



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DOD-2016-OS-0018]

Privacy Act of 1974; Notice of a Computer Matching Program

AGENCY: Defense Manpower Data Center, DoD.

ACTION: Notice of a Computer Matching Program.

SUMMARY: Subsection (e)(12) of the Privacy Act of 1974, as amended (5 U.S.C. 552a), requires agencies to publish advance notice of any proposed or revised computer matching program by the matching agency for public comment. The Defense Manpower Data Center (DMDC) of the Department of Defense (DoD), as the matching agency under the Privacy Act is hereby giving notice to the record subjects of a computer matching program between the Department of Veterans Affairs (VA) and DMDC that their records are being matched by computer. The purpose of this match concerns Reserve pay reconciliation.

DATES: This proposed action will become effective **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** and matching may commence unless changes to the matching program are required due to public comments or by Congressional or by Office of Management and Budget objections. Any public comment must be received before the effective date.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

* Federal Rulemaking Portal: <http://www.regulations.gov>.
Follow the instructions for submitting comments.

* Mail: Department of Defense, Office of the Deputy Chief Management Officer, Directorate of Oversight and Compliance, Regulatory and Audit Matters Office, 9010 Defense Pentagon, Washington, DC 20301-9010.

Instructions: All submissions received must include the agency name and docket number for this Federal Register document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the Internet at <http://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: Mrs. Mary Fletcher at telephone (703) 571-0070.

SUPPLEMENTARY INFORMATION: Pursuant to subsection (o) of the Privacy Act of 1974, as amended (5 U.S.C. 552a), the DMDC and VA have concluded an agreement to conduct a computer matching program between the agencies. The purpose of this agreement is to verify eligibility for DoD/United States Coast Guard (USCG) members of the Reserve forces who receive VA disability compensation or pension in addition to receiving military pay and allowances when performing reserve duty. The parties to this agreement have determined that a computer matching program is the most efficient, expeditious, and effective means of obtaining and processing the information needed by the VA to identify those

individuals who are receiving both VA compensation or pension and DoD/USCG payments for those periods when they are performing reserve duty. By law, the individual must waive his or her entitlement to VA disability compensation or pension if he or she desires to receive DoD/USCG pay and allowances for the period of duty performed. This matching agreement will result in an accurate reconciliation of such payments by permitting the VA to determine which individuals are being paid by DoD/USCG for duty performed and are being paid VA disability compensation or pension benefit for the same period of time without a waiver on file with the VA. If this reconciliation is not done by computer matching, but is done manually, the cost would be prohibitive and most dual payments would not be detected.

A copy of the computer matching agreement between VA and DMDC is available upon request to the public. Requests should be submitted to Office of the Secretary of Defense, Office of the Deputy Chief Management Officer, Attn: Chief, Defense Privacy and Civil Liberties Division 9010 Defense Pentagon, Washington, D.C. 20301-9010 or to the Department of Veterans Affairs, Veterans Benefit Administration, 810 Vermont Avenue, NW, Washington, DC 20420.

Set forth below is the notice of the establishment of a computer matching program required by paragraph 6.c. of the Office of Management and Budget Guidelines on computer matching published in the Federal Register at 54 FR 25818 on June 19, 1989.

The matching agreement, as required by 5 U.S.C. 552a(r) of the

Privacy Act, and an advance copy of this notice was submitted on February 11, 2016, to the House Committee on Government Reform, the Senate Committee on Governmental Affairs, and the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget pursuant to paragraph 4d of Appendix I to OMB Circular No. A-130, 'Federal Agency Responsibilities for Maintaining Records about Individuals,' dated February 8, 1996 (February 20, 1996, 61 FR 6427).

Dated: March 1, 2016.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.

NOTICE OF A COMPUTER MATCHING PROGRAM BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS AND THE DEPARTMENT OF DEFENSE FOR VERIFICATION OF DISABILITY COMPENSATION

A. PARTICIPATING AGENCIES: Participants in this computer matching program are the Department of Veterans Affairs (VA) and the Defense Manpower Data Center (DMDC) of the Department of Defense (DoD). The VA is the source agency, i.e., the activity disclosing the records for the purpose of the match. The DMDC is the specific recipient activity or matching agency, i.e., the agency that actually performs the computer matching.

B. PURPOSE OF THE MATCH: The purpose of this agreement is to verify eligibility for DoD/United States Coast Guard (USCG) members of the Reserve forces who receive VA disability compensation or pension to also receive military pay and allowances when performing reserve duty.

The VA will provide to DMDC identifying information on all VA recipients receiving a VA disability compensation or pension. DMDC will match the information with its reserve military pay data and provide for each match (hit) the number of training days, by fiscal year, for which the veteran was paid. The VA will use this information to make, where appropriate, necessary VA payment adjustments.

C. AUTHORITY FOR CONDUCTING THE MATCH: The legal authority for conducting the matching program for use in the administration of VA's Compensation and Pension Benefits Program is contained in 38 U.S.C. § 5304(c), Prohibition Against Duplication of Benefits, provides that VA disability compensation or pension based upon his or her previous military service shall not be paid to a person for any period for which such person receives active service pay. 10 U.S.C. § 12316, Payment of certain Reserves While on Duty, further provides that a reservist who is entitled to disability payments due to his or her earlier military service and who performs duty for which he or she is entitled to DoD/USCG

compensation may elect to receive for that duty either the disability payments or, if he or she waives such payments, the DoD/USCG compensation for the duty performed.

D. RECORDS TO BE MATCHED: The systems of records maintained by the respective agencies under the Privacy Act of 1974, as amended, 5 U.S.C. 552a, from which records will be disclosed for the purpose of this computer match are as follows:

The DMDC will use the system of records identified as DMDC 01, entitled "Defense Manpower Data Center Data Base," last published in the Federal Register at November 23, 2011, 76 FR 72391.

The VA will use the system of records identified as "Compensation, Pension, Education and Vocational Rehabilitation and Employment Records-VA" (58 VA 21/22/28), republished in its entirety in the Federal Register at July 19, 2012, 77 FR 42593.

E. DESCRIPTION OF COMPUTER MATCHING PROGRAM: The VA will submit to DMDC an electronic data of all VA pension and disability compensation beneficiaries as of the end of September. Upon receipt of the data, DMDC will match by SSN with reserve pay data as submitted to DMDC by the military services and the USCG. Upon a SSN match, or a "hit," of both data sets, DMDC will provide VA the individual's name and other identifying data, to include the number of training days, by fiscal year, for each

matched record. Training days are the total of inactive duty drills paid plus active duty days paid.

The hits will be furnished to VA, which will be responsible for verifying and determining that the data in the DMDC electronic files is consistent with the VA files and for resolving any discrepancies or inconsistencies on an individual basis. VA will initiate actions to obtain an election by the individual of which pay he or she wishes to receive and will be responsible for making final determinations as to positive identification, eligibility for, or amounts of pension or disability compensation benefits, adjustments thereto, or any recovery of overpayments, or such other action as authorized by law.

The electronic data provided by the VA will contain information on approximately 4.2 million pension and disability compensation recipients.

The DMDC reserve pay data contains information on approximately 890,000 DoD and 10,000 USCG reservists who received pay and allowances for performing authorized duty.

VA will furnish DMDC the name and SSN of all VA pension and disability compensation recipients and DMDC will supply VA the name, SSN, date of birth, and the number of training days by fiscal year of each reservist who is identified as a result of

the match.

F. INCLUSIVE DATES OF THE MATCHING PROGRAM: This computer matching program is subject to public comment and review by Congress and the Office of Management and Budget. If the mandatory 30 day period for comment has expired and no comments are received and if no objections are raised by either Congress or the Office of Management and Budget within 40 days of being notified of the proposed match, the computer matching program becomes effective and the respective agencies may begin the exchange at a mutually agreeable time and thereafter on a quarterly basis. By agreement between VA and DMDC, the matching program will be in effect for 18 months with an option to renew for 12 additional months unless one of the parties to the agreement advises the other by written request to terminate or modify the agreement.

G. ADDRESS FOR RECEIPT OF PUBLIC COMMENTS OR INQUIRIES:
Department of Defense, Office of the Deputy Chief Management Officer, Directorate of Oversight and Compliance, Regulatory and Audit Matters Office, 9010 Defense Pentagon, Washington, DC 20301-9010.

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