

# Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF AGRICULTURE

### Office of the Secretary

#### Privacy Act of 1974; Report of a New System of Records

**AGENCY:** Office of the Secretary, USDA.

**ACTION:** Notice of new Privacy Act system of records.

**SUMMARY:** Notice is hereby given that the United States Department of Agriculture (USDA) proposes to create a new Privacy Act system of records, FCIC-9, entitled "Agent." The system will be maintained by the Federal Crop Insurance Corporation (FCIC), a wholly owned Government Corporation administered by the Risk Management Agency (RMA), an agency of USDA. The primary purpose of the Agent system is to aid in the administration and management of the Federal crop insurance program.

**EFFECTIVE DATE:** This notice will be adopted without further publication on November 24, 2003 unless modified by a subsequent notice to incorporate comments received from the public. Although the Privacy Act requires only that the portion of the system which describes the "routine uses" of the system be published for comment, USDA invites comment on all portions of this notice. Comments must be received by the contact person listed below on or before October 27, 2003.

**FOR FURTHER INFORMATION CONTACT:** Director, Actuarial Division, Risk Management Agency, 6501 Beacon Drive, Kansas City, Missouri 64133. Telephone: (816) 926-6487.

**SUPPLEMENTARY INFORMATION:** Pursuant to the Privacy Act, 5 U.S.C. 552a, USDA is creating a new system of records, FCIC-9 entitled "Agent" to be maintained by the Federal Crop Insurance Corporation (FCIC), a wholly-owned Government Corporation administered by the Risk Management Agency (RMA), an agency of USDA.

RMA promotes and regulates sound risk management solutions to improve the economic stability of American agriculture. The Agency is responsible for supervision of the Federal Crop Insurance Corporation (FCIC) and the administration and oversight of programs authorized under the Federal Crop Insurance Act. As an example, the Federal crop insurance program covers production losses due to unavoidable causes such as drought, excessive moisture, hail, and wind. Risk management tools are available to producers through commercial insurance companies that have entered into a financial arrangement with FCIC. Under this agreement, the company agrees to deliver a product to eligible buyers.

The purpose of the agent system is to administer the Federal crop insurance program; identify agents engaged in the sales and service of insurance coverage; detect disparate or inconsistent performance among all agents; capture data that contains the social security account number of agents for actuarial purposes in determining risk classification to analyze and evaluate general program performance at various phases of program delivery; facilitate procedures requiring annual reviews by private insurance companies of the performance of each agent used by the private insurance company; provide an agent directory for sales related activities; and analyze and evaluate general program performance at various phases of program delivery. The agent system is maintained by the Actuarial Division, Research and Development, located in the RMA Kansas City office.

The system contains records of identification for an agent to include the name, social security number, agent code, State, county, and private insurance company that insures the policy for which sales and service activities are performed by the agent, the individual policy number, State, and county, private insurance company, amount of premium collected, and amount of indemnity paid for all losses for policies that are sold and serviced by the agent, and any information relating to any disqualification, suspension, debarment or other ineligibility.

A "Report on New System," required by 5 U.S.C. 552a(r), as implemented by OMB Circular A-130, was sent to the Chairman, Committee on Governmental

Affairs, United States Senate, the Chairman, Committee on Government Reform, United States House of Representatives; and the Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget on September 16, 2003.

Signed at Washington, DC, on September 16, 2003.

**Ann M. Veneman,**  
*Secretary of Agriculture.*

#### USDA/FCIC-9

##### SYSTEM NAME:

Agent.

##### SECURITY CLASSIFICATION:

None.

##### SYSTEM LOCATION:

Kansas City Office, Federal Crop Insurance Corporation, Risk Management Agency, 6501 Beacon Drive, Stop 0814, Kansas City, Missouri 64133-4676 and regional offices for the Federal Crop Insurance Corporation. Addresses of the regional offices may be obtained from the Deputy Administrator, Insurance Services, Risk Management Agency, United States Department of Agriculture, 1400 Independence Avenue, SW., Stop 0805, Room 6709-S, Washington, DC 20250-0803.

##### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

The system consists of information on any individual who is under contract with or employed by a private insurance company to solicit and service crop insurance contracts, and who meets the licensing requirements set by individual States and FCIC for such activities.

##### CATEGORIES OF RECORDS IN THE SYSTEM:

The system consists of standardized records containing identifying information on individuals such as name, social security number, agent code, the State, county, and private insurance company that insures the policy for which the agent sells or services, and the individual policy number, State and county, private insurance company, amount of premium collected, and amount of indemnity paid for all applicable losses for each policy sold and serviced by the agent, and any information relating to State licensing and any disqualification, suspension, debarment, and any other ineligibility.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

7 U.S.C. 1501 *et seq.*

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

Records contained in this system may be used as follows:

(1) Referral to the appropriate agency, whether Federal, State, local or foreign, charged with the responsibility of investigating or prosecuting a violation of law, or of enforcing or implementing a statute, rule, regulation, or order issued pursuant thereto, of any record within this system when information available indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute or by rule, regulation, or order issued pursuant thereto.

(2) Disclosure to a court or adjudicative body in a proceeding when: (a) The agency or any component thereof; or (b) any employee of the agency in his or her official capacity; or (c) any employee of the agency in his or her individual capacity where the agency has agreed to represent the employee; or (d) the United States Government is a party to litigation or has an interest in such litigation, and by careful review, the agency determines that the records are both relevant and necessary to the litigation and the use of such records is therefore deemed by the agency to be for a purpose that is compatible with the purpose for which the agency collected the records.

(3) Disclosure to a congressional office from the record of an individual in response to any inquiry from the congressional office made at the request of that individual.

(4) Disclosure to private insurance companies to monitor agent activity, performance, and loss histories and take such corrective action as necessary.

(5) Disclosure to contractors or other Federal agencies to conduct research and analysis to identify patterns, trends, anomalies, instances and relationships of private insurance companies, agents, loss adjusters and policyholders that may be indicative of fraud, waste, and abuse.

(6) Disclosure to private insurance companies, contractors, and other applicable Federal agencies to determine whether information has been accurately provided to FCIC and the private insurance companies and to determine compliance with program requirements.

(7) Disclosure to private insurance companies, contractors, cooperators,

partners of FCIC, and other Federal agencies for any purpose relating to the sale, service, administration, analysis, or evaluation of the Federal crop insurance program.

(8) Disclosure to the public of an Agent Directory through RMA Website to assist producers or other interested individuals in locating agents in a particular area.

(8) Disclosure to the National Archives and Records Administration or to the General Services Administration for records management inspections conducted under 44 U.S.C. 2904 and 2906.

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

Records are maintained electronically, on computer printouts, and in the file folders at the Kansas City office.

**RETRIEVABILITY:**

Records may be indexed and retrieved by name of individual, tax identification number, (including social security number), and agent code.

**SAFEGUARDS:**

Records are accessible only to authorized personnel, on computer printouts and in the file folders at the Kansas City office. The electronic records are controlled by password protection and the computer network is protected by means of a firewall.

**RETENTION AND DISPOSAL:**

Electronic records are maintained indefinitely. Hard copy records are maintained until expiration of the records retention period established by the National Archivist.

**SYSTEM MANAGER/S/ AND ADDRESS:**

Actuarial Division, Risk Management Agency, Federal Crop Insurance Corporation, 6501 Beacon Drive, Stop 0814, Kansas City, Missouri 64133-4676. Telephone: (816) 926-6487.

**NOTIFICATION PROCEDURE:**

An individual may request information regarding this system of records or information as to whether the system contains records pertaining to such individual from the Kansas City office. The request for information should contain the individual's name and address, social security number, and State/s/ where such individual is licensed, if known. Before information about any record is released, the System Manager may require the individual to provide proof of identity or require the

requester to furnish an authorization from the individual to permit release of information.

**RECORD ACCESS PROCEDURES:**

An individual may obtain information as to the procedures for gaining access to a record in the system, which pertains to such individual, by submitting a written request to the Privacy Act Officer, Risk Management Agency, Program Support Staff, Room 6620-SB, AG Stop 0821, 1400 Independence Avenue, SW., Washington, DC 20250-0807. The envelope and letters should be marked "Privacy Act Request." A request for information should contain: name, address, ZIP code, social security number, name of the system of records, year of records in question, and any other pertinent information to help identify the file.

**CONTESTING RECORD PROCEDURES:**

Procedures for contesting records are the same as the procedures for record access. Include the reason for contesting the record and the proposed amendment to the information with supporting documentation to show how the record is inaccurate.

**RECORD SOURCE CATEGORIES:**

Information in this system comes primarily from the insurance company due to a financial arrangement with FCIC, or from other Federal agencies. The financial agreements with the insurance company are referred to as Reinsurance Agreements. These agreements are considered cooperative financial assistance agreements between FCIC and the insurance company named in the agreement. Each reinsurance agreement establishes the terms and conditions under which the FCIC will provide subsidies and reinsurance on eligible crop insurance contracts sold or reinsured by the insurance company named on the agreement. The agent is an individual under contract with or employed by an insurance company to solicit, and service crop insurance contracts, and who meets the licensing requirements set by individual States and FCIC for such activities. FCIC facilitates the data source through its financial agreement with the insurance company.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

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