

**Before the
Department of Commerce
and National Institute of Standards and Technology
Washington, D.C.**

In the Matter of)
)
Models of Governance Structure for the) Docket No. 110524296-1289-02
National Strategy for Trusted Entities in)
Cyberspace)

COMMENTS OF VERIZON

A key to the success of the National Strategy for Trusted Identities in Cyberspace (NSTIC) is constructive collaboration across diverse organizations. Verizon supports the involvement of the National Institutes of Standards and Technologies (NIST) to help foster that involvement on a voluntary basis. Verizon, which has invested numerous resources to create and maintain a successful Identity Management (IdM) practice and line of business, will be a supportive player to work towards support of identities that can be trusted. In order to help ensure that the mission of the NSTIC and the steering group are successful, Verizon offers the following comments regarding the guiding principles that should shape the NSTIC and essential roles for the steering group.¹

One of the primary benefits NSTIC provides is the propagation and deployment of the NIST standards that have precipitated international acceptance of identity standards, e.g., Federal Information Processing Standard 201 (FIPS 201). An overarching tenet of NSTIC is governance by the private sector, informed by principles of inclusion, diversity, and transparency. Any steering group must establish processes and procedures to ensure that such goals are achieved

¹ Verizon's responses to specific questions posed in the NIST *Notice of Inquiry*, 76 FR 34650 (2011), follow these Comments.

and that the group stays on course while preserving any existing processes and policies that have already proven effective.

NIST should recognize the important - but limited - role of the Federal government. The government will be vital in the start-up phase and will remain a stakeholder in the process. However, as NSTIC evolves, it must be led by the private sector, not the government. The best way to foster the necessary cooperation required to achieve a national strategy is to preserve the voluntary, stakeholder-led nature of the organization.

Due to the nature of the federal budget process, the private sector is concerned that funding may not be available to ensure that the steering group will have the resources to complete its work to develop NSTIC principles. The private sector is also concerned that the use of Federal funds will require compliance with burdensome oversight requirements that may inhibit the work of the steering group. To address these concerns, the Federal government must work to secure funding source(s) for the steering group and to streamline any oversight requirements as much as possible. Once the NSTIC steering group is formed, this group should be able to determine the funding sources.

Steering group membership should represent the following broad groups of relevant stakeholders: identity providers, relying parties, identity recipients, privacy/consumer advocates, technology providers, academics, and government representatives. Ideally, whether the steering group member is recruited from the healthcare industry, an advocacy organization or academia, members will be selected whose interests tie them to more than one of these groups. For example, Verizon is a telecommunications provider, an identity provider, a relying party, a technology provider, and an identity recipient. The profile of the steering group should be strategically developed to ensure that there is representation across all of these broad groups.

The steering group will also need a legal framework that enables the group's members to accomplish its task without fear of legal action. Notably, stakeholders should be immune or indemnified from any liability surrounding their work on the group, provided that the stakeholder follows the rules and accreditation procedures identified by NSTIC and the steering group. NSTIC can draw upon the successful models used today by Visa International Service Association (VISA), the Payment Card Initiative (PCI), CertiPath and the SAFE Bio-Pharma consortium to form its accreditation procedures. The NSTIC steering group will also need rules that enable it to de-certify stakeholders that do not abide by the procedures established. In this regard, the NSTIC should consider adopting de-certification rules similar to those used by VISA.

Finally, the NSTIC should ensure that the steering committee operates and is perceived as operating as a group developing practices and principles for use by the private sector. By ensuring that the steering group operates in this manner and not as an advisor to the Federal government, the steering group would remain free from the requirements of the Federal Advisory Committee Act (FACA)² [fn cite], which would require Congress, among other things, to define the steering committee's purpose, control its membership, and create potentially burdensome reporting requirements. Rather than acting as an overseer of these efforts, which could overly restrict the workings of the group, the Federal government should participate as a stakeholder, still enabling the government to ensure that its interests are addressed.

The *Notice of Inquiry* also seeks comment on the functions the steering group should perform in order to achieve its goals. Verizon believes the steering group should draw upon the lessons learned by steering group members' and other stakeholders' experiences, practices, and policies towards developing recommendations for interoperable identity solutions to access

² See 5 USC Appendix 2.

online services. Towards that end, the essential roles for the NSTIC governance committee or steering group are to:

- determine the processes for establishment of identity standards, including the assurance levels, identity proofing, validation, technology, and interoperability requirements;
- determine and maintain development of policies, including, but not limited to, registration, technology, interoperability, security;
- determine the standards for accreditation of the policies and standards to ensure proper adherence to federated and trusted identities;
- identify the stakeholder groups and facilitate their involvement in NSTIC; and
- develop a funding model to ensure that NSTIC is self-sufficient.

To ensure success of NSTIC's principles, the steering group should incorporate the best ideas from current collaborations of private industry.³ All of these groups and organizations are industry led. They are comprised of competitors that worked together to develop a common set of policies and processes to benefit their collective interests. By drawing on the experiences, expertise and practices of key stakeholders and other private industry groups, the steering committee can accomplish its goals in an efficient and effective manner.

³ Examples include the Smart Card Alliance, Transglobal Secure Collaboration Program, SAFE Bio-Pharma, the Organization for the Advancement of Structured Information Standards, Kantara, the Payment Card Initiative, and NACHA—the Electronics Payment Association.

Conclusion

NIST should help foster a collaborative NSTIC that relies on the voluntary cooperation of the private sector as outlined in these comments.

Respectfully submitted,

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Appendix A – Verizon Response to Selected Questions in the Notice of Inquiry

Section 1: Structure of the Steering Group

1.1. Given the Guiding Principles outlined in the Strategy, what should be the structure of the steering group? What structures can support the technical, policy, legal, and operational aspects of the Identity Ecosystem without stifling innovation?

- a. Steering group candidates must recognize each other as peers
 - NSTIC governance committee and its working groups should be liaisons with existing SDOs/Industry Working Groups
 - Due to the conflicting nature of some communities, consensus will be need to be negotiated; however, procedures will need to be considered to ensure that conflicting views on issues are resolve and the work of the NSTIC does not stall
- b. Build a development model based on phases, e.g. Stage 1: Design; Stage 2: Rules; Stage 3: Execution
 - Develop steering group in phases, and must be flexible to react to changing circumstances
 - Prioritize designation of stakeholder groups
 - Neither NIST or any other Federal government oversight institutionalized in steady-state steering group governance principles
 - Ensure that all stakeholders have voice on Steering Committee, including smaller or newer contributors to the online identity space
- c. Ensure that all stakeholders have a voice on the steering group, including smaller or newer contributors to the online identity space
 - Focus outreach to privacy and consumer end-user communities
 - Leverage the engagement of stakeholder organizations already well-integrated with their constituencies (e.g. nonprofits like AARP, trade groups, well-regarded Standards Development Organizations)
- d. Minimize adverse legal impacts caused by government involvement
 - If the steering group is designed to, or perceived as, advising on government policy, it may become subject to the constraints and obligations of the Federal Advisory Committee Act (FACA)
 - Private sector leadership – with government participating as one among many stakeholder groups - will create the best formula for success

1.4. Are there functions that the steering group must have that are not listed in this notice? How do your suggested governance structures allow for inclusion of these additional functions?

- a. Steering Committee must create a sustainable funding model
 - Government to provide seed money, but essential task of steering group to identify long-term funding source(s)
 - Representation or involvement should not be contingent on a fee, but, for example, funding source could be fund from trustmark fees similar to the structure of the Underwriter Labs

1.5. To what extent does the steering group need to support different sectors differently?

- Different sectors will not require drastically different support strategies if effort is made to recruit diverse, qualified stakeholder groups and to institutionalize collaborative governance principles.

1.6. How can the steering group effectively set its own policies for all Identity Ecosystem participants without risking conflict with rules set in regulated industries? To what extent can the government mitigate risks associated with this complexity?

- a. Don't break anything that is working today
- Build upon existing infrastructure, policies, processes, and standards
 - Identify existing weaknesses and incorporate fixes into the phased development plan

1.7. To what extent can each of the Guiding Principles of the Strategy—interoperability, security, privacy and ease of use—be supported without risking “pull through” regulation from regulated participants in the Identity Ecosystem?

- All participating organizations must abide by the same regulations without undue burdens. Regulations and legislation may need to be changed so that organizations affected by “pull through” legislation can operate equitably with those organizations that are not impacted by such stringent rules, e.g. finance, telecommunications, healthcare versus technology providers. This will ensure equitable participation for all participants.

1.8. What are the most important characteristics (e.g., standards and technical capabilities, rulemaking authority, representational structure, etc.) of the steering group?

- Think in terms of goals not milestones
- Ensure targets, but avoid liability or other repercussions if they are not met
- Qualified membership drawn from diverse stakeholder groups, ideally able to represent the interests of more than one of the stakeholder subgroups identified above

1.9. How should the government be involved in the steering group at steady state? What are the advantages and disadvantages of different levels of government involvement?

Federal government is a stakeholder, not an administrator

- The Federal government must not have oversight power in steady state
- The Federal government could be own stakeholder group (i.e. federal, state, tribal, local, foreign etc.)
- The Federal government could be involved in more general stakeholder groups, e.g., as a Relying Party

Section 2: Steering Group Initiation

2.1. How does the functioning of the steering group relate to the method by which it was initiated? Does the scope of authority depend on the method? What examples are there from each of the broad categories above or from other methods? What are the advantages or disadvantages of different methods?

- a. Model of phased development (Stage 1: Design, Stage 2: Rules, Stage 3: Execution)
 - Utilize a model of phased development
 - Development of Steering Committee must come in phases, and must be flexible to react to changing circumstances
 - Must prioritize designation of stakeholder groups
 - No “NIST or Federal government oversight” in steady-state
- b. Don't break anything that's working today
 - Focus should be on building up from existing infrastructure, policies, processes, and standards
 - Identify weaknesses and develop an action plans to address them
 - Supporting the visibility of “trusted identity”

2.2. While the steering group will ultimately be private sector-led regardless of how it is established, to what extent does government leadership of the group's initial phase increase or decrease the likelihood of the Strategy's success?

- a. Government provides seed money
 - Will need both monetary and in-kind support to get Steering Committee off the ground in initial stages
 - Included in that is the funding of pilots
 - Government will also need to deliver customers
- b. Model of phased development (Stage 1: Design, Stage 2: Rules, Stage 3: Execution)
 - Utilize a model of phased development
 - Development of Steering Committee must come in phases, and be flexible to react to changing circumstances
 - Must prioritize designation of stakeholder groups
 - No “NIST or Federal government oversight” in steady-state
- c. Minimize adverse legal impacts caused by government involvement
 - If the Steering Committee is perceived as advising the government on policy, then Federal Advisory Committee Act (FACA) will need to be enacted.
 - If private sector leads as by design, (and government becomes a stakeholder participant) then FACA can be avoided

2.3. How can the government be most effective in accelerating the development and ultimate success of the Identity Ecosystem?

2.4. Do certain methods of establishing the steering group create greater risks to the Guiding Principles? What measures can best mitigate those risks? What role can the government play to help to ensure the Guiding Principles are upheld?

- a. Government provides seed money
 - Will need both monetary and in-kind support to get Steering Committee off the ground in initial stages
 - Funding will need to include funding for pilot implementations
 - Government will also need to deliver customers
- b. Model of phased development
 - Utilize a model of phased development (Stage 1: Design, Stage 2: Rules, Stage 3: Execution)
 - Development of Steering Committee must come in phases, and be flexible to react to changing circumstances
 - Must prioritize designation of stakeholder groups
 - No “NIST or Federal government oversight” in steady-state
- c. Minimize adverse legal impacts caused by government involvement
 - If the Steering Committee is perceived as advising the government on policy, then Federal Advisory Committee Act (FACA) will need to be enacted.
 - If private sector leads as by design, (and government becomes a stakeholder participant) then FACA can be avoided

2.5. What types of arrangements would allow for both an initial government role and, if initially led by the government, a transition to private sector leadership in the steering group? If possible, please give examples of such arrangements and their positive and negative attributes.

- a. Federal government is a stakeholder, not an administrator
 - The Federal government is removed from oversight power in steady-state
 - The Federal government could be own stakeholder group (i.e. federal, state, tribal, local, foreign etc.)
 - The Federal government could be involved in more general stakeholder groups, e.g., as a Relying Party

Section 3: Representation of Stakeholders in the Steering Group

3.1. What should the make-up of the steering group look like? What is the best way to engage organizations playing each role in the Identity Ecosystem, including individuals?

- a. Peer relationship among members must exist
 - The NSTIC governance and its working groups should be liaisons with existing SDOs/Industry Working Groups
 - Due to the conflicting nature of some communities, consensus will be needed however, procedures will need to be considered to ensure that conflicting views are resolved and the work of the NSTIC does not stall
- b. Conscious effort to involve privacy/consumer/end-user constituencies
 - Ensure that all stakeholders have voice on Steering Committee, including smaller or newer contributors to the online identity space
 - Steering committee must initiate education/communication platform for end-users
 - Leverage organizations that are already engaging broad populations of people (e.g. NGOs like AARP, Trade Groups, SDOs)
 - Consumer role could be multiple organizations/groups with a single vote
- c. Equal representation between all stakeholders
- d. Government has a non-voting role to provide structure and drive standards, however, they may vote as a stakeholder representative.

3.2. How should interested entities that do not directly participate in the Identity Ecosystem receive representation in the steering group?

- a. Open sessions should be held to review status at given milestones/checkpoints to provide opportunity for open dialogue and transparency
- b. Interested entities representation in steering group should be through open session feedback or through the constituency group most closely affiliated with their role or stakeholder group.
- c. Conscious effort to involve privacy/consumer/end-user constituencies
 - Ensure that all stakeholders have voice on Steering Committee, including smaller or newer contributors to the online identity space
 - Steering committee must initiate education/communication platform for end-users
 - Leverage organizations that are already engaging broad populations of people (e.g. NGOs like AARP, Trade Groups, SDOs)

3.3. What does balanced representation mean and how can it be achieved? What steps can be taken guard against disproportionate influence over policy formulation?

- a. Agreement on guiding principles up front is critical. Any rulings/policy decisions that contradict a principle need to be separately voted on.
- b. Conscious effort to involve privacy/consumer/end-user constituencies
 - Ensure that all stakeholders have voice on Steering Committee, including smaller or newer contributors to the online identity space
 - Steering committee must initiate education/communication platform for end-users
 - Leverage organizations that are already engaging broad populations of people (e.g. NGOs like AARP, Trade Groups, SDOs)

3.4. Should there be a fee for representatives in the steering group? Are there appropriate tiered systems for fees that will prevent “pricing out” organizations, including individuals?

- Government to provide seed money, but that cannot be relied on after initial start-up
- Representation of stakeholders not contingent on fee to ensure engagement of stakeholders with less financial resources
- Funding source could be excise revolving fund from trustmark fees similar to the structure of the Underwriter Labs

3.7. How can appropriately broad representation within the steering group be ensured? To what extent and in what ways must the Federal government, as well as State, local, tribal, territorial, and foreign governments be involved at the outset?

- a. Federal government is a stakeholder, not an administrator
 - The Federal government must be removed from oversight power in steady-state
 - The Federal government could be own stakeholder group (i.e. federal, state, tribal, local, foreign etc.)
 - The Federal government could be involved in more general stakeholder groups, e.g., as a Relying Party
- b. Sensitivity to requirements for international collaboration
 - Diplomacy will be needed and the potential need for international representation in the NSTIC
 - Open, collaborative approach
 - Definition of stakeholders must take international community into account
 - International community should be informed by their stakeholder representatives, including their partners located within the United States.

Section 4: International

4.1. How should the structure of the steering group address international perspectives, standards, policies, best practices, etc.?

- a. Standards and policies should be one of the working groups under the NSTIC steering group
- b. International representation is warranted but in a non-voting role; however, their voice can be heard via their US partnerships
- c. Sensitivity to requirements for international collaboration
 - Open, collaborative approach
 - Definition of stakeholders must take international community into account
 - International community should be informed by their stakeholder representatives, including their partners located within the United States (isn't this just repeating b)

4.2. How should the steering group coordinate with other international entities (e.g., standards and policy development organizations, trade organizations, foreign governments)?

- a. Regular checkpoints/meeting dates should be established early in the process with sensitivity to the needs of international stakeholders
- b. Requirements for international collaboration
 - Database of stakeholder organization should include data fields for international memberships; language capacities; specializations in related international fields (industry, privacy, engineering, etc.)
 - Definition of stakeholders must take international community into account
 - International community should be informed by their stakeholder representatives, including their partners located within the United States.

4.4. How should the steering group maximize the Identity Ecosystem's interoperability internationally?

- a. While NSTIC is, by definition, a U.S.-centric strategy, it is impossible that credible policies will not at least acknowledge international concerns; cyberspace, obviously, has no borders. Steering group principles must acknowledge international peers, and should institutionalize procedures to ensure outreach efforts are informed and credible.

4.5. What is the Federal government's role in promoting international cooperation within the Identity Ecosystem?

- a. The Federal government is an example of a stakeholder group within the steering group, but must be only one among many stakeholder groups engaged in NSTIC international activities, and the steering group must have policies in place that define Federal government international activities on behalf of NSTIC as those of a stakeholder and not the vanguard, and distinguish these activities from others that might be driven by Federal government policy.