

per year to identity theft-related fraud. Victims often spend years recovering from the damage done by such thieves.

The Social Security Administration (SSA) and its Inspector General have worked diligently to increase the integrity and security of the Social Security number, and the procedures used in issuing numbers and cards. But despite its value as a key facilitator of identity theft crimes, SSA has essentially no control over how the Social Security number is used by other governmental agencies or the private sector. The SSN was originally created for SSA's use in the administration of the Social Security programs. Its use has grown, piecemeal, by the federal government as a result of regulation or legislation, wherever a unique identifier was needed for official government purposes. However, no law of general applicability explicitly allows or specifically requires the private sector to collect, sell, or use the SSN to the extent that it is done so today. Although the Social Security Act requires government entities to protect the confidentiality of the SSN, no law exists that generally protects the privacy of the SSN in the private sector.

The Government Accountability Office (GAO) and other law enforcement experts have testified before the subcommittee that the current patchwork of laws that regulate how businesses and government agencies use and disclose personally identifiable information in their records leaves large gaps in protection for the SSN. While financial services and consumer reporting agencies are subject to some regulation controlling how and when they may disclose SSNs to third parties, there are limitations in these protections. Moreover, other industries remain completely free to buy and sell personal information about individuals with whom they have no business relationship. Sophisticated identity thieves have taken advantage of the gaps in protection and have been able to pose as users of personal information for purportedly legitimate purposes, gaining access to hundreds of thousands of SSNs sold by information brokers. Stalkers are also able to capitalize on the lack of protection for Social Security numbers and use them to locate and track their targets.

For these reasons, the legislation we introduce today will restrict the ability of government agencies, private businesses and others to sell, purchase or publicly display Social Security numbers. In recognition that a general prohibition may disrupt legitimate government uses and business practices that rely on the SSN, certain exceptions are made for law enforcement purposes, national security, public health, where the health or safety of an individual is at risk in an emergency situation, to ensure the accuracy of credit and insurance underwriting information and certain other Fair Credit Reporting Act purposes, for tax compliance purposes, if incidental to the sale or merger of a business, to administer employee or government benefits, for limited research purposes, with the individual's affirmative and written consent, and to the extent authorized by the Social Security Act. Further exceptions may be made for other purposes by regulation. Among other new requirements, the bill also restricts the display of SSNs on the Internet, on government documents and identification cards and tags. The bill's provisions will be enforceable by civil and criminal penalties imposed by federal agencies or state attorneys general; and by a limited ability of citi-

zens to stop a federal agency's lack of compliance and recover actual damages through federal court action.

Madam Speaker, it is my expectation that this legislation will give us more control over how the SSN is used, in order to better protect the SSN from identity thieves and other criminals. I am proud to sponsor this bill and to join my colleagues as we move this legislation forward.

A summary of the bill follows.

#### PROVISIONS RELATED TO SOCIAL SECURITY NUMBERS (SSNs) IN THE PUBLIC AND PRIVATE SECTORS

Federal, State, and local governments would be prohibited from:

Selling SSNs (limited exceptions would be allowed, such as to facilitate law enforcement and national security, to ensure the accuracy of credit and insurance underwriting information and certain other Fair Credit Reporting Act purposes, for tax purposes, for research purposes, and to the extent authorized by the Social Security Act). Further exceptions may be made for other purposes by regulation.

Displaying SSNs to the general public, including on the Internet.

Displaying SSNs on checks issued for payment and accompanying documents.

Displaying SSNs on identification cards and tags issued to employees or their families; patients and students at public institutions; and Medicare cards.

Employing prisoners in jobs that provide them with access to SSNs.

Requiring the transmission of SSNs over the Internet without encryption or other security measures.

The private sector would be prohibited from:

Selling or purchasing SSNs (limited exceptions would be made for law enforcement (including child support enforcement); national security; public health; health or safety emergency situations; tax purposes; to ensure the accuracy of credit and insurance underwriting information and certain other Fair Credit Reporting Act purposes; if incidental to the sale, lease or merger of a business; to administer employee or government benefits; for some research; or with the individual's affirmative, written consent). Further exceptions may be made for other purposes by regulation.

Displaying SSNs to the general public, including on the Internet.

Displaying SSNs on checks.

Requiring the transmission of SSNs over the Internet without encryption or other security measures.

Making unnecessary disclosures of another individual's SSN to government agencies.

Displaying the SSN on cards or tags issued to employees, their family members, or other individuals.

Displaying the SSN on cards or tags issued to access goods, services, or benefits.

Public and private sectors would be required to safeguard SSNs they have in their possession from unauthorized access by employees or others.

Sale, purchase, or display of SSNs in the public or private sector would be permitted by regulation in other circumstances, when appropriate. In making this determination, regulators would consider whether the authorization would serve a compelling public interest and would consider the costs and burdens to the public, government, and businesses. If sale, purchase, or display were to be authorized, the regulation would provide for restrictions to prevent identity theft, fraud, deception, crime, and risk of bodily, emotional, or financial harm.

A person would be prohibited from obtaining another person's SSN to locate or iden-

tify the individual with the intent to harass, harm, physically injure or use the individual's identity for an illegal purpose.

Would specify that, wherever a truncated SSN is used, it must be limited to the last 4 digits of the number. (This truncation standard does not change the permissible uses of the SSN.)

State law governing use of SSNs would not be preempted where state law is stronger.

The National Research Council would be required to conduct a study to evaluate the feasibility of banning the use of the SSN as an authenticator.

#### ENFORCEMENT

New criminal penalties (up to 5 years imprisonment and fine up to \$250,000) and civil penalties (up to \$5,000 per incident) would be created for violations of the law relating to the display, sale, purchase, or misuse of the SSN, offering to acquire an additional SSN for a fee, and for selling or transferring one's own SSN.

Prison sentences would be enhanced for SSN misuse associated with repeat offenders (up to 10 years), drug trafficking or crimes of violence (up to 20 years), or terrorism (up to 25 years).

New criminal penalties (as much as 20 years in prison and fine up to \$250,000) and civil penalties (up to \$5,000 per incident) would be created for Social Security Administration employees who fraudulently sell or transfer SSNs or Social Security cards.

The bill permits enforcement by the Social Security Administration (which would have civil monetary penalty authority); the Department of Justice (which enforces criminal violations of federal law); and state attorneys general (who would be granted civil enforcement authority over private-sector users and state and local government). In addition, individual victims affected by violations of this bill by federal agencies would be provided with limited legal recourse to stop an agency's violation and recover any actual damages they may have suffered.

HONORING THE CREATIVE  
ACHIEVEMENTS OF LAURA  
ELISABETH ULRICH

HON. RODNEY ALEXANDER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 16, 2007

Mr. ALEXANDER. Madam Speaker, I rise today to celebrate Laura Elisabeth Ulrich, a senior at Louisiana Tech University in Ruston, LA, who at the young age of 19 was invited to participate in the prestigious Rome Festival Opera. The festival was held in Rome from June 28 through July 13, 2007.

Ulrich was selected to be the understudy for the role of Cherubino in *Marriage of Figaro*, an opera that is performed in Italian. One of only 10 Americans selected to perform, Ulrich does not speak Italian fluently; however, she demonstrated the level of talent, skill and experience required by the festival's performers.

A student of voice under Dr. Laura Thompson at Louisiana Tech, Ulrich has certainly made a name for herself in North Louisiana, but I believe her experience in Rome foreshadows a career that will include honor and recognition on the global scale.

Madam Speaker, I ask my colleagues to join me in honoring Laura Elisabeth Ulrich whose natural abilities and dedication to her art will surely transform her into one of our Nation's finest vocal performers.