

March 6, 2018

The Honorable Mike Crapo
Chairman
Senate Committee on Banking, Housing, Urban Affairs
538 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Crapo:

The undersigned organizations write to express our support for S. 2498, the Protecting Children from Identity Theft Act, introduced by Sens. Tim Scott (R-SC), Claire McCaskill (D-MO), Bill Cassidy (R-LA) and Gary Peters (D-MI). Furthermore, we encourage you to include this legislation in S. 2155, the Economic Growth, Regulatory Relief, and Consumer Protection Act as it moves to the floor of the Senate.

Synthetic identity theft involves the use of stolen Social Security numbers (SSNs) combined with fabricated data to create a credit file, which is leveraged over time to obtain credit. SSNs of young children are the primary target of criminals since children have no pre-existing credit histories. To make matters worse: Once a child's SSN is used to commit this type of identity fraud, the burden will be on that child once he or she discovers the abuse – often many years later when applying for a student loan or first credit card – to prove the SSN is theirs and clean up the mess.

This legislation would make it possible to stop synthetic identity fraud in its tracks by permitting financial institutions to verify with the Social Security Administration whether or not an applicant's name, date-of-birth and SSN are a match. This extra piece of fraud-prevention data – obtained with the electronic consent of the consumer – will have the effect of stopping the synthetic identity from being created, thus never compromising the child's stolen SSN, and potentially even filtering out established synthetic identities currently in the credit system.

S. 2155 contains a title devoted to consumer protection, and we believe the Protecting Children from Identity Theft Act would be an important addition.

Sincerely,

American Bankers Association
Consumer Bankers Association
Financial Services Roundtable
U.S. Chamber of Commerce

CC: The Honorable Jeb Hensarling
Chairman
House Committee of Financial Services
2129 Rayburn House Office Building
Washington, DC 20515