

**Justification for Non-Substantive Changes**  
**Consent Based Social Security Number Verification (CBSV) Service**  
**20 CFR 41.100**  
**OMB No. 0960-0760**

**Explanation of Change:**

The Social Security Administration's (SSA) consent based Social Security number verification (CBSV) service provides fee-based Social Security number (SSN) verification to private businesses and government agencies that obtain a valid, signed consent form from the SSN holder. Participating businesses and agencies can use the verification results only for the reason the SSN holder specifies on the consent form. CBSV provides instantaneous, automated verification results, and handles large volume requests.

SSA charges a fee to recover the costs we incur in providing this service. To use CBSV, companies must pay a one-time, non-refundable enrollment fee of \$5,000, and pay a transaction fee per SSN verification request. The SSN verification transaction fee currently approved by OMB is \$1.40. However, we are requesting to decrease the SSN verification transaction fee to \$1.00, based on an annual projected cost analysis.

Periodically, SSA recalculates incurred costs to operate the CBSV service and adjusts the transaction fee charged when needed. We notify customers in writing about any change in the transaction fee, and publish a Federal Register Notice announcing the rate adjustment to the public.

**Volume of Use Exceeds Expectations**

During our most recent evaluation of our operating costs and forecasted volume to determine the transaction rate for the use of the CBSV service, we performed a projected cost analysis. This analysis shows a steady increase in CBSV transactions (i.e., the number of SSN verifications) which will affect future fiscal years. Concurrently, our reported costs continue to decrease.

We propose decreasing the transaction rate from \$1.40 to \$1.00. This will ensure the fee revenue is sufficient to cover the associated costs of operating the CBSV service. Keeping the rate at \$1.40 would result in continued large end-of-the-year refunds to all enrolled companies. We are required to review the costs each year to determine a rate that is as close to break-even as possible. This rate adjustment will allow us to continue compliance reviews, provide agency oversight, and make necessary system enhancements to sustain the CBSV service we provide.

In addition to reducing the cost per transaction, with expected growth in FY 2017, we anticipate the volume of transactions will increase. This activity will increase the public burden by 7,638 hours and decrease the cost to respondents by \$942,300 (decreased costs borne collectively by the 90 projected businesses enrolled in the CBSV service).

Estimated Per SSN Transaction Fee - \$1.00 x 2,700,000 SSN requests (2,700,000 responses per year) = \$2,700,000 approximately.

Current burden under collection instrument Form SSA-89 (SSN Verification Consent Form) shows 2,500,000 respondents with a burden of 194,862 burden hours. This change to our transaction fee will increase the number of respondents for this collection instrument (SSA-89) to 2,700,000, thus increasing the burden to 202,500 hours. See below for breakdown of the information collection's total annual burden and costs:

<b>Burden</b>	<b>Responses</b>	<b>Hours</b>	<b>Cost</b>
Current	2,500,000	194,862	4,539,300
New	2,700,000	202,500	3,597,006
<b>Change due to Agency Adjustment</b>	<b>200,000</b>	<b>7,638</b>	<b>-942,249</b>

We adjusted our burden calculations within ROCIS accordingly, and we intend to implement the new transaction fee on October 1, 2016, upon OMB's approval.