

with the Internal Review Service (IRS). Data from the proposed match will be utilized to verify the unearned income (*i.e.* interest, dividends, etc.) of nonservice-connected veterans, and zero percent noncompensable service-connected veterans, whose eligibility for VA medical care is based on their inability to defray the cost of medical care. These veterans supply household income information that includes their spouses and dependents at the time of application for VA health care benefits.

**EFFECTIVE DATE:** This match will start no sooner than 30 days after publication in the **Federal Register**, unless comments dictate otherwise.

**ADDRESSES:** Mail or hand-deliver written comments to: Director, Regulations Management (00REG1), Department of Veterans Affairs, 810 Vermont Avenue, NW., Room 1154, Washington, DC 20420. All comments received will be available for public inspection in the Office of Regulation Policy and Management, Room 1158, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays.

**FOR FURTHER INFORMATION CONTACT:** Kathleen E. Watkins, Assistant Director, Income Verification Division, Health Eligibility Center, (404) 235-1340.

**SUPPLEMENTARY INFORMATION:**

**A. General**

The Computer Matching and Privacy Protection Act of 1988 Public Law (Pub. L. 100-503), amended the Privacy Act (5 U.S.C. 552a) by describing the manner in which computer matching involving Federal agencies could be performed and adding certain protections for individuals applying for and receiving Federal benefits. Section 7201 of the Omnibus Budget Reconciliation Act of 1990, Public Law 101-508, further amended the Privacy Act regarding protections for such individuals.

The Privacy Act, as amended, regulates the use of computer matching by Federal agencies when records in a system of records are matched with other Federal, State, or local government records. It requires Federal agencies involved in computer matching programs to:

(1) Negotiate written agreements with the other agency or agencies participating in the matching programs;

(2) Obtain the approval of the matching agreement by the Data Integrity Boards (DIB) of the participating Federal agencies;

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

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

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

**B. VHA Computer Matches Subject to the Privacy Act**

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

Approved: May 29, 2003.

**Anthony J. Principi,**

*Secretary of Veterans Affairs.*

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