

October 10, 2018

The Honorable Lynn Jenkins, Chairman  
The Honorable John Lewis, Ranking Member  
Committee on Ways & Means, Subcommittee on Oversight  
United States House of Representatives  
Washington, D.C. 20515

Dear Chairman Jenkins and Ranking Member Lewis:

On September 26, 2018 the Subcommittee held a hearing entitled, "IRS Taxpayer Authentication: Strengthening Security While Ensuring Access." We appreciate your focus on the IRS' taxpayer authentication procedures and look forward to working with you to make sure the system is secure, accessible and able to respond to a changing business environment.

The IRS Income Verification Express Service (IVES) serves a crucial role within the consumer and home lending process. Our associations represent institutions that use the service daily to verify consumers' financial information, thereby enabling financial institutions to extend credit to consumers. Our member institutions are committed to data security at every level and are pleased to partner with the IRS to protect our customers' data.

The IRS announced at the end of last year that new security protocols (known as Secure Access) would take effect within their broader e-Services platform. Our member institutions adapted their internal systems to comply with this new authentication process and engaged IRS leadership to address technical challenges and minimize disruptions to the credit markets.

The IRS' decision to implement Secure Access and ongoing efforts to redact certain personally identifiable information are strong steps to help protect the American taxpayer. Our member institutions have been discussing ways to improve the security of the IVES system while moving toward a modern, secure and fully integrated Business to Government (B2G) solution, as contemplated by HR 3860, the IRS Data Verification Modernization Act of 2017.

As the Subcommittee continues to examine taxpayer authentication procedures and process improvements, we encourage you to consider the creation of a secure, fully integrated and cost-effective B2G solution that can operate in our dynamic economy and protect against evolving threats. Our member institutions support a streamlined process that promotes efficiency while minimizing the burden on participants.

We support Congressional efforts to make investments in technology improvements at the IRS and are pleased to note the agency's leadership support for updating critical systems. An integrated, internet-based B2G solution for taxpayer authentication would be more beneficial for data security than a piecemeal approach.

Thank you for your continued work on this important issue and we welcome the opportunity to continue to discuss these issues with you moving forward.

Sincerely,

American Bankers Association  
Consumer Bankers Association  
Consumer Data Industry Association  
Consumer Mortgage Coalition  
Credit Union National Association  
Housing Policy Council  
Independent Community Bankers of America  
Mortgage Bankers Association  
National Association of Federally-Insured Credit Unions