H.R. 3046

The "Social Security Number Privacy and Identity Theft Prevention Act of 2007"

As Reported by the Committee on Ways and Means on July 18, 2007

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.
- For a limited time, the public sector would be allowed to sell or display to the general public, and the private sector would be allowed to sell, purchase or display to the general public, the last four digits of SSNs. This temporary exception to the bill's general prohibition on such sale, purchase and public display would end two years after the effective date of the final regulations.
- A person would be prohibited from obtaining another person's SSN to locate or identify 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.