

IMPROVING SOCIAL SECURITY'S SERVICE TO VICTIMS OF
 IDENTITY THEFT ACT

JUNE 29, 2018.—Committed to the Committee of the Whole House on the State of
 the Union and ordered to be printed

Mr. BRADY of Texas, from the Committee on Ways and Means,
 submitted the following

R E P O R T

[To accompany H.R. 6084]

[Including cost estimate of the Congressional Budget Office]

The Committee on Ways and Means, to whom was referred the bill (H.R. 6084) to amend title VII of the Social Security Act to provide for a single point of contact at the Social Security Administration for individuals who are victims of identity theft, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Improving Social Security’s Service to Victims of Identity Theft Act”.

SEC. 2. SINGLE POINT OF CONTACT FOR IDENTITY THEFT VICTIMS.

(a) IN GENERAL.—Title VII of the Social Security Act (42 U.S.C. 901 et seq.) is amended by adding at the end the following:

“SECTION 714. SINGLE POINT OF CONTACT FOR IDENTITY THEFT VICTIMS.

“(a) IN GENERAL.—The Commissioner of Social Security shall establish and implement procedures to ensure that any individual whose social security account number has been misused (such as to fraudulently obtain benefits under title II, VIII, or XVI of this Act, in a manner that affects an individual’s records at the Social Security Administration, or in a manner that prompts the individual to request a new social security account number) has a single point of contact at the Social Security Administration throughout the resolution of the individual’s case. The single point of contact shall track the individual’s case to completion and coordinate with other units to resolve issues as quickly as possible.

“(b) SINGLE POINT OF CONTACT.—

“(1) IN GENERAL.—For purposes of subsection (a), the single point of contact shall consist of a team or subset of specially trained employees who—

“(A) have the ability to coordinate with other units to resolve the issues involved in the individual’s case, and

“(B) shall be accountable for the case until its resolution.

“(2) TEAM OR SUBSET.—The employees included within the team or subset described in paragraph (1) may change as required to meet the needs of the Social Security Administration, provided that procedures have been established to—

“(A) ensure continuity of records and case history, and

“(B) notify the individual when appropriate.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 180 days after the date of enactment of this Act.

I. SUMMARY AND BACKGROUND

A. PURPOSE AND SUMMARY

H.R. 6084, as reported by the Committee on Ways and Means, amends Title VII of the Social Security Act to require the Social Security Administration (SSA) to provide a single point of contact to any individual who needs to resolve a problem with the SSA because of misuse of his or her Social Security number (SSN). The bill aims to make it easier and less confusing for an identity theft victim to resolve issues related to the misuse of his or her SSN by providing a single point of contact within the SSA until all associated issues are resolved.

B. BACKGROUND AND NEED FOR LEGISLATION

Identity theft is a serious issue affecting tens of millions of Americans. The Federal Trade Commission, the lead federal agency

on identity theft, reported almost 400,000 complaints of identity theft in 2017, an almost 30 percent increase from 2013.¹

The SSN continues to be an increasingly valuable target for identity theft due to its widespread use throughout the public and private sectors. SSN misuse—when a person other than the rightful numberholder incorrectly or improperly uses a numberholder’s SSN—can create additional difficulties for identity theft victims if they need to contact the SSA as a result of such misuse. Cases of SSN misuse may require individuals to contact the SSA to disclaim fraudulently claimed benefits, correct earnings records, or apply for a new SSN.

Resolving an issue related to SSN misuse can be complex, and may require an individual to face multiple, different processes requiring him or her to speak to multiple, different people before the issue can be resolved. For example, if it is the first time a person’s SSN has been identified as being associated with a fraudulent or anomalous benefit claim, the process will vary depending on whether the fraudulent or anomalous claim is first noticed by the individual or by the SSA. If the individual notices a fraudulent claim themselves, the individual will need to contact the SSA, generally by phone or in person, and ultimately the individual will have to go into a field office to resolve the issue. If the SSA identifies a claim as anomalous, the SSA’s Workload Support Unit (WSU) will mail a notice to the claimant requesting that he or she contact an employee at the WSU to discuss the claim. The WSU will also apply a flag indicating that anomalous activity has been associated with the SSN. When the claimant calls the WSU as instructed on the notice, the employee will generally direct him or her to visit his or her local field office to process the claim or resolve any associated issues. If an individual’s SSN has previously been used to file a fraudulent claim, there is no guarantee that he or she will have the same point of contact within the SSA to resolve subsequent fraudulent claims. In each of these circumstances, the identity theft victim could end up speaking with multiple, different employees to resolve the issue.

Identity theft victims whose benefits have previously been fraudulently claimed cannot file subsequent legitimate claims online or by phone and are required to do so in person at a field office. If the claimant attempts to file online, the claim will not be processed and he or she will be directed to contact the SSA, which may require him or her to speak with multiple SSA employees. Similarly, if the claimant attempts to file by phone, the claim will not be processed and he or she may be required to speak with multiple SSA employees, first by phone and then in person at a field office.

C. LEGISLATIVE HISTORY

Background

H.R. 6084 was introduced on June 13, 2018, as the “Improving Social Security’s Service to Victims of Identity Theft Act,” and was referred to the Committee on Ways and Means.

¹ *Consumer Sentinel Network Data Book for January—December 2015*, FEDERAL TRADE COMMISSION, at page 79 (February 2016) and *Consumer Sentinel Network Data Book for January—December 2017*, FEDERAL TRADE COMMISSION, at page 91 (March 2018).

Committee hearings,

On May 23, 2017, the Social Security Subcommittee held a joint hearing with the House Oversight and Government Reform Subcommittee on Information Technology, entitled “Protecting Americans’ Identities: Examining Efforts to Limit the Use of Social Security Numbers.” The hearing focused on efforts by federal agencies to reduce the use of SSNs and the challenges these agencies face in doing so. At the hearing, identity theft was highlighted as one of the fastest growing crimes. The hearing also highlighted the danger that the theft of an SSN can pose to an individual.

On May 17, 2018, the Social Security Subcommittee held a hearing entitled “Securing Americans’ Identities: The Future of the Social Security Number.” The hearing focused on the dangers of the use of the SSN as both an identifier and authenticator, and examined policy considerations and possible solutions to mitigate the consequences of SSN loss or theft. At the hearing, Members raised concerns about the need for the SSA to improve the service it provides to victims of identity theft. In response to a question for the record, the SSA confirmed that it is possible for an individual to speak to multiple SSA employees both when dealing with a single instance, or multiple instances of his or her SSN being misused.

Committee action

The Committee on Ways and Means marked up H.R. 6084, the “Improving Social Security’s Service to Victims of Identity Theft Act,” on June 21, 2018, and ordered the bill, as amended, favorably reported (with a quorum being present).

II. EXPLANATION OF THE BILL**A. IMPROVING SOCIAL SECURITY’S SERVICE TO VICTIMS OF IDENTITY THEFT ACT (SEC. 1 OF THE BILL)**

PRESENT LAW

No provision.

REASON FOR CHANGE

The Committee believes that the short title reflects the policy and intent included in the legislation.

EXPLANATION OF PROVISION

This section contains the short title of the bill, the “Improving Social Security’s Service to Victims of Identity Theft Act.”

B. SINGLE POINT OF CONTACT FOR IDENTITY THEFT VICTIMS (SEC. 2 OF THE BILL)

PRESENT LAW

Current law does not require the SSA to provide a single point of contact to identity theft victims whose SSNs have been misused. The SSA policies may require an individual to be in contact with multiple SSA offices, employees, or both, to resolve an issue depending on the type of misuse, or whether it was identified by the individual or the SSA.

REASON FOR CHANGE

When a person other than the rightful numberholder incorrectly or improperly uses a numberholder's SSN, this misuse can cause difficulty for identity theft victims. It is the view of the Committee that an individual who has been a victim of identity theft that results in misuse of his or her SSN should not have added difficulty when interacting with the SSA by having to deal with multiple contacts at the SSA to resolve all problems associated with the misuse.

When an individual's SSN has been misused, he or she may subsequently need to contact the SSA to resolve issues related to fraudulent claiming of benefits, to correct his or her SSA records, or to apply for a new SSN. In every case, the Committee believes the individual should have a single point of contact. The Committee is aware that the list of situations in the bill text for which a single point of contact for an identity theft victim is necessary is not exhaustive and expects the Commissioner to provide a single point of contact in all instances that reflect the spirit and intent of this legislation.

EXPLANATION OF PROVISION

This section requires the SSA to provide identity theft victims with a single point of contact within the SSA when the misuse of their SSN results in the need to resolve an issue or issues with the SSA. This section also provides a non-exhaustive list of reasons an individual may need to contact the SSA due to SSN misuse.

EFFECTIVE DATE

The provision is effective 180 days following the date of enactment.

III. VOTES OF THE COMMITTEE

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of H.R. 6084, a bill to amend title VII of the Social Security Act to provide identity theft victims with a single point of contact within the SSA when the misuse of their SSN results in the need to resolve an issue or issues with the SSA.

The Chairman's amendment in the nature of a substitute was adopted by voice vote (with a quorum being present).

The bill, H.R. 6084, was ordered favorably reported as amended by voice vote (with a quorum being present).

IV. BUDGET EFFECTS OF THE BILL

A. COMMITTEE ESTIMATE OF BUDGETARY EFFECTS

In compliance with clause 3(d) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the bill, H.R. 6084, as reported. The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO), which is included below.

B. STATEMENT REGARDING NEW BUDGET AUTHORITY AND TAX
EXPENDITURES BUDGET AUTHORITY

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that the bill involves no new or increased budget authority. The Committee states further that the bill involves no new or increased tax expenditures.

C. COST ESTIMATE PREPARED BY THE CONGRESSIONAL BUDGET
OFFICE

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, the following statement by CBO is provided.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE
Washington, DC, June 25, 2018.

Hon. KEVIN BRADY,
*Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 6084, the Improving Social Security's Service to Victims of Identity Theft Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Emily Stern.

Sincerely,

KEITH HALL,
Director.

Enclosure.

H.R. 6084—Improving Social Security's Service to Victims of Identity Theft Act

H.R. 6084 would require the Social Security Administration (SSA) to assign a single point of contact for each individual reporting misuse of their Social Security number.

CBO estimates that implementing H.R. 6084 would have insignificant effects on spending subject to appropriation. While SSA would need to make some adjustments to its processes for tracking and coordinating cases of reported misuse, the agency is generally already performing the functions described by the legislation.

Enacting H.R. 6084 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 6084 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6084 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Emily Stern. The estimate was reviewed by Theresa Gullo, Assistant Director for Budget Analysis.

V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE

A. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

B. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee advises that the bill does not authorize funding, so no statement of general performance goals and objectives is required.

C. INFORMATION RELATING TO UNFUNDED MANDATES

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the bill does not contain Federal mandates on the private sector. The Committee has determined that the bill does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

D. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the bill, and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

E. DUPLICATION OF FEDERAL PROGRAMS

In compliance with clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant to the Federal Program Information Act (Pub. L. No. 95-220, as amended by Pub. L. No. 98-169).

F. DISCLOSURE OF DIRECTED RULE MAKINGS

In compliance with Sec. 3(i) of H. Res. 5 (115th Congress), the following statement is made concerning directed rule makings: The Committee advises that the bill requires no directed rulemakings within the meaning of such section.

VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

A. TEXT OF EXISTING LAW AMENDED OR REPEALED BY THE BILL, AS REPORTED

In compliance with clause 3(e)(1)(A) of rule XIII of the Rules of the House of Representatives, the text of each section proposed to be repealed by the bill, as reported, is shown below:

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

SOCIAL SECURITY ACT

* * * * *

TITLE VII—ADMINISTRATION

* * * * *

SECTION 714. SINGLE POINT OF CONTACT FOR IDENTITY THEFT VICTIMS.

(a) *IN GENERAL.*—*The Commissioner of Social Security shall establish and implement procedures to ensure that any individual whose social security account number has been misused (such as to fraudulently obtain benefits under title II, VIII, or XVI of this Act, in a manner that affects an individual's records at the Social Security Administration, or in a manner that prompts the individual to request a new social security account number) has a single point of contact at the Social Security Administration throughout the resolution of the individual's case. The single point of contact shall track the individual's case to completion and coordinate with other units to resolve issues as quickly as possible.*

(b) *SINGLE POINT OF CONTACT.*—

(1) *IN GENERAL.*—*For purposes of subsection (a), the single point of contact shall consist of a team or subset of specially trained employees who—*

(A) have the ability to coordinate with other units to resolve the issues involved in the individual's case, and

(B) shall be accountable for the case until its resolution.

(2) *TEAM OR SUBSET.*—*The employees included within the team or subset described in paragraph (1) may change as required to meet the needs of the Social Security Administration, provided that procedures have been established to—*

(A) ensure continuity of records and case history, and

(B) notify the individual when appropriate.