

BITS

FINANCIAL SERVICES
R O U N D T A B L E



IDENTITY THEFT ASSISTANCE CENTER®

December 11, 2009

Mr. Thomas F. Finigan
CBSV Program Manager
Social Security Administration
4338 Annex Building
6401 Security Blvd.
Baltimore, MD 21235

Fax: 410- 597- 0967
Email: Tom.Finigan@ssa.gov

RE: Consent Based Social Security Number Verification Price Increase

Dear Sir/Madam:

BITS, the technology policy division of The Financial Services Roundtable (“Roundtable”), ITAC, the Identity Theft Assistance Center, appreciate the opportunity to comment on the Social Security Administration’s (“SSA”) fee increase for the Consent Based Social Security Number Verification (“CBSV”) program, which went into effect on October 1, 2009.¹

Members of BITS, ITAC and the Roundtable strongly supported the creation of CBSV to increase assurance that only legitimate individuals open accounts or take out loans. Over the years, we have urged the SSA to enhance this service and encouraged financial institutions to participate in it.² The CBSV is an important tool that financial institutions use to prevent

¹ BITS provides intellectual capital and fosters collaboration to address emerging issues where financial services, technology, and commerce intersect for the member companies of The Financial Services Roundtable. The Identity Theft Assistance Center, is a nonprofit coalition of 38 financial services companies who display the ITAC logo to demonstrate their commitment to protecting customers from identity theft. ITAC’s victim assistance service – which has helped more than 60,000 consumers recover from identity theft – is available at no cost to the millions of consumers who have an account at an ITAC member company. 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 their Chief Executive Officers and other senior executives nominated by those CEOs. Roundtable member companies provide fuel for America’s economic engine, accounting directly for \$84.7 trillion in managed assets, \$948 billion in revenue, and 2.3 million jobs.

² See comments letters, [Roundtable/BITS/ITAC Comment Letter on the Social Security Administration's CBSV Process](#) (Sep 2007) and [BITS/Roundtable Comment Letter on the Social Security Administration's Consent-Based Social Security Verification Process](#) (Feb 2006)

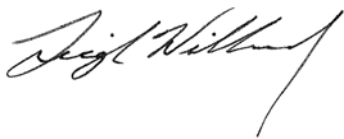
would be criminals from committing fraud and perpetrating identity theft. Many of our financial institution members value this service because it enhances their ability to verify the Social Security number (“SSN”) presented at account opening or during the loan application process to that of the holder of record in SSA’s database. It is a key component used to verify the identity of the applicant, thereby reducing the risk of identity theft and ensuring compliance with Section 326 of the USA Patriot Act that requires financial institutions to verify the identity of a customer and the accuracy of the information provided.

The SSA’s decision to increase fees from \$0.56 to \$5.00 per verification, combined with the SSA’s decision to discontinue providing manual telephone verification of SSNs, will substantially increase the cost of credit and regulatory compliance and reduce financial institution participation in this program. We do not believe this fee increase sends the right signal of support for public-private sector collaboration to reduce financial fraud and identity theft. A recent report published by the Javelin Strategy & Research Center stated that identity theft events increased 22 percent between 2007 and 2008, affecting approximately 10 million individuals. These statistics underscore the need to keep the CBSV affordable for our members and other participants in the credit/lending industry, not just from a member cost management perspective, but from a customer/consumer protection perspective.

The mission of ITAC, the Identity Theft Assistance Center, is to help consumers prevent and recover from identity theft. Consumers have a direct and vital interest in CBSV because, as noted above, it is a highly effective tool in combating identity fraud. Each time a financial services company uses CBSV to stop identity theft, a consumer is spared the emotional anguish and financial consequences of this terrible crime. ITAC urges SSA not to increase fees or otherwise restrict access to CBSV.

We ask that you reconsider your recent decisions regarding the CBSV and verbal verifications. We strongly believe the SSA should expand the CBSV program and strive to achieve scale and automation that would drive down the per-transaction cost to provide the service. If you have questions or comments on this matter, please do not hesitate to contact either of us or Heather Wyson, Director of the BITS Fraud Reduction Program, at Heather@fsround.org or 202.589.2446.

Sincerely,



Leigh Williams
BITS President



Anne Wallace
ITAC President