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**From:** Melissa Netram [Melissa@fsround.org]  
**Sent:** Wednesday, September 12, 2007 4:19 PM  
**To:** FN-OMB-OIRA-Submission; OPLM.RCO@ssa.gov  
**Cc:** Paul Begey  
**Subject:** The Financial Services Roundtable Comments: CBSV Collection  
**Attachments:** Roundtable\_CBSVcomments\_091207.pdf

Attached are the Financial Services Roundtable Comments on the CBSV Collection process. If you have any questions, please feel free to contact me at [melissa@fsround.org](mailto:melissa@fsround.org) or Paul Begey at [paulb@fsround.org](mailto:paulb@fsround.org).

Thanks!  
Melissa

*Melissa Netram*  
*Director, Regulatory and Securities Affairs*  
**THE FINANCIAL SERVICES ROUNDTABLE**  
*Impacting Policy, Impacting People*

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9/13/2007

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# THE FINANCIAL SERVICES ROUNDTABLE

*Impacting Policy. Impacting People.*

**BITS**  
FINANCIAL SERVICES  
ROUNDTABLE

**ITAC**  
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September 12, 2007

## Via Email

Office of Management and Budget  
Attn: Desk Officer for SSA

Social Security Administration, DCBFM  
Attn: Reports Clearance Officer  
1333 Annex Building  
6401 Security Blvd.  
Baltimore, MD 21235

**RE: Social Security Information Collection Activities – Consent Based Social Security  
Number Verification Process –0960**

Dear Sir/Madam:

The Financial Services Roundtable, BITS, and the Identity Theft Assistance Center (hereafter referred to as “Roundtable”) appreciate the opportunity to comment on the Social Security Administration’s (“SSA”) Consent Based Social Security Number Verification (“CBSV”) process.<sup>1</sup> This letter is in response to the August 10 Federal Register notice.<sup>2</sup>

Overall, the Roundtable commends the SSA for taking into account the views and recommendations of the interested parties in modifying the proposed CBSV process. We believe the modifications already made to the CBSV process represent a meaningful step that will enhance the utility and value of this service. However, we *recommend* that the SSA modify the CBSV consent process to improve the utility of this program and reduce the burden on both individuals and participating companies by allowing:

1. alternative methods for individuals to provide consent; and
2. flexibility with respect to requiring a stand-alone Form SSA-89.

In addition, we applaud the SSA for the development of the Consent Based Benefit Information System (“CBBI”), which will greatly improve coordination and accuracy of benefits payments. We *encourage* the SSA to continue to work closely with the industry in further development of the CBBI.

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<sup>1</sup> The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO. BITS is a division of the Roundtable, leveraging intellectual capital to address issues at the intersection of financial services, operations and technology. BITS focuses on strategic issues where industry cooperation serves the public good, such as critical infrastructure protection, fraud prevention, and the safety of financial services. Roundtable member companies provide fuel for America’s economic engine, accounting directly for \$65.8 trillion in managed assets, \$1 trillion in revenue, and 2.4 million jobs. The Identity Theft Assistance Center (“ITAC”) is an affiliate of the Roundtable dedicated to fighting identity theft through victim assistance, research and law enforcement partnerships. ITAC has helped more than 20,000 consumers restore their financial identities and is the leading source of verified data on identity theft crime.

<sup>2</sup> Social Security Administration, Agency Information Collection Activities: Comment Request, 72 Fed. Reg. 45079.

The government and financial services industry are fundamentally interested in reducing fraud, combating identity theft, and complying with customer identification obligations. Section 326 of the USA Patriot Act requires financial institutions to verify the identity of a customer and the accuracy of the information provided. The single most important tool to enhance financial institutions' efforts to validate an individual's identity is the verification of the presented Social Security number ("SSN") as being that of the holder of record in SSA's database.

The SSA's CBSV process is important to financial institutions and customers in deterring fraud and identity theft as it allows for the matching and verification of an applicant's SSN to the applicant. The system, as currently proposed by the SSA, requires that an entity submitting a request for verification of an individual's SSN obtain the paper-based, written consent of that individual via SSA Form SSA-89.

Requiring a written signature on consent Form SSA-89 has the potential to create a far greater burden on individuals than the estimated three minutes to read and fill out Form SSA-89.<sup>3</sup> It is conceivable that in some applications initiated electronically, a company could forward Form SSA-89 by mail. This could create an additional burden (both cost and time) for a company to mail this form and for the individual who will need to return the completed form by mail.

We believe that the lack of flexibility in the process will lead to decreased participation in the program.<sup>4</sup> The Roundtable urges the SSA to provide greater flexibility in the proposal by permitting customers to provide consent via paper and electronic means.

The Roundtable *recommends* that the CBSV process allow for more modern alternatives by permitting individuals to provide consent through electronic means. The consent regime, as currently designed, can only be met by financial institutions in limited contexts (e.g., mortgage lending, account opening at a bank branch). In many other instances this consent regime cannot be met easily or is simply impractical. For example, when an individual applies for a credit card online or opens an account online, use of the proposed consent process would not be feasible.

Given the growing demand for financial services over the Internet and by other electronic means, the Roundtable *recommends* that the CBSV be modified to allow an individual to provide consent electronically. Permitting electronic consent will enhance the utility and customer convenience of this program by allowing for the verification of those consumers who apply for credit cards online or open accounts online.

Additionally, many consumers access their financial accounts and acquire financial products over the phone. The Roundtable believes that a regime can be established to enable consumers to provide recorded, verbal consent, while still meeting concerns outlined by the SSA with respect to the proposed CBSV.

The Roundtable also *recommends* that the CBSV process allow for flexibility with respect to requiring a stand-alone Form SSA-89. Requiring a separate Form SSA-89 and prohibiting an integrated consent authorization in the base document adds unnecessary burden to the CBSV process. For example, a credit card application sent to an individual in the mail would require an extra piece of paper, as would any online

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<sup>3</sup> *Id.* at 45079.

<sup>4</sup> In a November 2006 survey conducted by BITS of twenty-nine large financial services companies, eight indicated they would not participate due to the paper based consent form requirement, and another five were undecided in part due to the paper based consent form requirement. One company estimated that \$9.1 million in fraud losses could be prevented annually if the company was able to use the CBSV program.

or offline application. While the Roundtable respects the SSA's intent to "ensure the authorizing individual has provided informed consent,"<sup>5</sup> this same objective could be accomplished by segregating the CBSV consent authorization in the document, or by requiring a signature dedicated to this authorization. Any marginal costs of auditing multiple versions would be borne by the entities choosing to adopt the forms, allowing for an efficient balancing of likely costs and benefits.

We also welcome the announcement of the development of the second stage of this program, the Consent Based Benefit Information System ("CBBI"). The CBBI will significantly improve coordination and integration of public and private disability income benefits and will provide private industry and other third party requesters with disability and retirement data, including insured status information, dates of entitlement, and benefit amounts. Clearly, this component will be beneficial to third party insurers and beneficiaries alike, helping to accurately assure payments to those who are receiving benefits. The CBBI program is of significant interest to a number of Roundtable member companies and we look forward to working with the SSA as this system is developed further.

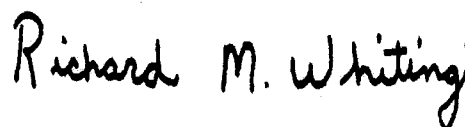
The Roundtable believes that if the aforementioned modifications are made, the system will be less burdensome to individuals and to companies who enroll in the system. These modifications will ensure greater participation in this program by financial services companies. These changes will also significantly expand the usefulness of the program by ensuring that financial services companies can use this verification process in a full range of their business applications and by helping to combat fraud. Allowing for the greater use of this program by financial institutions ultimately will benefit all consumers.

We appreciate your consideration of our views. If you have any questions, please feel free to contact us.

Sincerely,



Leigh Williams  
President  
BITS



Richard M. Whiting  
Executive Director and General Counsel  
The Financial Services Roundtable



Anne Wallace  
Executive Director  
Identity Theft Assistance Center

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<sup>5</sup> Consent Based Social Security Number Verification (CBSV), Addendum C: Response to Public Comments.