records currently maintained by HUD’s Lender Approval Files System of Records Notice (SORN) and will fully automate the manual records process for these records. The HUD/FHA Lender Approval Files SORN contains information pertaining to individuals who are principals or officers of financial institutions seeking approval or approved to originate, service, or hold FHA single family or multifamily insured mortgages, or Title I and Title II insured loans. Fully automating and streamlining HUD’s lender approval and recertification process enables HUD’s Office of FHA to efficiently perform the workflow operation and the assessments required to ascertain a financial institution’s eligibility and/or qualification to participating under a FHA-insured mortgage, or Title I and Title II insured loans. Subsequent changes that have occurred for the previously published notice involve: Changes to the Categories of Individuals Covered by the System, Categories of Records in the System, Purposes of the System, and Routine Uses of Records Maintained in the System, including Categories of Users and Purposes of Such Users. This notice serves to update, replace and delete the prior SORN reference published in the Federal Register on August 22, 1999 for HUD/FHA Lender Approval Files.

DATES: Effective Date: This proposal shall become effective, without further notice, December 16, 2011, unless comments are received during or before this period which would result in a contrary determination.

Comments Due Date: December 16, 2011.

ADDRESSES: Interested persons are invited to submit comments regarding this notice to the Rules Docket Clerk, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street SW., Room 10276, Washington, DC 20410.

Communications should refer to the above docket number and title. FAX comments are not acceptable. A copy of each communication submitted will be available for public inspection and copying between 8 a.m. and 5 p.m., weekdays at the above address.

FOR FURTHER INFORMATION CONTACT: For Privacy Act inquiries contact Harold Williams, Acting Departmental Privacy Act Officer, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410, telephone number (202) 402–8087. Regarding records maintained in Washington, DC 20410 for the Office of Housing, contact the Director, Lender Approval and Recertification Division, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410, telephone number (202) 402–8214. [The above are not toll free numbers.] A telecommunications device for hearing- and speech-impaired persons (TTY) is available for public inspection and copying between 8 a.m. and 5 p.m., weekdays at the above address.

SUPPLEMENTARY INFORMATION: Title 5 U.S.C. 552a(e)(4) and (11) provides that the public be afforded a 30-day period in which to comment on the amended record system. The system report was submitted to the Office of Management and Budget (OMB), the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Government Reform pursuant to Paragraph 4c of Appendix I to OMB Circular No. A–130, “Federal Agencies Responsibilities for Maintaining Records About Individuals,” dated July 25, 1993 (58 FR 36075, July 2, 1993).

Accordingly, this notice deletes prior publication for the HUD/FHA Lender Approval Files SORN and creates a new notice for the HUD’s FHA Housing program administrators and accompanying information to be submitted and accessed in the management of HUD’s FHA Housing programs by the Office of Housing.

Dated: November 8, 2011.
Jerry E. Williams,
Chief Information Officer.

HUD/SF01.2502

SYSTEM NAME:
Lender Electronic Assessment Portal (LEAP/P278), formerly "HUD/FHA
Lender Approval Files."

SYSTEM LOCATION:
LEAP is hosted on HUD servers
located in Charleston, West Virginia.

CATEGORIES OF INDIVIDUALS COVERED BY THE
SYSTEM:
Individuals covered by the system are
principals or officers (i.e. director’s
managers and owners) of financial
institutions that seek approval or are
approved to originate service or hold
single family or multifamily FHA-
insured mortgages, or Title I and Title
II insured loans.

CATEGORIES OF RECORDS IN THE SYSTEM:
All documents and related data
required for a lender’s application;
including entity-level information such as
lender institution name and address,
business email address, and telephone
number, tax identification number,
corporate financial and organizational
document, licenses and corporate credit
reports. Other LEAP information
include individual personal information
on lending institution officials such as
names, social security numbers, credit
reports; background investigation
documents types, excluded party report
reports; background investigation
on lending institution officials such as
(i.e.
principals or officers (i.e. director’s
managers and owners) of financial
institutions that seek approval or are
approved to originate service or hold
single family or multifamily FHA-
insured mortgages, or Title I and Title
II insured loans.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:
Title I and Title II of the National
Housing Act; 12 U.S.C. 1703, 1709 and
1751b; 42 U.S.C. 1436a and 3535(d).

POURPOSES:
To obtain information from lenders
and the principals or officers of financial
institutions seeking approval
or approved to originate, service or hold
single family or multifamily FHA-
insured mortgages, or Title I and Title
II insured loans. The information in this
record system enables HUD/FHA to
process applications received for (1)
Suitability and verification purposes; (2)
to ensure conformance to FHA Title I
and Title II authorities; (3) to identify
specific individuals and roles at lending
institutions, permitting correspondence
to be addressed to individuals rather
than job titles.

Currently, lenders seeking authority
to issue FHA-insured mortgages or Title
I and Title II insured loans must manually
submit a paper-based application
package, which is analyzed and
reviewed by HUD staff. This review
ensures the applicant’s capability to
adhere to the requirements of FHA’s
mortgage insurance programs. LEAP has
been developed to streamline the
application process by migrating to
electronic transmission of the requisite
package.

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

IN ADDITION TO THOSE DISCLOSURES GENERALLY
PERMITTED UNDER 5 U.S.C. 552A(B) OF THE
PRIVACY ACT, OTHER ROUTINE USES INCLUDE:
(a.) To the FBI during the course of
investigating possible fraud in the FHA
mortgage insurance, underwriting,
insuring or monitoring process, to the
extent necessary to obtain information
pertinent to the investigation,
(b.) To the Department of Justice (DOJ)
when seeking legal advice or for use in
any proceeding, or in preparation for
any proceeding, when HUD or any
component thereof discloses
information to DOJ during the course of
an investigation to the extent necessary
to obtain information pertinent to the
investigation under the FHA Mortgage
Insurance Program,
(c.) To HUD contractors, lenders and
financial institutions for the purpose of
conducting oversight and monitoring of
program operations to determine
compliance with applicable laws and
regulations, and financial reporting
requirements,
(d.) Additional Disclosure for
Purposes of Facilitating Responses and
Remediation Efforts in the Event of a
Data Breach. A record from a system of
records maintained by HUD may be
disclosed to appropriate agencies,
entities, and persons when:
(1.) The Department suspects or has
confirmed that the security or
confidentiality of information in a
system of records has been
compromised,
(2.) The Department has determined
that as a result of the suspected or
confirmed compromise there is a risk of
harm to economic or property interests,
identity theft or fraud, or harm to the
security or integrity of this system or
other systems or programs (whether
maintained by HUD or another agency
or entity) that rely upon the
compromised,
(3.) the disclosure made to such
agencies, entities, and persons is
reasonably necessary to assist in
connection with the HUD’s efforts to
respond to the suspected or confirmed
compromise and prevent, minimize, or
remedy such harm, and
(e.) To a commercial or consumer
reporting agency to use in obtaining
credit reports on individuals and credit
and background reports on entities.

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

STORAGE:
Automated records are stored on
magnetic tape/disc/drum and will be
maintained on HUD secure servers.
Paper records will no longer collected or
used by the system.

RETRIEVABILITY:
Records are retrieved by name, social
security number or other identification
number.

SAFEGUARDS:
Automated records are maintained in
secured areas. Access is limited to
authorized personnel with a need-to-
know. Paper records are no longer used
by the system.

RETENTION AND DISPOSAL:
The electronic records in LEAP will
be maintained in accordance with
Schedule 20 of the NARA General
Records Schedule. By reference,
retention policies will also mirror
Appendix 20 ("Single Family Home
Mortgage Program") of HUD Handbook
2225.6 REV–1 CHG–53.

SYSTEM MANAGER(S) AND ADDRESS:
Director, Lender Approval and
Recertification Division, Department of
Housing and Urban Development, 451
Seventh Street SW., Washington, DC
20410. Notification procedure: For
information, assistance, or inquiry about
existence of records, contact the Acting
Departmental Privacy Act Officer
identified above.

NOTIFICATION AND ACCESS PROCEDURES:
Include the following standard
language: “For information, assistance,
or inquiry about the existence of
records, contact Harold Williams,
Acting Departmental Privacy Act Officer
at the Department of Housing and Urban
Development, 451 Seventh Street SW.,
Washington, DC 20410, telephone
number (202) 402–8087. Written
requests must include the full name,
social security number, date of birth,
current address, and telephone number
of the individual making the request.”

CONTESTING RECORD PROCEDURES:
Include the following standard
language: Procedures for the
amendment or correction of records,
and for applicants who want to appeal
initial agency determinations appear in
24 CFR part 16. If additional
I. Public Comment Procedures

A. How do I request copies of applications or comment on submitted applications?

Send your request for copies of applications or comments and materials concerning any of the applications to the contact listed under ADDRESSES. Please include the Federal Register notice publication date, the PRT-number, and the name of the applicant in your request or submission. We will not consider requests or comments sent to an email or address not listed under ADDRESSES. If you provide an email address in your request for copies of applications, we will attempt to respond to your request electronically.

Please make your requests or comments as specific as possible. Please confine your comments to issues for which we seek comments in this notice, and explain the basis for your comments. Include sufficient information with your comments to allow us to authenticate any scientific or commercial data you include.

The comments and recommendations that will be most useful and likely to influence agency decisions are: (1) Those supported by quantitative information or studies; and (2) Those that include citations to, and analyses of, the applicable laws and regulations. We will not consider or include in our administrative record comments we receive after the close of the comment period (see DATES) or comments delivered to an address other than those listed above (see ADDRESSES).

B. May I review comments submitted by others?

Comments, including names and street addresses of respondents, will be available for public review at the address listed under ADDRESSES. The public may review documents and other information applicants have sent in support of the application unless our allowing viewing would violate the Privacy Act or Freedom of Information Act. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

II. Background

To help us carry out our conservation responsibilities for affected species, section 10(a)(1)(A) of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.), requires that we invite public comment before final action on these permit applications.

III. Permit Applications

A. Endangered Species

Applicant: Kansas City Zoo, Kansas City, MO; PRT–58124A

The applicant requests a permit to export two live, captive-born black-footed cats (Felis nigripes) to France, for the purpose of enhancement of the survival of the species.

Applicant: Zoological Society of Cincinnati dba Cincinnati Zoo & Botanical Garden, Cincinnati, OH; PRT–58183A

The applicant requests a permit to export two live, captive-born black-footed cats (Felis nigripes) to Denmark, for the purpose of enhancement of the survival of the species.

Applicant: Maryland Zoo in Baltimore, Baltimore, MD; PRT 54123A

The applicant requests a permit to export 50, live captive-born Panamanian golden frogs (Atelopus zeteki) to Canada, for the purpose of enhancement of the survival of the species.

Multiple Applicants

The following applicants each request a permit to import the sport-hunted trophy of one male bontebok (Damaliscus pygargus pygargus) culled from a captive herd maintained under the management program of the Republic of South Africa, for the purpose of enhancement of the survival of the species.

Applicant: Kevin Hudson, Van Buren, AR; PRT–57071A.

Applicant: Joseph Harrison, Catherine, AL; PRT–56468A.

Applicant: Richard Smith, Capon Bridge, WV; PRT–58302A.

Applicant: Daniel Sullivan, Long Lake, MN; PRT–58185A.

Applicant: Jackson Fulham, College Station, TX; PRT–56462A.

Brenda Tapia, Program Analyst/Data Administrator, Branch of Permits, Division of Management Authority.