



4191-02-U

SOCIAL SECURITY ADMINISTRATION

[Docket No: SSA-2019-0052]

Agency Information Collection Activities: Proposed Request

The Social Security Administration (SSA) publishes a list of information collection packages requiring clearance by the Office of Management and Budget (OMB) in compliance with Public Law 104-13, the Paperwork Reduction Act of 1995, effective October 1, 1995. This notice includes one new collection.

SSA is soliciting comments on the accuracy of the agency's burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility, and clarity; and ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology. Mail, email, or fax your comments and recommendations on the information collection(s) to the OMB Desk Officer and SSA Reports Clearance Officer at the following addresses or fax numbers.

(OMB)

Office of Management and Budget

Attn: Desk Officer for SSA

Fax: 202-395-6974

Email address: OIRA_Submission@omb.eop.gov

(SSA)

Social Security Administration, OLCA

Attn: Reports Clearance Director

3100 West High Rise

6401 Security Blvd.

Baltimore, MD 21235

Fax: 410-966-2830

Email address: OR.Reports.Clearance@ssa.gov

Or you may submit your comments online through www.regulations.gov,
referencing Docket ID Number [SSA-2019-0052].

The information collection below is pending at SSA. SSA will submit it to OMB within 60 days from the date of this notice. To be sure we consider your comments, we must receive them no later than **INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER**. Individuals can obtain copies of the collection instruments by writing to the above email address.

Electronic Consent Based Social Security Number Verification -- 20

CFR 400.100 -- 0960-NEW. The electronic Consent Based Social Security Number Verification (eCBSV) is a fee-based Social Security Number (SSN) verification service that will allow permitted entities (a financial institution or service provider, subsidiary, affiliate, agent, subcontractor, or assignee of a financial institution as defined by Section 509 of the Gramm-Leach-Bliley Act, 42 USCA 405b(b)(4), Pub. L. No. 115-174, Title II, 215(b)(4).) to verify an individual's SSN based on the SSN holder's signed consent in connection with a credit transaction or any circumstance described in section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b).

Background

We are creating this system due to section 215 of the Economic Growth, Regulatory Relief, and Consumer Protection Act of 2018 (Banking Bill), Pub. L. 115-174. Permitted entities will be able to submit an SSN, name, and date of birth (DOB) to SSA for verification via an application programming interface. The purpose of the information collection is for SSA to verify for the permitted entity that the submitted name, DOB, and SSN matches, or does not match, the data contained in our records. After completing the enrollment process; paying for services; and obtaining SSN holder consent, the permitted entity submits the names, DOBs, and SSNs of number holders who gave valid consents to the eCBSV service. SSA matches the information against our Master File, using SSN, name, and DOB. The eCBSV Service will respond in real time with a match/no match indicator (and an indicator if our records show that the SSN Holder died). SSA does not provide specific information on what data elements did not match, nor does SSA provide any SSNs or other identifying information. In addition, the verification does not authenticate the identity of individuals or conclusively prove the individuals we verify are who they claim to be.

Consent Requirements

Under eCBSV, the permitted entity does not submit the number holder's consent documents to SSA. SSA requires each permitted entity to retain a valid consent for each SSN verification request for a period of five years

from the date of receipt of the consent form. The Banking Bill permits a Financial Institution's service provider, subsidiary, affiliate, agent, subcontractor, or assignee to seek verification of the SSN Holder's SSN on behalf of a financial institution pursuant to the terms of the SSN Holder's consent. In this case, the permitted entity shall ensure that the Financial Institution use the verification only for the purposes stated in the consent, and make no further use or disclosure of the verified SSN. The relationship will be subject to the contractual obligations as specified in the User Agreement that the permitted entity signs and submits to SSA.

Compliance Review

SSA requires each permitted entity to undergo compliance reviews to ensure the permitted entities obtained valid consent from number holders. An SSA approved certified public accountant (CPA) firm will conduct the compliance reviews. The reviews will ensure the permitted entities meet all terms and conditions of the User Agreement. The eCBSV fee will include all compliance review costs. In general, we will request annual reviews with additional reviews as necessary. The CPA follows review standards established by the American Institute of Certified Public Accountants and contained in the Generally Accepted Government Audit Standards (GAGAS). At any time, SSA may conduct onsite inspections of the requester's site, including a systems review, to ensure they adhered to the applicable requirements associated with collection and maintenance of consent forms, and to assess systems security overall.

The respondents to the eCBSV collection are the permitted entities;
members of the public who consent to the SSN verification; and CPAs who
provide compliance review services.

Type of Request: Request for a new information collection.

Time Burden

Requirement	Number of Respondents	Frequency of Response	Average Burden per Response (minutes)	Estimated Total Annual Burden (hours)	Average Theoretical Hourly Cost Amount (dollars)*	Total Annual Opportunity Cost (dollars)**
a) Complete eCBSV enrollment process***	10	1	120	20	\$36.98*	\$740**
a) Configure customer system for ability to send in verification requests	10	1	2,400	400	\$36.98*	\$14,792**
a) People whose SSNs SSA will verify - Reading and Signing	307,000,000	1	3	15,350,000	\$10.22*	\$156,877,000**
a) Sending in the verification request, calling our system, getting a response	307,000,000	1	1	5,116,667	\$36.98*	\$189,214,346**
b) Follow SSA requirements to configure application program interface	10	1	4,800	800	\$36.98*	\$29,584**
c) CPA Compliance	10	1	4,800	800	\$33.89*	\$27,112**

Review and Report****						
Totals	614,000,040			20,468,687		\$346,163,574**

* We based these figures on average Business and Financial operations occupations and Certified Public Accountants' hourly salaries, as reported by Bureau of Labor Statistics data, and per average Disability Insurance (DI) payments, as reported in SSA's DI payment data.

** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. **There is no actual charge to respondents to complete the application.**

***The enrollment process entails reviewing and completing eCBSV User Agreement and financial requirements package; visiting the Department of the Treasury's Pay.gov to make payment for services; and submitting a permitted entity certification via email.

**** There will be one CPA firm respondent (an SSA-approved contractor) to conduct compliance reviews and prepare written reports of findings on the 10 permitted entities.

Cost Burden

The public cost burden is dependent upon the number of permitted entities and annual transaction volume. In FY 2019, 10 companies enrolled out of 124 applications received to participate in eCBSV. We based the cost estimates below on 10 participating permitted entities in FY 2020 submitting an anticipated volume of 307,000,000 transactions. The Banking Bill requires that we collect at least 50 percent of the start-up costs (i.e., that we collect \$9.2 million) before we may begin development of the eCBSV verification system. SSA will recover the remaining development costs over three years using the following tier fee schedule:

eCBSV Tier Fee Schedule

Tier	Volume Threshold	Annual Fee
<u>1</u>	1 - 1,000	\$400
<u>2</u>	1,001 - 10,000	\$3,030
<u>3</u>	10,001 - 200,000	\$14,300
<u>4</u>	200,001 - 50 million	\$276,500
<u>5</u>	50,000,001 - 2 billion	\$860,000

Each enrolled permitted entity will be required to remit the above tier based subscription fee for the 365-day agreement period and the appropriate administrative fee. We will charge newly enrolled entities a startup administrative fee of \$3,693. After the initial year, we will charge the entities a renewal administrative fee of \$1,691 each time the agreement is renewed or amended. We calculated the fees based on forecasted systems and operational expenses; agency oversight, overhead and CPA audit contract costs.

In addition, SSA will periodically recalculate costs to provide eCBSV services and adjust the fees charged as needed. We will notify companies of a fee adjustment at the renewal of the eCBSV User Agreement and via notice in the Federal Register; companies have the opportunity to cancel the agreement or continue service using the new fee.

Dated: December 2, 2019.

Faye I. Lipsky,

Director, Office of Regulations and Reports Clearance,

Social Security Administration.

