DRAFT Request for Comments
Modernizing the Treasury List of Certified (surety) Companies

Background

An Executive Order has been issued to implement the President's DOGE Agenda, by modernizing Federal technology and software to maximize governmental efficiency and productivity.

> Sec. 4. *Modernizing Federal Technology and Software to Maximize Efficiency and Productivity*. (a) The USDS Administrator shall commence a Software Modernization Initiative to improve the quality and efficiency of government-wide software, network infrastructure, and information technology (IT) systems. Among other things, the USDS Administrator shall work with Agency Heads to promote inter-operability between agency networks and systems, ensure data integrity, and facilitate responsible data collection and synchronization.

The Treasury List of Certified Companies (T-List) provides key data on surety companies that have been certified by Treasury for acceptance on federal projects. Information on the T-List on each surety includes various static data points, including NAIC number, address, phone number licensing and is utilized by a wide range of stakeholders, public and private, for administering surety bonds.

To support the president's agenda Treasury is seeking comments on proposed steps for modernizing the T-List to improve efficiency, promote data interoperability and facilitate synchronization. Adding actionable data to static data.

Proposed Modernization Improvements

1. Include the Legal Entity Identifier (LEI) for each surety.
    - The LEI enables superior tracking of entities, related entities and ultimate ownership that would exceed the current NAIC number, or limited data provided.
    - The LEI is international, which is critical in a global economy.

    Cost
    - Minimal one-time expense

    Benefit
    - Better tracking of entities, domestic and international.
    - Multi industry (NAIC only insurance industry)

2. Include the URL for digital validation of surety bonds and retrieval of the surety bond data set in XBRL.
    - Each surety can register their URL to validate surety bonds that return a standardized surety bond data set in XBRL for stakeholders to be able to access and import into their respective systems.
    - Surety can elect to validate directly, through a designated third party or establish an industry repository.
    - Data can be accessed by manual process or API call.

    Cost
    - Minimal one-time expense to set up the process to link the URL to each surety company.
    - Occasional updating (no more than current)

Benefit

- Enables stakeholder engagement with a digital ecosystem based on open standards.
- No endorsements, exclusivity or proprietary systems imposed.
- Provides stakeholders with actionable data to import into their respective systems.
- Improves risk management options.
- Eliminates expensive and time-consuming manual processing of surety bonds.
- Eliminate errors in processing data.
- Eliminate fraud from bonds that are not duly authorized.
- Creates a digital links for stakeholders to engage in a digital ecosystem.

Summary
There are approximately 108,000 federal and over 500,000 state contracts awarded each year. Each manual bond takes about 30 minutes to prepare, up to three days to deliver, and about 30 minutes for the receiver to validate and confirm it is correctly completed.

An API call to the surety URL provided by the T-List would eliminate the over 600,000 hours spent every year manually processing paper bonds with no actionable data. Replaced with instant importable actionable data, including the LEI, that can deliver expanded functionality at no extra cost.

This significant cost saving and increased efficiency is consistent with the president's agenda, enabled by legislation that created and promoted digital ecosystems based on open standards like XBRL that can be implemented today.

Request for Comments
Please provide:

1. What your stakeholder role is; Federal agency, state agency, surety company, surety broker, contractor, supplier, software developer, other.

2. What is your current approximate amount of time and expense currently spent on issuing paper bonds and estimated savings with digital surety bonds.

3. What barriers are there to your implementing digital verification of a surety bond utilizing the T-List.

4. What benefits or positive aspects have not been identified.

5. What costs or negative points have not been identified but should be considered.

6. How long would it take your entity to implement importing the standardized surety bond data set into your respective systems.

7. How do improved functionality of digital surety bonds help small businesses?

8. How do digital surety bonds help state and local agencies.

9. How do digital surety bonds help general contractors and other users of surety bonds.

10. Do you recommend Treasury to modernize the T-List with the LEI and URL for validation and retrieves a digital surety bond.