

108TH CONGRESS
2D SESSION

H. R. 2971

[Report No. 108-]

To amend the Social Security Act to enhance Social Security account number privacy protections, to prevent fraudulent misuse of the Social Security account number, and to otherwise enhance protection against identity theft, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2003

Mr. SHAW (for himself, Mr. MATSUI, Mr. KLECZKA, Mr. BRADY of Texas, Mr. BECERRA, Mr. ENGLISH, Mr. FOLEY, Mr. HAYWORTH, Mr. HOUGHTON, Mr. JEFFERSON, Mr. SAM JOHNSON of Texas, Mr. LEVIN, Mr. LEWIS of Kentucky, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. RANGEL, Mr. SANDLIN, Mrs. JONES of Ohio, Ms. BALDWIN, Mr. BEREUTER, Mrs. CAPPs, Mr. COSTELLO, Mr. DUNCAN, Mr. FILNER, Mr. FROST, Ms. HART, Mr. HINCHEY, Mr. REYNOLDS, Ms. ROS-LEHTINEN, Mr. SAXTON, and Mr. WOLF) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Financial Services and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JULY , 2004

Reported from the Committee on Ways and Means with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on July 25, 2003]

A BILL

To amend the Social Security Act to enhance Social Security



account number privacy protections, to prevent fraudulent misuse of the Social Security account number, and to otherwise enhance protection against identity theft, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.—This Act may be cited as the “So-*
5 *cial Security Number Privacy and Identity Theft Preven-*
6 *tion Act of 2004”.*

7 (b) *TABLE OF CONTENTS.—The table of contents is as*
8 *follows:*

Sec. 1. Short title and table of contents.

**TITLE I—PROVISIONS RELATING TO THE SOCIAL SECURITY
ACCOUNT NUMBER IN THE PUBLIC AND PRIVATE SECTORS**

Sec. 101. Restrictions on the sale or display to the general public of social security account numbers by governmental agencies.

Sec. 102. Regulatory authority.

Sec. 103. Prohibition of display of social security account numbers on checks issued for payment by governmental agencies.

Sec. 104. Prohibition of the display of social security account numbers on driver’s licenses or motor vehicle registrations.

Sec. 105. Prohibition of the display of personal identification numbers on government employee identification cards or tags.

Sec. 106. Prohibition of inmate access to social security account numbers.

Sec. 107. Measures to preclude unauthorized disclosure of social security account numbers and protect the confidentiality of such numbers.

Sec. 108. Prohibition of sale, purchase, and display to the general public of the social security account number in the private sector.

Sec. 109. Confidential treatment of credit header information.

Sec. 110. Refusal to do business without receipt of social security account number considered unfair or deceptive Act or practice.

TITLE II—MEASURES TO ENSURE THE INTEGRITY OF APPLICATIONS FOR SOCIAL SECURITY ACCOUNT NUMBERS AND REPLACEMENT SOCIAL SECURITY CARDS

Sec. 201. Independent verification of birth records provided in support of applications for social security account numbers.

Sec. 202. Enumeration at birth.



Sec. 203. Study relating to use of photographic identification in connection with applications for benefits, social security account numbers, and social security cards.

Sec. 204. Restrictions on issuance of multiple replacement social security cards.

Sec. 205. Study relating to modification of the social security account numbering system to show work authorization status.

TITLE III—ENFORCEMENT

Sec. 301. New criminal penalties for misuse of social security account numbers.

Sec. 302. Extension of civil monetary penalty authority.

Sec. 303. Criminal penalties for employees of the Social Security Administration who knowingly and fraudulently issue social security cards or social security account numbers.

Sec. 304. Enhanced penalties in cases of terrorism, drug trafficking, crimes of violence, or prior offenses.

1 TITLE I—PROVISIONS RELATING
2 TO THE SOCIAL SECURITY AC-
3 COUNT NUMBER IN THE PUB-
4 LIC AND PRIVATE SECTORS

5 SEC. 101. RESTRICTIONS ON THE SALE OR DISPLAY TO THE
6 GENERAL PUBLIC OF SOCIAL SECURITY AC-
7 COUNT NUMBERS BY GOVERNMENTAL AGEN-
8 CIES.

9 (a) IN GENERAL.—Section 205(c)(2)(C) of the Social
10 Security Act (42 U.S.C. 405(c)(2)(C)) is amended by add-
11 ing at the end the following new clause:

12 “(x)(I) An executive, legislative, or judicial agency or
13 instrumentality of the Federal Government or of a State
14 or a political subdivision thereof or a trustee appointed in
15 a case under title 11, United States Code (or person acting
16 as an agent of such an agency or instrumentality or trustee)
17 may not sell or display to the general public any social
18 security account number if such number has been disclosed

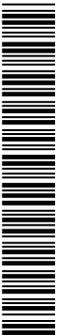


1 *to such agency, instrumentality, trustee, or agent pursuant*
2 *to the assertion by such an agency, instrumentality, trustee,*
3 *or agent to any person that disclosure of such number is*
4 *mandatory. Notwithstanding the preceding sentence, such*
5 *number may be sold or displayed to the general public in*
6 *accordance with the exceptions specified in subclauses (II),*
7 *(III), (IV), (V), (VI), (VII), and (VIII) (and for no other*
8 *purpose).*

9 *“(II) Notwithstanding subclause (I), a social security*
10 *account number may be sold by an agency, instrumentality,*
11 *trustee, or agent referred to in subclause (I) to the extent*
12 *that such sale is specifically authorized by this Act.*

13 *“(III) Notwithstanding subclause (I), a social security*
14 *account number may be sold by an agency, instrumentality,*
15 *trustee, or agent referred to in subclause (I) to the extent*
16 *that is necessary or appropriate for law enforcement or na-*
17 *tional security purposes, as determined under regulations*
18 *which shall be issued as provided in subparagraph (I) of*
19 *this paragraph.*

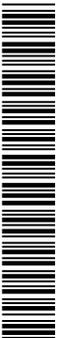
20 *“(IV) Notwithstanding subclause (I), a social security*
21 *account number may be sold by an agency, instrumentality,*
22 *trustee, or agent referred to in subclause (I) to the extent*
23 *that such sale is required to comply with a tax law of the*
24 *United States or of any State (or political subdivision*
25 *thereof).*



1 “(V) Notwithstanding subclause (I), a social security
2 account number may be sold by a State department of
3 motor vehicles as authorized under subsection (b) of section
4 2721 of title 18, United States Code, if such number is to
5 be used pursuant to such sale solely for purposes permitted
6 under paragraph (1), (6), or (9) of such subsection.

7 “(VI) Notwithstanding subclause (I), a social security
8 account number may be sold or otherwise made available
9 by an agency, instrumentality, trustee, or agent referred to
10 in subclause (I) to a consumer reporting agency (as defined
11 in section 603(f) of the Fair Credit Reporting Act (15
12 U.S.C. 1681a(f))) for use or disclosure solely for permissible
13 purposes described in section 604(a) of such Act (15 U.S.C.
14 1681b(a)).

15 “(VII) Notwithstanding subclause (I), a social security
16 account number may be sold by an agency, instrumentality,
17 trustee, or agent referred to in subclause (I) to the extent
18 necessary for research (other than market research) con-
19 ducted by any agency or instrumentality referred to in sub-
20 clause (I) (or an agent of such an agency or instrumen-
21 tality) for the purpose of advancing the public good, on the
22 condition that the researcher provides adequate assurances
23 that the social security account numbers will not be used
24 to harass, target, or publicly reveal information concerning
25 any identifiable individuals, that information about identi-



1 *fiable individuals obtained from the research will not be*
2 *used to make decisions that directly affect the rights, bene-*
3 *fits, or privileges of specific individuals, and that the re-*
4 *searcher has in place appropriate safeguards to protect the*
5 *privacy and confidentiality of any information about iden-*
6 *tifiable individuals, including procedures to ensure that the*
7 *social security account numbers will be encrypted or other-*
8 *wise appropriately secured from unauthorized disclosure. In*
9 *the case of social security account numbers which constitute*
10 *personally identifiable medical information, the Commis-*
11 *sioner of Social Security, with respect to medical research*
12 *referred to in the preceding sentence, and the Attorney Gen-*
13 *eral of the United States, with respect to any medical re-*
14 *search not referred to in the preceding sentence but which*
15 *is treated in regulations of the Attorney General issued pur-*
16 *suant to subclause (VIII), shall maintain ongoing consulta-*
17 *tion with the Office for Civil Rights of the Department of*
18 *Health and Human Services to ensure that the sale or pur-*
19 *chase of such social security account numbers is permitted*
20 *only in compliance with existing Federal rules and regula-*
21 *tions prescribed by the Secretary of Health and Human*
22 *Services pursuant to section 264(c) of the Health Insurance*
23 *Portability and Accountability Act of 1996 (110 Stat.*
24 *2033).*



1 “(VIII) Notwithstanding subclause (I), a social secu-
2 rity account number may be sold or displayed to the general
3 public by an agency, instrumentality, trustee, or agent re-
4 ferred to in subclause (I) under such other circumstances
5 as may be specified in regulations issued as provided in
6 subparagraph (I) of this paragraph.

7 “(IX) This clause does not apply with respect to a so-
8 cial security account number of a deceased individual.

9 “(X) For purposes of this clause, the term ‘sell’ means,
10 in connection with a social security account number, to ac-
11 cept an item of material value in exchange for such number.

12 “(XI) For purposes of this clause, the term ‘display
13 to the general public’ shall have the meaning provided such
14 term in section 208A(a)(3)(A). In any case in which an
15 agency, instrumentality, trustee, or agent referred to in sub-
16 clause (I) requires transmittal to such agency, instrumen-
17 tality, trustee, or agent of an individual’s social security
18 account number by means of the Internet without reason-
19 able provisions to ensure that such number is encrypted or
20 otherwise appropriately secured from disclosure, any such
21 transmittal of such number as so required shall be treated,
22 for purposes of this clause, as a ‘display to the general pub-
23 lic’ of such number by such agency, instrumentality, trustee,
24 or agent for purposes of this clause.



1 “(XII) For purposes of this clause, the term social secu-
2 rity account number includes any derivative of such num-
3 ber. Notwithstanding the preceding sentence, any expres-
4 sion, contained in or on any item sold or displayed to the
5 general public, shall not be treated as a social security ac-
6 count number solely because such expression sets forth not
7 more than the last 4 digits of such number if the remainder
8 of such number cannot be determined based solely on such
9 expression or any other matter presented in such material.

10 “(XIII) Nothing in this clause shall be construed to
11 supersede, alter, or affect any restriction or limitation on
12 the sale or display to the general public of social security
13 account numbers, provided in any Federal statute, regula-
14 tion, order, or interpretation, if the restriction or limitation
15 is greater than that provided under this clause, as deter-
16 mined under applicable regulations issued by the Commis-
17 sioner of Social Security or by the Attorney General of the
18 United States or another agency or instrumentality of the
19 United States as provided in subparagraph (I) of this para-
20 graph.”.

21 (b) *EFFECTIVE DATE AND RELATED RULES.*—

22 (1) *IN GENERAL.*—Initial final regulations pre-
23 scribed to carry out the provisions of section
24 205(c)(2)(C)(x) of the Social Security Act (added by
25 this section) shall be issued not later than the last



1 *date of the 18th calendar month following the date of*
2 *the enactment of this Act. Such provisions shall take*
3 *effect, with respect to matters governed by such regu-*
4 *lations issued by the Commissioner of Social Secu-*
5 *urity, or (pursuant to section 205(c)(2)(I) of such Act*
6 *(added by section 102)) by the Attorney General of*
7 *the United States or any other agency or instrumen-*
8 *tality of the United States, 1 year after the date of*
9 *the issuance of such regulations by the Commissioner,*
10 *the Attorney General, or such other agency or instru-*
11 *mentality, respectively. Such amendment shall apply*
12 *in the case of displays to the general public, as de-*
13 *fined in section 208A(a)(3) of such Act (added by sec-*
14 *tion 108), to such displays originally occurring after*
15 *such 1-year period. Such provisions shall not apply*
16 *with respect to any display of a record (containing*
17 *a social security account number (or any derivative*
18 *thereof)) generated prior to the close of such 1-year*
19 *period.*

20 (2) *SUNSET OF EXCEPTION.*—*The last sentence of*
21 *subclause (XII) of section 205(c)(2)(C)(x) of the So-*
22 *cial Security Act (added by this section) shall cease*
23 *to be effective with respect to sales, purchases, or dis-*
24 *plays to the general public occurring after 6 years*



1 *after the 18th calendar month referred to in para-*
2 *graph (1).*

3 **SEC. 102. REGULATORY AUTHORITY.**

4 *Section 205(c)(2) of the Social Security Act (42 U.S.C.*
5 *405(c)(2)) is amended by adding at the end the following*
6 *new subparagraph:*

7 *“(I)(i) The Attorney General of the United States shall*
8 *prescribe regulations to carry out the provisions of sub-*
9 *clauses (III) and (VIII) of subparagraph (C)(x) of this*
10 *paragraph, subparagraphs (A) and (B) of section*
11 *208A(b)(2), section 208A(b)(3)(B), and section 208A(c)(2).*
12 *In issuing such regulations, the Attorney General shall con-*
13 *sult with the Commissioner of Social Security, the Sec-*
14 *retary of Health and Human Services, the Secretary of*
15 *Homeland Security, the Secretary of the Treasury, the Fed-*
16 *eral Trade Commission, the Federal banking agencies (as*
17 *defined in section 3 of the Federal Deposit Insurance Act),*
18 *the National Credit Union Administration, the Securities*
19 *and Exchange Commission, State attorneys general, and*
20 *such representatives of the State insurance commissioners*
21 *as may be designated by the National Association of Insur-*
22 *ance Commissioners. Any agency or instrumentality of the*
23 *United States may exercise the authority of the Attorney*
24 *General under this subparagraph, with respect to matters*
25 *otherwise subject to regulation by such agency or instru-*



1 *mentality, to the extent determined appropriate in regula-*
2 *tions of the Attorney General.*

3 “(ii) *In issuing the regulations described in clause (i)*
4 *pursuant to the provisions of subparagraph (C)(x)(III),*
5 *paragraph (A) or (B) of section 208A(b)(2), or section*
6 *208A(c)(2) (relating to law enforcement and national secu-*
7 *rity), the Attorney General may authorize the sale or pur-*
8 *chase of Social Security account numbers only if the Attor-*
9 *ney General determines that—*

10 “(I) *such sale or purchase would serve a compel-*
11 *ling public interest that cannot reasonably be served*
12 *through alternative measures, and*

13 “(II) *such sale or purchase will not pose an un-*
14 *reasonable risk of identity theft, or bodily, emotional,*
15 *or financial harm to an individual (taking into ac-*
16 *count any restrictions and conditions that the Attor-*
17 *ney General imposes on the sale, purchase, or disclo-*
18 *sure).*

19 “(iii) *In issuing the regulations described in clause (i)*
20 *pursuant to the provisions of subparagraph (C)(x)(VIII) of*
21 *this paragraph or section 208A(b)(3)(B), the Attorney Gen-*
22 *eral may authorize the sale, purchase, or display to the gen-*
23 *eral public of social security account numbers only after*
24 *considering, among other relevant factors—*



1 “(I) the associated cost or burden to the general
2 public, businesses, commercial enterprises, non-profit
3 organizations, and Federal, State, and local govern-
4 ments; and

5 “(II) the associated benefit to the general public,
6 businesses, commercial enterprises, non-profit associa-
7 tions, and Federal, State, and local governments.

8 “(iv) If, after considering the factors in clause (iii),
9 the Attorney General authorizes, in regulations referred to
10 in clause (iii), the sale, purchase, or display to the general
11 public of social security account numbers, the Attorney
12 General shall impose restrictions and conditions on the sale,
13 purchase, or display to the general public to the extent
14 necessary—

15 “(I) to provide reasonable assurances that social
16 security account numbers will not be used to commit
17 or facilitate fraud, deceptions, or crime, and

18 “(II) to prevent an unreasonable risk of identity
19 theft or bodily, emotional, or financial harm to any
20 individual, considering the nature, likelihood, and se-
21 verity of the anticipated harm that could result from
22 the sale, purchase, or display to the general public of
23 social security account numbers, together with the na-
24 ture, likelihood, and extent of any benefits that could
25 be realized.

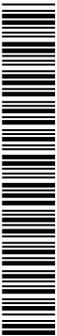


1 “(v) *In the issuance of regulations pursuant to this*
2 *subparagraph, notice shall be provided as described in*
3 *paragraphs (1), (2), and (3) of section 553(b) of title 5,*
4 *United States Code, and opportunity to participate in the*
5 *rule making shall be provided in accordance with section*
6 *553(c) of such title.*

7 “(vi) *Each agency and instrumentality exercising au-*
8 *thority to issue regulations under this subparagraph shall*
9 *consult and coordinate with the other such agencies and in-*
10 *strumentalities for the purposes of assuring, to the extent*
11 *possible, that the regulations prescribed by each such agency*
12 *or instrumentality are consistent and comparable, as ap-*
13 *propriate, with the regulations prescribed by the other such*
14 *agencies and instrumentalities. The Attorney General shall*
15 *undertake to facilitate such consultation and coordination.*

16 “(vii) *For purposes of this subparagraph, the terms*
17 *‘sell’, ‘purchase’, and ‘display to the general public’ shall*
18 *have the meanings provided such terms under subparagraph*
19 *(C)(x) of this paragraph or under section 208A(a), as appli-*
20 *cable.*

21 “(viii) *For purposes of this subparagraph, subpara-*
22 *graph (C)(x)(XI) shall apply.”*



1 **SEC. 103. PROHIBITION OF DISPLAY OF SOCIAL SECURITY**
2 **ACCOUNT NUMBERS ON CHECKS ISSUED FOR**
3 **PAYMENT BY GOVERNMENTAL AGENCIES.**

4 (a) *IN GENERAL.*—Section 205(c)(2)(C) of the Social
5 Security Act (42 U.S.C. 405(c)(2)(C)) (as amended by sec-
6 tion 101) is amended further by adding at the end the fol-
7 lowing new clause:

8 “(xi) No executive, legislative, or judicial agency or in-
9 strumentality of the Federal Government or of a State or
10 a political subdivision thereof or trustee appointed in a case
11 under title 11, United States Code (or person acting as an
12 agent of such an agency or instrumentality or trustee) may
13 include the social security account number of any indi-
14 vidual (or any derivative of such number) on any check
15 issued for any payment by the Federal Government, any
16 State or political subdivision thereof, or any agency or in-
17 strumentality thereof, or such trustee or on any document
18 attached to or accompanying such a check.”

19 (b) *EFFECTIVE DATE.*—The amendment made by this
20 section shall apply with respect to checks (and documents
21 attached to or accompanying such checks) issued after 1
22 year after the date of the enactment of this Act.



1 **SEC. 104. PROHIBITION OF THE DISPLAY OF SOCIAL SECUR-**
2 **RITY ACCOUNT NUMBERS ON DRIVER'S LI-**
3 **CENSES OR MOTOR VEHICLE REGISTRA-**
4 **TIONS.**

5 (a) *IN GENERAL.*—Section 205(c)(2)(C)(vi) of the So-
6 cial Security Act (42 U.S.C. 405(c)(2)(C)(vi)) is
7 amended—

8 (1) by inserting “(I)” after “(vi)”; and
9 (2) by adding at the end the following new sub-
10 clause:

11 “(II) Any State or political subdivision thereof (and
12 any person acting as an agent of such an agency or instru-
13 mentality), in the administration of any driver’s license or
14 motor vehicle registration law within its jurisdiction, may
15 not display a social security account number issued by the
16 Commissioner of Social Security (or any derivative of such
17 number) on any driver’s license or motor vehicle registra-
18 tion or any other document issued by such State or political
19 subdivision to an individual for purposes of identification
20 of such individual or include on any such licence, registra-
21 tion, or other document a magnetic strip, bar code, or other
22 means of communication which conveys such number (or
23 derivative thereof).”.

24 (b) *EFFECTIVE DATE.*—The amendments made by this
25 section shall apply with respect to licenses, registrations,



1 *and other documents issued or reissued after 1 year after*
2 *the date of the enactment of this Act.*

3 **SEC. 105. PROHIBITION OF THE DISPLAY OF PERSONAL**
4 **IDENTIFICATION NUMBERS ON GOVERNMENT**
5 **EMPLOYEE IDENTIFICATION CARDS OR TAGS.**

6 (a) *IN GENERAL.*—Section 205(c)(2)(C) of the Social
7 Security Act (42 U.S.C. 405(c)(2)(C)) (as amended by the
8 preceding provisions of this title) is amended further by
9 adding at the end the following new clause:

10 “(xii) *No executive, legislative, or judicial agency or*
11 *instrumentality of the Federal Government or of a State*
12 *or political subdivision thereof, and no other person offering*
13 *benefits in connection with an employee benefit plan main-*
14 *tained by such agency or instrumentality or acting as an*
15 *agent of such agency or instrumentality, may display a so-*
16 *cial security account number (or any derivative thereof) on*
17 *any card or tag that is commonly provided to employees*
18 *of such agency or instrumentality (or to their family mem-*
19 *bers) for purposes of identification or include on such card*
20 *or tag a magnetic strip, bar code, or other means of commu-*
21 *nication which conveys such number.”.*

22 (b) *EFFECTIVE DATE.*—The amendment made by this
23 section shall apply with respect to cards or tags issued after
24 1 year after the date of the enactment of this Act.



1 **SEC. 106. PROHIBITION OF INMATE ACCESS TO SOCIAL SE-**
2 **CURITY ACCOUNT NUMBERS.**

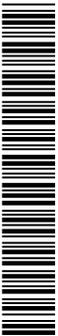
3 (a) *IN GENERAL.*—Section 205(c)(2)(C) of the Social
4 Security Act (42 U.S.C. 405(c)(2)(C)) (as amended by the
5 preceding provisions of this title) is amended further by
6 adding at the end the following new clause:

7 “(xiii) No executive, legislative, or judicial agency or
8 instrumentality of the Federal Government or of a State
9 or political subdivision thereof (or person acting as an
10 agent of such an agency or instrumentality) may employ,
11 or enter into a contract for the use or employment of, pris-
12 oners in any capacity that would allow such prisoners ac-
13 cess to the social security account numbers of other individ-
14 uals. For purposes of this clause, the term ‘prisoner’ means
15 an individual confined in a jail, prison, or other penal in-
16 stitution or correctional facility.”.

17 (b) *EFFECTIVE DATE.*—

18 (1) *IN GENERAL.*—Except as provided in para-
19 graph (2), the amendment made by this section shall
20 apply with respect to employment of prisoners, or
21 entry into contract for the use or employment of pris-
22 oners, on or after the date of the enactment of this
23 Act.

24 (2) *TREATMENT OF CURRENT ARRANGEMENTS.*—
25 In the case of—



1 (A) prisoners employed as described in
2 clause (xiii) of section 205(c)(2)(C) of the Social
3 Security Act (as added by this section) on the
4 date of the enactment of this Act, and

5 (B) contracts described in such clause in ef-
6 fect on such date,

7 the amendment made by this section shall take effect
8 90 days after the date of the enactment of this Act.

9 **SEC. 107. MEASURES TO PRECLUDE UNAUTHORIZED DIS-**
10 **CLOSURE OF SOCIAL SECURITY ACCOUNT**
11 **NUMBERS AND PROTECT THE CONFIDEN-**
12 **TIALITY OF SUCH NUMBERS.**

13 (a) *IN GENERAL.*—Section 205(c)(2)(C) of the Social
14 Security Act (42 U.S.C. 405(c)(2)(C)) (as amended by the
15 preceding provisions of this title) is amended further by
16 adding at the end the following new clause:

17 “(xiv) Except as otherwise provided in this paragraph,
18 in the case of any executive, legislative, or judicial agency
19 or instrumentality of the Federal Government or of a State
20 or political subdivision thereof and any trustee appointed
21 in a case under title 11, United States Code (and any agent
22 of such agency, instrumentality, or trustee) having in its
23 possession an individual’s social security account
24 number—



1 “(I) no officer or employee thereof shall have ac-
2 cess to such number for any purpose other than the
3 effective administration of the statutory provisions
4 governing its functions,

5 “(II) such agency, instrumentality, trustee, or
6 agent shall restrict, to the satisfaction of the Commis-
7 sioner of Social Security, access to social security ac-
8 count numbers obtained thereby to officers and em-
9 ployees thereof whose duties or responsibilities require
10 access for the administration or enforcement of such
11 provisions, and

12 “(III) such agency, instrumentality, trustee, or
13 agent shall provide such other safeguards as the Com-
14 missioner of Social Security determines to be nec-
15 essary or appropriate to preclude unauthorized access
16 to the social security account number and to other-
17 wise protect the confidentiality of such number.

18 For purposes of this clause the term social security account
19 number includes any derivative thereof. ”.

20 (b) *EFFECTIVE DATE.*—The amendment made by this
21 section shall take effect 1 year after the date of the enact-
22 ment of this Act.



1 **SEC. 108. PROHIBITION OF THE SALE, PURCHASE, AND DIS-**
2 **PLAY TO THE GENERAL PUBLIC OF THE SO-**
3 **CIAL SECURITY ACCOUNT NUMBER IN THE**
4 **PRIVATE SECTOR.**

5 (a) *IN GENERAL.*—*Title II of the Social Security Act*
6 *is amended by inserting after section 208 (42 U.S.C. 408)*
7 *the following new section:*

8 “*PROHIBITION OF THE SALE, PURCHASE, AND DISPLAY TO*
9 *THE GENERAL PUBLIC OF THE SOCIAL SECURITY AC-*
10 *COUNT NUMBER IN THE PRIVATE SECTOR*

11 “*Definitions*

12 “*SEC. 208A. (a) For purposes of this section:*

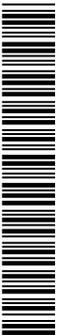
13 “(1) *PERSON.*—

14 “(A) *IN GENERAL.*—*Subject to subpara-*
15 *graph (B), the term ‘person’ means any indi-*
16 *vidual, partnership, corporation, trust, estate,*
17 *cooperative, association, or any other entity.*

18 “(B) *GOVERNMENTAL ENTITIES.*—*Such*
19 *term does not include a governmental entity.*
20 *Nothing in this subparagraph shall be construed*
21 *to authorize, in connection with a governmental*
22 *entity, an act or practice otherwise prohibited*
23 *under this section or section 205(c)(2)(C).*

24 “(2) *SELLING AND PURCHASING.*—

25 “(A) *IN GENERAL.*—*Subject to subpara-*
26 *graph (B)—*



1 “(i) *SELL*.—The term ‘sell’ in connec-
2 tion with a social security account number
3 means to obtain, directly or indirectly, any-
4 thing of value in exchange for such number.

5 “(ii) *PURCHASE*.—The term ‘purchase’
6 in connection with a social security account
7 number means to provide, directly or indi-
8 rectly, anything of value in exchange for
9 such number.

10 “(B) *EXCEPTIONS*.—The terms ‘sell’ and
11 ‘purchase’ in connection with a social security
12 account number do not include the submission of
13 such number as part of—

14 “(i) the process for applying for any
15 type of Government benefits or programs
16 (such as grants or loans or welfare or other
17 public assistance programs),

18 “(ii) the administration of, or provi-
19 sion of benefits under, an employee benefit
20 plan, or

21 “(iii) the sale, lease, merger, transfer,
22 or exchange of a trade or business.

23 “(3) *DISPLAY TO THE GENERAL PUBLIC*.—

24 “(A) *IN GENERAL*.—The term ‘display to
25 the general public’ means, in connection with a



1 *social security account number, to intentionally*
2 *place such number in a viewable manner on an*
3 *Internet site that is available to the general pub-*
4 *lic or to make such number available in any*
5 *other manner intended to provide access to such*
6 *number by the general public.*

7 “(B) *INTERNET TRANSMISSIONS.*—*In any*
8 *case in which a person requires, as a condition*
9 *of doing business with such person, transmittal*
10 *to such person of an individual’s social security*
11 *account number by means of the Internet with-*
12 *out reasonable provisions to ensure that such*
13 *number is encrypted or otherwise secured from*
14 *disclosure, any such transmittal of such number*
15 *as so required shall be treated as a ‘display to*
16 *the general public’ of such number by such per-*
17 *son.*

18 “(4) *SOCIAL SECURITY ACCOUNT NUMBER.*—*The*
19 *term ‘social security account number’ has the mean-*
20 *ing given such term in section 208(c), except that*
21 *such term includes any derivative of such number.*
22 *Notwithstanding the preceding sentence, any expres-*
23 *sion, contained in or on any item sold or displayed*
24 *to the general public, shall not be treated as a social*
25 *security account number solely because such expres-*



1 “(B) to the extent necessary for national security
2 purposes, as determined under regulations issued as
3 provided in section 205(c)(2)(I);

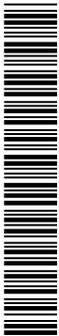
4 “(C) to the extent necessary for public health
5 purposes;

6 “(D) to the extent necessary in emergency situa-
7 tions to protect the health or safety of 1 or more indi-
8 viduals;

9 “(E) to the extent that the sale or purchase is re-
10 quired to comply with a tax law of the United States
11 or of any State (or political subdivision thereof);

12 “(F) to the extent that the sale or purchase is to
13 or by a consumer reporting agency (as defined in sec-
14 tion 603(f) of the Fair Credit Reporting Act (15
15 U.S.C. 1681a(f))) for use or disclosure solely for per-
16 missible purposes described in section 604(a) of such
17 Act (15 U.S.C. 1681b(a)); and

18 “(G) to the extent necessary for research (other
19 than market research) conducted by an agency or in-
20 strumentality of the United States or of a State or
21 political subdivision thereof (or an agent of such an
22 agency or instrumentality) for the purpose of advanc-
23 ing the public good, on the condition that the re-
24 searcher provides adequate assurances that—



1 “(i) the social security account numbers
2 will not be used to harass, target, or publicly re-
3 veal information concerning any identifiable in-
4 dividuals;

5 “(ii) information about identifiable individ-
6 uals obtained from the research will not be used
7 to make decisions that directly affect the rights,
8 benefits, or privileges of specific individuals; and

9 “(iii) the researcher has in place appro-
10 priate safeguards to protect the privacy and con-
11 fidentiality of any information about identifiable
12 individuals, including procedures to ensure that
13 the social security account numbers will be
14 encrypted or otherwise appropriately secured
15 from unauthorized disclosure.

16 “(3) Notwithstanding paragraph (1), a social security
17 account number assigned to an individual may be sold,
18 purchased, or displayed to the general public by any
19 person—

20 “(A) to the extent consistent with such individ-
21 ual’s voluntary and affirmative written consent to the
22 sale, purchase, or display of the social security ac-
23 count number, but only if—

24 “(i) the terms of the consent and the right
25 to refuse consent are presented to the individual



1 *in a clear, conspicuous, and understandable*
2 *manner,*

3 “(ii) *the individual is placed under no obli-*
4 *gation to provide consent to any such sale, pur-*
5 *chase, or display, and*

6 “(iii) *the terms of the consent authorize the*
7 *individual to limit the sale, purchase, or display*
8 *to purposes directly associated with the trans-*
9 *action with respect to which the consent is*
10 *sought, and*

11 “(B) *under such circumstances as may be*
12 *deemed appropriate in regulations issued as provided*
13 *under section 205(c)(2)(I).*

14 “(4) *In the case of social security account numbers*
15 *which constitute personally identifiable medical*
16 *information—*

17 “(A) *the Commissioner of Social Security, with*
18 *respect to medical research referred to in paragraph*
19 *(3)(A), and*

20 “(B) *the Attorney General of the United States,*
21 *with respect to any medical research not referred to*
22 *in paragraph (3)(A) but which is treated in regula-*
23 *tions of the Attorney General issued pursuant to*
24 *paragraph (3)(B),*



1 *shall maintain ongoing consultation with the Office for*
2 *Civil Rights of the Department of Health and Human Serv-*
3 *ices to ensure that the sale or purchase of such social secu-*
4 *rity account numbers is permitted only in compliance with*
5 *existing Federal rules and regulations prescribed by the*
6 *Secretary of Health and Human Services pursuant to sec-*
7 *tion 264(c) of the Health Insurance Portability and Ac-*
8 *countability Act of 1996 (110 Stat. 2033).*

9 *“Prohibition of Unauthorized Disclosure to Government*
10 *Agencies or Instrumentalities*

11 *“(c)(1) It shall be unlawful for any person to commu-*
12 *nicate by any means to any agency or instrumentality of*
13 *the United States or of any State or political subdivision*
14 *thereof the social security account number of any individual*
15 *other than such person without the written permission of*
16 *such individual, unless the number was requested by the*
17 *agency or instrumentality. In the case of an individual who*
18 *is legally incompetent, permission provided by the individ-*
19 *ual’s legal representatives shall be deemed to be permission*
20 *provided by such individual.*

21 *“(2) Paragraph (1) shall not apply to the extent*
22 *necessary—*

23 *“(A) for law enforcement, including (but not*
24 *limited to) the enforcement of a child support obliga-*
25 *tion, or*



1 “(B) for national security purposes,
2 as determined under regulations issued as provided under
3 section 205(c)(2)(I).

4 “*Prohibition of the Displays on Cards or Tags Required*
5 *for Access to Goods, Services, or Benefits*

6 “(d) No person may display a social security account
7 number on any card or tag issued to any other person for
8 the purpose of providing such other person access to any
9 goods, services, or benefits or include on such card or tag
10 a magnetic strip, bar code, or other means of communica-
11 tion which conveys such number.

12 “*Prohibition of the Displays on Employee Identification*
13 *Cards or Tags*

14 “(e) No person that is an employer, and no other per-
15 son offering benefits in connection with an employee benefit
16 plan maintained by such employer or acting as an agent
17 of such employer, may display a social security account
18 number on any card or tag that is commonly provided to
19 employees of such employer (or to their family members)
20 for purposes of identification or include on such card or
21 tag a magnetic strip, bar code, or other means of commu-
22 nication which conveys such number.



1 *“Measures to Preclude Unauthorized Disclosure of Social*
2 *Security Account Numbers and Protect the Confiden-*
3 *tiality of Such Numbers*

4 *“(f) Subject to the preceding provisions of this section,*
5 *any person having in such person’s records the social secu-*
6 *rity account number of any individual other than such per-*
7 *son shall, to the extent that such records are maintained*
8 *for the conduct of such person’s trade or business—*

9 *“(1) ensure that no officer or employee thereof*
10 *has access to such number for any purpose other than*
11 *as necessary for the conduct of such person’s trade or*
12 *business,*

13 *“(2) restrict, in accordance with regulations of*
14 *the Commissioner, access to social security account*
15 *numbers obtained thereby to officers and employees*
16 *thereof whose duties or responsibilities require access*
17 *for the conduct of such person’s trade or business, and*

18 *“(3) provide such safeguards as may be specified,*
19 *in regulations of the Commissioner, to be necessary or*
20 *appropriate to preclude unauthorized access to the so-*
21 *cial security account number and to otherwise protect*
22 *the confidentiality of such number.*

23 *“Deceased Individuals*

24 *“(g) This section does not apply with respect to the*
25 *social security account number of a deceased individual.*



1 *“Criminal Penalty*

2 *“(h) Any person who violates this section shall be*
3 *guilty of a felony and upon conviction thereof shall be fined*
4 *under title 18, United States Code, or imprisoned for not*
5 *more than 5 years, or both.*

6 *“Applicability of Other Protections*

7 *“(i) Nothing in this section shall be construed to super-*
8 *sede, alter, or affect any restriction or limitation on the*
9 *sale, purchase, display to the general public, or other disclo-*
10 *sure of social security account numbers, provided in any*
11 *Federal statute, regulation, order, or interpretation, if the*
12 *restriction or limitation is greater than that provided under*
13 *this section, as determined under applicable regulations*
14 *issued by the Commissioner of Social Security or by the*
15 *Attorney General of the United States or another agency*
16 *or instrumentality of the United States as provided in sec-*
17 *tion 205(c)(2)(I).”.*

18 *(b) EFFECTIVE DATE AND RELATED RULES.—*

19 *(1) IN GENERAL.—Initial final regulations pre-*
20 *scribed to carry out the provisions of section 208A of*
21 *the Social Security Act (added by this section) shall*
22 *be issued not later than the last date of the 18th cal-*
23 *endar month following the date of the enactment of*
24 *this Act. Such provisions shall take effect, with respect*
25 *to matters governed by such regulations issued by the*



1 *Commissioner of Social Security, or (pursuant to sec-*
2 *tion 205(c)(2)(I) of such Act (added by section 102))*
3 *by the Attorney General of the United States or any*
4 *other agency or instrumentality of the United States,*
5 *1 year after the date of the issuance of such regula-*
6 *tions by the Commissioner, the Attorney General, or*
7 *such other agency or instrumentality, respectively.*
8 *Section 208A(b) of such Act shall apply in the case*
9 *of displays to the general public (as defined in section*
10 *208A(a)(3) of such Act) to such displays to the gen-*
11 *eral public originally occurring after such 1-year pe-*
12 *riod. Such provisions shall not apply with respect to*
13 *any such display to the general public of a record*
14 *(containing a social security account number (or any*
15 *derivative thereof)) generated prior to the close of such*
16 *1-year period.*

17 *(2) SUNSET OF EXCEPTION.—The last sentence of*
18 *section 208A(a)(4) of the Social Security Act (added*
19 *by this section) shall cease to be effective with respect*
20 *to sales, purchases, or displays to the general public*
21 *occurring after 6 years after the 18th calendar month*
22 *referred to in paragraph (1).*



1 **SEC. 109. CONFIDENTIAL TREATMENT OF CREDIT HEADER**
2 **INFORMATION.**

3 (a) *IN GENERAL.*—Section 603 of the Fair Credit Re-
4 porting Act (15 U.S.C. 1681a) is amended by adding at
5 the end the following new subsection:

6 “(g) *CONFIDENTIAL TREATMENT OF CREDIT HEADER*
7 *INFORMATION.*—Information regarding the social security
8 account number of the consumer, or any derivative thereof,
9 may not be furnished to any person by a consumer report-
10 ing agency other than in a full consumer report furnished
11 in accordance with section 604 and other requirements of
12 this title.”.

13 (b) *EFFECTIVE DATE.*—The amendment made by this
14 section shall take effect 90 days after the date of the enact-
15 ment of this Act.

16 **SEC. 110. REFUSAL TO DO BUSINESS WITHOUT RECEIPT OF**
17 **SOCIAL SECURITY ACCOUNT NUMBER CON-**
18 **SIDERED UNFAIR OR DECEPTIVE ACT OR**
19 **PRACTICE.**

20 (a) *IN GENERAL.*—Any person who refuses to do busi-
21 ness with an individual because the individual will not con-
22 sent to the receipt by such person of the social security ac-
23 count number of such individual shall be considered to have
24 committed an unfair or deceptive act or practice in viola-
25 tion of section 5 of the Federal Trade Commission Act (15



1 *U.S.C. 45). Action may be taken under such section 5*
2 *against such a person.*

3 (b) *EXCEPTION.*—*Subsection (a) shall not apply to*
4 *any person in any case in which such person is expressly*
5 *required under Federal law, in connection with doing busi-*
6 *ness with an individual, to submit to the Federal Govern-*
7 *ment such individual’s social security account number.*

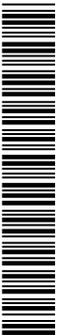
8 (c) *EFFECTIVE DATE.*—*The preceding provisions of*
9 *this section shall apply with respect to acts or practices*
10 *committed after 180 days after the date of the enactment*
11 *of this Act.*

12 **TITLE II—MEASURES TO ENSURE**
13 **THE INTEGRITY OF APPLICA-**
14 **TIONS FOR SOCIAL SECURITY**
15 **ACCOUNT NUMBERS AND RE-**
16 **PLACEMENT SOCIAL SECU-**
17 **RITY CARDS**

18 **SEC. 201. INDEPENDENT VERIFICATION OF BIRTH RECORDS**
19 **PROVIDED IN SUPPORT OF APPLICATIONS**
20 **FOR SOCIAL SECURITY ACCOUNT NUMBERS.**

21 (a) *APPLICATIONS FOR SOCIAL SECURITY ACCOUNT*
22 *NUMBERS.*—*Section 205(c)(2)(B)(ii) of the Social Security*
23 *Act (42 U.S.C. 405(c)(2)(B)(ii)) is amended—*

24 (1) *by inserting “(I)” after “(ii)”;* and



1 (2) *by adding at the end the following new sub-*
2 *clause:*

3 “(II) *With respect to an application for a social secu-*
4 *rity account number for an individual, other than for pur-*
5 *poses of enumeration at birth, the Commissioner shall re-*
6 *quire independent verification of any birth record provided*
7 *by the applicant in support of the application. The Com-*
8 *missioner may provide by regulation for reasonable excep-*
9 *tions from the requirement for independent verification*
10 *under this subclause in any case in which the Commissioner*
11 *determines there is minimal opportunity for fraud.”.*

12 (b) *EFFECTIVE DATE.*—*The amendment made by sub-*
13 *section (a) shall apply with respect to applications filed*
14 *after 270 days after the date of the enactment of this Act.*

15 (c) *STUDY REGARDING APPLICATIONS FOR REPLACE-*
16 *MENT SOCIAL SECURITY CARDS.*—

17 (1) *IN GENERAL.*—*As soon as practicable after*
18 *the date of the enactment of this Act, the Commis-*
19 *sioner of Social Security shall undertake a study to*
20 *test the feasibility and cost effectiveness of verifying*
21 *all identification documents submitted by an appli-*
22 *cant for a replacement social security card. As part*
23 *of such study, the Commissioner shall determine the*
24 *feasibility of, and the costs associated with, the devel-*
25 *opment of appropriate electronic processes for third*



1 *party verification of any such identification docu-*
2 *ments which are issued by agencies and instrumental-*
3 *ities of the Federal Government and of the States*
4 *(and political subdivisions thereof).*

5 (2) *REPORT.—Not later than 2 years after the*
6 *date of the enactment of this Act, the Commissioner*
7 *shall report to the Committee on Ways and Means of*
8 *the House of Representatives and the Committee on*
9 *Finance of the Senate regarding the results of the*
10 *study undertaken under paragraph (1). Such report*
11 *shall contain such recommendations for legislative*
12 *changes as the Commissioner considers necessary to*
13 *implement needed improvements in the process for*
14 *verifying identification documents submitted by ap-*
15 *plicants for replacement social security cards.*

16 **SEC. 202. ENUMERATION AT BIRTH.**

17 (a) *IMPROVEMENT OF APPLICATION PROCESS.—*

18 (1) *IN GENERAL.—As soon as practicable after*
19 *the date of the enactment of this Act, the Commis-*
20 *sioner of Social Security shall undertake to make im-*
21 *provements to the enumeration at birth program for*
22 *the issuance of social security account numbers to*
23 *newborns. Such improvements shall be designed to*
24 *prevent—*



1 (A) *the assignment of social security ac-*
2 *count numbers to unnamed children;*

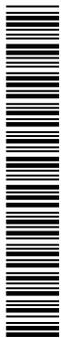
3 (B) *the issuance of more than 1 social secu-*
4 *rity account number to the same child; and*

5 (C) *other opportunities for fraudulently ob-*
6 *taining a social security account number.*

7 (2) *REPORT TO THE CONGRESS.—Not later than*
8 *1 year after the date of the enactment of this Act, the*
9 *Commissioner shall transmit to each House of the*
10 *Congress a report specifying in detail the extent to*
11 *which the improvements required under paragraph*
12 *(1) have been made.*

13 (b) *STUDY REGARDING PROCESS FOR ENUMERATION*
14 *AT BIRTH.—*

15 (1) *IN GENERAL.—As soon as practicable after*
16 *the date of the enactment of this Act, the Commis-*
17 *sioner of Social Security shall undertake a study to*
18 *determine the most efficient options for ensuring the*
19 *integrity of the process for enumeration at birth. Such*
20 *study shall include an examination of available meth-*
21 *ods for reconciling hospital birth records with birth*
22 *registrations submitted to agencies of States and po-*
23 *litical subdivisions thereof and with information pro-*
24 *vided to the Commissioner as part of the process for*
25 *enumeration at birth.*



1 (2) *REPORT.*—Not later than 18 months after the
2 date of the enactment of this Act, the Commissioner
3 shall report to the Committee on Ways and Means of
4 the House of Representatives and the Committee on
5 Finance of the Senate regarding the results of the
6 study undertaken under paragraph (1). Such report
7 shall contain such recommendations for legislative
8 changes as the Commissioner considers necessary to
9 implement needed improvements in the process for
10 enumeration at birth.

11 **SEC. 203. STUDY RELATING TO USE OF PHOTOGRAPHIC**
12 **IDENTIFICATION IN CONNECTION WITH AP-**
13 **PLICATIONS FOR BENEFITS, SOCIAL SECU-**
14 **RITY ACCOUNT NUMBERS, AND SOCIAL SECU-**
15 **RITY CARDS.**

16 (a) *IN GENERAL.*—As soon as practicable after the
17 date of the enactment of this Act, the Commissioner of So-
18 cial Security shall undertake a study to—

19 (1) *determine the best method of requiring and*
20 *obtaining photographic identification of applicants*
21 *for old-age, survivors, and disability insurance bene-*
22 *fits under title II of the Social Security Act, for a so-*
23 *cial security account number, or for a replacement so-*
24 *cial security card, and of providing for reasonable ex-*
25 *ceptions to any requirement for photographic identi-*



1 *which the Commissioner determines there is minimal op-*
2 *portunity for fraud.”.*

3 (b) *REGULATIONS AND EFFECTIVE DATE.*—*The Com-*
4 *missioner of Social Security shall issue regulations under*
5 *the amendment made by subsection (a) not later than 1*
6 *year after the date of the enactment of this Act. Systems*
7 *controls developed by the Commissioner pursuant to such*
8 *amendment shall take effect upon the earlier of the issuance*
9 *of such regulations or the end of such 1-year period.*

10 **SEC. 205. STUDY RELATING TO MODIFICATION OF THE SO-**
11 **CIAL SECURITY ACCOUNT NUMBERING SYS-**
12 **TEM TO SHOW WORK AUTHORIZATION STA-**
13 **TUS.**

14 (a) *IN GENERAL.*—*As soon as practicable after the*
15 *date of the enactment of this Act, the Commissioner of So-*
16 *cial Security, in consultation with the Secretary of Home-*
17 *land Security, shall undertake a study to examine the best*
18 *method of modifying the social security account number as-*
19 *signed to individuals who—*

20 (1) *are not citizens of the United States,*

21 (2) *have not been admitted for permanent resi-*
22 *dence, and*

23 (3) *are not authorized by the Secretary of Home-*
24 *land Security to work in the United States, or are so*
25 *authorized subject to one or more restrictions,*



1 *so as to include an indication of such lack of authorization*
2 *to work or such restrictions on such an authorization.*

3 (b) *REPORT.*—*Not later than 1 year after the date of*
4 *the enactment of this Act, the Commissioner shall report*
5 *to the Committee on Ways and Means of the House of Rep-*
6 *resentatives and the Committee on Finance of the Senate*
7 *regarding the results of the study undertaken under this sec-*
8 *tion. Such report shall include the Commissioner’s rec-*
9 *ommendations of feasible options for modifying the social*
10 *security account number in the manner described in sub-*
11 *section (a).*

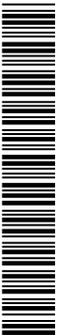
12 **TITLE III—ENFORCEMENT**

13 **SEC. 301. NEW CRIMINAL PENALTIES FOR MISUSE OF SO-**
14 **CIAL SECURITY ACCOUNT NUMBERS.**

15 (a) *IN GENERAL.*—*Section 208(a) of the Social Secu-*
16 *rity Act (42 U.S.C. 408(a)) is amended—*

17 (1) *in paragraph (7), by adding after subpara-*
18 *graph (C) the following new subparagraph:*

19 “(D) *with intent to deceive, discloses, sells,*
20 *or transfers his own social security account*
21 *number, assigned to him by the Commissioner of*
22 *Social Security (in the exercise of the Commis-*
23 *sioner’s authority under section 205(c)(2) to es-*
24 *tablish and maintain records), to any person;*
25 *or”;*



1 (2) *in paragraph (8), by adding “or” at the end;*
2 *and*

3 (3) *by inserting after paragraph (8) the fol-*
4 *lowing new paragraphs:*

5 “(9) *without lawful authority, offers, for a fee, to*
6 *acquire for any individual, or to assist in acquiring*
7 *for any individual, an additional social security ac-*
8 *count number or a number that purports to be a so-*
9 *cial security account number; or*

10 “(10) *being an officer or employee of any execu-*
11 *tive, legislative, or judicial agency or instrumentality*
12 *of the Federal Government or of a State or political*
13 *subdivision thereof (or a person acting as an agent of*
14 *such an agency or instrumentality), willfully acts or*
15 *fails to act so as to cause a violation of section*
16 *205(c)(2)(C)(xi); or*

17 “(11) *being an officer or employee of any execu-*
18 *tive, legislative, or judicial agency or instrumentality*
19 *of the Federal Government or of a State or political*
20 *subdivision thereof (or a person acting as an agent of*
21 *such an agency or instrumentality) in possession of*
22 *any individual’s social security account number (or*
23 *an officer or employee thereof or a person acting as*
24 *an agent thereof), willfully acts or fails to act so as*



1 to cause a violation of clause (vi)(II), (x), (xi), (xii),
2 (xiii), or (xiv) of section 205(c)(2)(C); or

3 “(12) being a trustee appointed in a case under
4 title 11, United States Code (or an officer or employee
5 thereof or a person acting as an agent thereof), will-
6 fully acts or fails to act so as to cause a violation of
7 clause (x), (xi), or (xiv) of section 205(c)(2)(C);”.

8 (b) *EFFECTIVE DATES.*—Paragraphs (7)(D) and (9)
9 of section 208(a) of the Social Security Act (added by sub-
10 section (a)(2)) shall apply with respect to each violation
11 occurring after the date of the enactment of this Act. Para-
12 graphs (10), (11), and (12) of section 208(a) of such Act
13 (added by subsection (a)(2)) shall apply with respect to each
14 violation occurring on or after the effective date applicable
15 with respect to such violation under title I.

16 **SEC. 302. EXTENSION OF CIVIL MONETARY PENALTY AU-**
17 **THORITY.**

18 (a) *APPLICATION OF CIVIL MONEY PENALTIES TO*
19 *ELEMENTS OF CRIMINAL VIOLATIONS.*—Section 1129(a) of
20 the Social Security Act (42 U.S.C. 1320a–8(a)) is
21 amended—

22 (1) by redesignating paragraphs (2) and (3) as
23 paragraphs (4) and (5), respectively;



1 (2) by designating the last sentence of paragraph
2 (1) as a new paragraph (2), appearing after and
3 below paragraph (1); and

4 (3) by inserting after paragraph (2) (as des-
5 ignated under paragraph (2) of this subsection) the
6 following:

7 “(3) Any person (including an organization, agency,
8 or other entity) who—

9 “(A) uses a social security account number that
10 such person knows or should know has been assigned
11 by the Commissioner of Social Security (in an exer-
12 cise of authority under section 205(c)(2) to establish
13 and maintain records) on the basis of false informa-
14 tion furnished to the Commissioner by any person;

15 “(B) falsely represents a number to be the social
16 security account number assigned by the Commis-
17 sioner of Social Security to any individual, when
18 such person knows or should know that such number
19 is not the social security account number assigned by
20 the Commissioner to such individual;

21 “(C) knowingly alters a social security card
22 issued by the Commissioner of Social Security, or
23 possesses such a card with intent to alter it;

24 “(D) knowingly buys or sells a card that is, or
25 purports to be, a card issued by the Commissioner of



1 *Social Security, or possesses such a card with intent*
2 *to buy or sell it;*

3 “(E) counterfeits a social security card, or pos-
4 *sesses a counterfeit social security card with intent to*
5 *buy or sell it;*

6 “(F) discloses, uses, compels the disclosure of, or
7 *knowingly sells or purchases the social security ac-*
8 *count number of any person in violation of the laws*
9 *of the United States;*

10 “(G) with intent to deceive the Commissioner of
11 *Social Security as to such person’s true identity (or*
12 *the true identity of any other person), furnishes or*
13 *causes to be furnished false information to the Com-*
14 *missioner with respect to any information required*
15 *by the Commissioner in connection with the establish-*
16 *ment and maintenance of the records provided for in*
17 *section 205(c)(2);*

18 “(H) without lawful authority, offers, for a fee,
19 *to acquire for any individual, or to assist in acquir-*
20 *ing for any individual, an additional social security*
21 *account number or a number which purports to be a*
22 *social security account number;*

23 “(I) with intent to deceive, discloses, sells, or
24 *transfers his own social security account number, as-*



1 *signed to him by the Commissioner of Social Security*
2 *under section 205(c)(2)(B), to any person;*

3 *“(J) being an officer or employee of any execu-*
4 *tive, legislative, or judicial agency or instrumentality*
5 *of the Federal Government or of a State or political*
6 *subdivision thereof (or a person acting as an agent of*
7 *such an agency or instrumentality), in possession of*
8 *any individual’s social security account number, will-*
9 *fully acts or fails to act so as to cause a violation of*
10 *clause (vi)(II), (x), (xi), (xii), (xiii), or (xiv) of sec-*
11 *tion 205(c)(2)(C);*

12 *“(K) being a trustee appointed in a case under*
13 *title 11, United States Code (or an officer or employee*
14 *thereof or a person acting as an agent thereof), will-*
15 *fully acts or fails to act so as to cause a violation of*
16 *clause (x), (xi), or (xiv) of section 205(c)(2)(C);*

17 *“(L) violates section 208A (relating to prohibi-*
18 *tion of the sale, purchase, or display of the social se-*
19 *curity account number in the private sector); or*

20 *“(M) violates section 208B (relating to fraud by*
21 *social security administration employees);*

22 *shall be subject to, in addition to any other penalties that*
23 *may be prescribed by law, a civil money penalty of not*
24 *more than \$5,000 for each violation. Such person shall also*
25 *be subject to an assessment, in lieu of damages sustained*



1 *by the United States resulting from such violation, of not*
2 *more than twice the amount of any benefits or payments*
3 *paid as a result of such violation.”.*

4 **(b) EFFECTIVE DATES.**—*The amendments made by*
5 *this section shall apply with respect to violations committed*
6 *after the date of the enactment of this Act, except that sub-*
7 *paragraphs (J), (K), (L), and (M) of section 1129(a)(3) of*
8 *the Social Security Act (added by subsection (a)) shall*
9 *apply with respect to violations occurring on or after the*
10 *effective date provided in connection with such violations*
11 *under title I.*

12 **SEC. 303. CRIMINAL PENALTIES FOR EMPLOYEES OF THE**
13 **SOCIAL SECURITY ADMINISTRATION WHO**
14 **KNOWINGLY AND FRAUDULENTLY ISSUE SO-**
15 **CIAL SECURITY CARDS OR SOCIAL SECURITY**
16 **ACCOUNT NUMBERS.**

17 **(a) IN GENERAL.**—*Title II of the Social Security Act*
18 *(as amended by the preceding provisions of this Act) is*
19 *amended further by inserting after section 208A the fol-*
20 *lowing new section:*

21 **“FRAUD BY SOCIAL SECURITY ADMINISTRATION**
22 **EMPLOYEES**

23 **“SEC. 208B. (a) Whoever is an employee of the Social**
24 *Security Administration and knowingly and fraudulently*
25 *sells or transfers one or more social security account num-*
26 *bers or social security cards shall be guilty of a felony and*



1 *upon conviction thereof shall be fined under title 18, United*
2 *States Code, imprisoned as provided in subsection (b), or*
3 *both.*

4 “(b) *Imprisonment for a violation described in sub-*
5 *section (a) shall be for—*

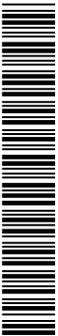
6 “(1) *not less than 1 year and up to 5 years, in the*
7 *case of an employee of the Social Security Administration*
8 *who has fraudulently sold or transferred not more than 50*
9 *social security account numbers or social security cards,*

10 “(2) *not less than 5 years and up to 10 years, in the*
11 *case of an employee of the Social Security Administration*
12 *who has fraudulently sold or transferred more than 50, but*
13 *not more than 100, social security account numbers or so-*
14 *cial security cards, or*

15 “(3) *not less than 10 years and up to 20 years, in*
16 *the case of an employee of the Social Security Administra-*
17 *tion who has fraudulently sold or transferred more than 100*
18 *social security account numbers or social security cards.*

19 “(c) *For purposes of this section—*

20 “(1) *The term ‘social security employee’ means*
21 *any State employee of a State disability determina-*
22 *tion service, any officer, employee, or contractor of the*
23 *Social Security Administration, any employee of such*
24 *a contractor, or any volunteer providing services or*



1 *assistance in any facility of the Social Security Ad-*
2 *ministration.*

3 “(2) *The term ‘social security account number’*
4 *means a social security account number assigned by*
5 *the Commissioner of Social Security under section*
6 *205(c)(2)(B) or another number that has not been so*
7 *assigned but is purported to have been so assigned.*

8 “(3) *The term ‘social security card’ means a*
9 *card issued by the Commissioner of Social Security*
10 *under section 205(c)(2)(G), another card which has*
11 *not been so issued but is purported to have been so*
12 *issued, and banknote paper of the type described in*
13 *section 205(c)(2)(G) prepared for the entry of social*
14 *security account numbers, whether fully completed or*
15 *not.*

16 “(d) *Any employee of the Social Security Administra-*
17 *tion who attempts or conspires to commit any violation of*
18 *this section shall be subject to the same penalties as those*
19 *prescribed for the violation the commission of which was*
20 *the object of the attempt or conspiracy.”.*

21 “(b) *EFFECTIVE DATE.—The amendments made by this*
22 *section shall apply with respect to violations occurring on*
23 *or after the date of the enactment of this Act.*



1 **SEC. 304. ENHANCED PENALTIES IN CASES OF TERRORISM,**
2 **DRUG TRAFFICKING, CRIMES OF VIOLENCE,**
3 **OR PRIOR OFFENSES.**

4 (a) AMENDMENTS TO TITLE II.—Section 208 of the
5 Social Security Act (42 U.S.C. 408) is amended—

6 (1) in subsection (a), by striking “shall be fined”
7 and all that follows and inserting the following:
8 “shall be fined, imprisoned, or both, as provided in
9 subsection (b).”;

10 (2) by striking subsection (c);

11 (3) by redesignating subsection (b) as subsection
12 (c); and

13 (4) by inserting after subsection (a) the following
14 new subsection:

15 “(b) A person convicted of a violation described in sub-
16 section (a) shall be—

17 “(1) fined under title 18, United States Code, or
18 imprisoned for not more than 5 years, or both, in the
19 case of an initial violation, subject to paragraphs (3)
20 and (4),

21 “(2) fined under title 18, United States Code, or
22 imprisoned for not more than 10 years, or both, in
23 the case of a violation which occurs after a prior con-
24 viction for another offense under subsection (a) be-
25 comes final, subject to paragraphs (3) and (4),



1 “(3) *fin*ed under title 18, United States Code, or
2 *imprisoned for not more than 20 years, in the case*
3 *of a violation which is committed to facilitate a drug*
4 *trafficking crime (as defined in section 929(a)(2) of*
5 *title 18, United States Code) or in connection with a*
6 *crime of violence (as defined in section 924(c)(3) of*
7 *title 18, United States Code), subject to paragraph*
8 *(4), and*

9 “(4) *fin*ed under title 18, United States Code, or
10 *imprisoned for not more than 25 years, in the case*
11 *of a violation which is committed to facilitate an act*
12 *of international or domestic terrorism (as defined in*
13 *paragraphs (1) and (5), respectively, of section 2331*
14 *of title 18, United States Code).”.*

15 **(b) AMENDMENTS TO TITLE VIII.**—Section 811 of such
16 *Act (42 U.S.C. 1011) is amended—*

17 (1) *in subsection (a), by striking “shall be fin*ed”
18 *and all that follows and inserting “shall be fin*ed, im-
19 *prisoned, or both, as provided in subsection (b).”;*

20 (2) *by redesignating subsection (b) as subsection*
21 *(c); and*

22 (3) *by inserting after subsection (a) the following*
23 *new subsection:*

24 “(b) **PUNISHMENT.**—*A person convicted of a violation*
25 *described in subsection (a) shall be—*



1 “(1) *fin*ed under title 18, United States Code, or
2 *imprisoned for not more than 5 years, or both, in the*
3 *case of an initial violation, subject to paragraphs (3)*
4 *and (4),*

5 “(2) *fin*ed under title 18, United States Code, or
6 *imprisoned for not more than 10 years, or both, in*
7 *the case of a violation which occurs after a prior con-*
8 *viction for another offense under subsection (a) be-*
9 *comes final, subject to paragraphs (3) and (4),*

10 “(3) *fin*ed under title 18, United States Code, or
11 *imprisoned for not more than 20 years, in the case*
12 *of a violation which is committed to facilitate a drug*
13 *trafficking crime (as defined in section 929(a)(2) of*
14 *title 18, United States Code) or in connection with a*
15 *crime of violence (as defined in section 924(c)(3) of*
16 *title 18, United States Code), subject to paragraph*
17 *(4), and*

18 “(4) *fin*ed under title 18, United States Code, or
19 *imprisoned for not more than 25 years, in the case*
20 *of a violation which is committed to facilitate an act*
21 *of international or domestic terrorism (as defined in*
22 *paragraphs (1) and (5), respectively, of section 2331*
23 *of title 18, United States Code).”.*

24 (c) *AMENDMENTS TO TITLE XVI.*—Section 1632 of
25 *such Act (42 U.S.C. 1383a) is amended—*



1 (1) *in subsection (a), by striking “shall be fined”*
2 *and all that follows and inserting “shall be fined, im-*
3 *prisoned, or both, as provided in subsection (b).”;*

4 (2) *by redesignating subsections (b) and (c) as*
5 *subsections (c) and (d), respectively; and*

6 (3) *by inserting after subsection (a) the following*
7 *new subsection:*

8 “(b) *A person convicted of a violation described in sub-*
9 *section (a) shall be—*

10 “(1) *fined under title 18, United States Code, or*
11 *imprisoned for not more than 5 years, or both, in the*
12 *case of an initial violation, subject to paragraphs (3)*
13 *and (4),*

14 “(2) *fined under title 18, United States Code, or*
15 *imprisoned for not more than 10 years, or both, in*
16 *the case of a violation which occurs after a prior con-*
17 *viction for another offense under subsection (a) be-*
18 *comes final, subject to paragraphs (3) and (4),*

19 “(3) *fined under title 18, United States Code, or*
20 *imprisoned for not more than 20 years, in the case*
21 *of a violation which is committed to facilitate a drug*
22 *trafficking crime (as defined in section 929(a)(2) of*
23 *title 18, United States Code) or in connection with a*
24 *crime of violence (as defined in section 924(c)(3) of*



1 *title 18, United States Code), subject to paragraph*
2 *(4), and*

3 *“(4) fined under title 18, United States Code, or*
4 *imprisoned for not more than 25 years, in the case*
5 *of a violation which is committed to facilitate an act*
6 *of international or domestic terrorism (as defined in*
7 *paragraphs (1) and (5), respectively, of section 2331*
8 *of title 18, United States Code).”.*

9 *(d) EFFECTIVE DATE.—The amendments made by this*
10 *section shall apply with respect to violations occurring after*
11 *the date of the enactment of this Act.*

