



NATIONAL GENEALOGICAL SOCIETY

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JOINT HEARING BEFORE THE HOUSE OF REPRESENTATIVES COMMITTEE ON WAYS AND MEANS, SUBCOMMITTEES ON OVERSIGHT AND SOCIAL SECURITY, MAY 8, 2012, ON IDENTITY THEFT AND TAX FRAUD, STATEMENT FOR THE RECORD FILED BY THE NATIONAL GENEALOGICAL SOCIETY

I. INTRODUCTION

U.S. House of Representatives Committee on Ways and Means, Subcommittees on Oversight and Social Security held a Hearing on 8 May 2012 on Identity Theft and Tax Fraud. Public comments were solicited. We appreciate the opportunity to submit this statement on behalf of the National Genealogical Society.

II. BACKGROUND ON THE NATIONAL GENEALOGICAL SOCIETY AND CONTACT INFORMATION:

The National Genealogical Society (NGS) is a non-profit Virginia corporation, founded in 1903 and has approximately 9,100 individual members and 600 organizational subscribers which include regional, state, and local societies. Although our membership includes many professional genealogists, most of our members are people actively researching their own families. All officers and directors serve as volunteers and receive no compensation for performing their duties.

The mission of the National Genealogical Society is to serve and grow the genealogical community by providing education and training, fostering increased quality and standards, and promoting access to and preservation of genealogical records.

The genealogical community works together through The Records Preservation and Access Committee (RPAC), a joint committee which today includes The National Genealogical Society (NGS), the Federation of Genealogical Societies (FGS), and the International Association of Jewish Genealogical Societies (IAJGS) as voting members. The Association of Professional Genealogists (APG), the Board for Certification of Genealogists (BCG), and the American Society of Genealogists (ASG) also serve as participating members. RPAC also includes participation from a few of the commercial providers of genealogical information. RPAC meets monthly to advise the genealogical community on ensuring proper access to vital records, and on supporting strong records preservation policies and practices.

Contact information: Janet A. Alpert, National Genealogical Society, 3108 Columbia Pike, Suite 300, Arlington, Virginia, 22204-4304, telephone 703-525-0050, fax 703-525-0052, and email janalpert@aol.com. Janet A. Alpert is a member of the National Genealogical Society board of directors, immediate past president, and served two terms as president from 1 October 2006 through 30 September 2010. She previously served one term as secretary from 2004 through 2006. Ms. Alpert has a Bachelor of Arts Degree in Political Science from the University of California, Santa Barbara, California, and a Masters in Business Administration from the

University of Connecticut. She retired in 2004 from a thirty-five year career in the title insurance industry, and now resides in Hilton Head Island, South Carolina. Ms. Alpert is an amateur genealogist who has been researching her family for over thirty years.

III. OVERVIEW OF THE ISSUES

The Social Security Administration's Death Master File (DMF) is a publicly available resource of great value to both family history researchers and professional genealogists. Genealogists use a commercial version of the product called the Social Security Death Index (SSDI). The SSDI has been available to the public since the Consent Judgment, *Perholtz v. Ross*, No. Civ. 78-2385, Dist. D. C. (April 3, 1980).

Genealogy is different than the other social sciences where researchers draw their conclusions from a broad overview of the available records. Genealogists study specific individuals—their ancestors. Therefore if a genealogist does not have access to the records about the ancestor they are researching, their work may come to an abrupt halt.

I am writing on behalf of the National Genealogical Society, its members, and organizational subscribers about why family history researchers and professional genealogists need access to the Social Security Death Index (SSDI).

1. Many genealogists begin researching their family because there is a part of their family they never knew. The estrangement may have occurred because of adoption, divorce, abandonment, death, or other reasons. Regardless of the cause, learning about an unknown branch of the family helps the healing process. The SSDI has been an essential tool for genealogists looking for relatives who were born in the 19th and 20th centuries and is one of the few nationwide resources to connect their living memory to the historical set of records that allow people to begin their genealogical research.

From the earliest settlements in America, we have been people on the move, generally migrating west in search of cheaper land and better opportunities. Since Vital Records are kept by state, without the SSDI, no national index will be available to determine where people might have moved. Information contained in the SSDI includes the state where the social security number was initially issued and the social security number, which helps genealogists determine if this is the actual person they are researching. After finding the person in the SSDI, the researcher often writes to the Social Security Administration, OEO FOIA Workgroup, PO Box 33022, Baltimore, Maryland 21290-3022 for a copy of the original Social Security application form, called the SS-5. The SS-5 contains valuable information for family history researchers including full name at birth including maiden name, date and place of birth, current address, and full name of father and mother. The SS-5 is necessary if you are researching someone with a common name, to make sure you identify the correct parents. The researcher pays a fee of \$27 for a copy of the SS-5, and a fee of \$29.00 if we do not have the Social Security number.

2. Another use of the SSDI is to find the date of death and death location of the person you are researching so you can look for an obituary. Many recent obituaries are available online, but many older obituaries are on microfilm and obtained by writing the local library for a copy. Librarians cannot do an extensive search, but can usually find an obituary if they have the death date. An obituary normally identifies living and deceased relatives, the married names of daughters, and the current cities of residence which is essential information.
3. A third use of the SSDI is to find siblings and cousins when a family carries a disease which can be inherited. In these instances time is of the essence. The first step is to find the aunts or uncles, or great aunts or uncles in the SSDI, and then follow the procedure in (III. 2.) above to locate an obituary. Finding and notifying distant cousins can mean the difference between early detection and treatment versus possible death.

Each year since 2004, the Surgeon General (see <http://www.surgeongeneral.gov>) has declared Thanksgiving to be “National Family History Day.” When families are together over the holidays or at other gatherings, the Surgeon General encourages families to discuss and write down the health problems that appear to run in their family and to share the information with their family doctor. The Health and Human Services website <http://www.hhs.gov/familyhistory/> provides a “My Family Health Portrait” tool for families to record their health history information.

Diseases residing in estranged branches of the family as described in paragraph III.1. above are sometimes the silent killers. Parents of adopted children are given the health history of the biological parents. However, since the biological parents are often under the age of thirty-years old, sometimes there are few health risks disclosed. If you could ask those same parents about their health history fifty years later, after their parents have died, the answer would be more complete. Therefore it is important for people who are adopted to first identify and then reach out to their biological parents and siblings after they reach adulthood.

4. Professional genealogists need access to the SSDI to continue their livelihood. You can learn more about the Association of Professional Genealogists (APG) which has over 2,000 members in the United States at <http://www.apgen.org/about/index.html>. In addition to helping clients discover their family history, many professional genealogists have important specialties.
 - a. Some professional genealogists work in the field of forensic genealogy. Working with the military they help find the families of servicemen lost in previous military conflicts to assist in the repatriation of the remains.
 - b. Others work with county coroners to identify the relatives of unclaimed persons.
 - c. Some genealogy clients include attorneys who need to find missing heirs to settle estate cases.
 - d. Genealogists who are researching a genetically inherited disease in their family where time is of the essence in locating extended family members why who may have inherited a gene and need to be tested and treated as quickly as possible.

- e. Other genealogists specialize in finding the living biological parents or siblings of someone who was adopted.

IV. SOLUTIONS AVAILABLE TO REDUCE TAX FRAUD FROM IDENTITY THEFT

Genealogists are also opposed to identity theft and support efforts to stop it. We support many of the recommendations made at the hearing by J. Russell George, Treasury Inspector for Tax Administration. The Internal Revenue Service (IRS) has recently initiated a number of screening procedures to prevent tax fraud and more can be achieved with implementation of the following:

1. Legislation is needed to provide the IRS with broader access to the National Directory of New Hires wage information which is explained on page 4 of Mr. George's testimony.
2. The IRS has been hamstrung by budget cuts and subsequent reductions of staff. The House of Representatives needs to provide the IRS with more funds to screen and verify approximately 1.5 million income tax returns which do not have third-party information to support the reported income. On page 5 of his testimony, Mr. George estimates an additional \$31.8 million for such screening and verifying could help reduce the estimated \$5.2 billion annual loss to the Federal Government from tax fraud.
3. The IRS needs to adopt common industry practices for authentication such as security challenge questions as proposed by Mr. George on page 6 of his testimony.
4. Treasury, IRS, and the banking industry need to develop procedures so direct deposit income tax refunds are made only to accounts in the tax payer's name as described by Mr. George on pages 6–8 of his testimony.
5. The National Taxpayer Advocate's report for 2011 specifically highlights the benefits of the IRS Issued Identity Protection PINs and suggests that taxpayers should be allowed to turn off their ability to file tax returns electronically. Tax fraud committed on deceased individuals can be prevented if an executor has the ability to turn off electronic filing.
6. The SSNs of parents should be required when filing a tax return for any minor. If the minor dies, the IRS could have a procedure to flag any filings without the parents' social security numbers, again preventing attempts at fraud.

V. TAX FRAUD REQUIRES A COMPREHENSIVE SOLUTION

The hearing on 8 May 2012 revealed many causes of tax fraud which require a more comprehensive solution than closing public access to the Death Master File (DMF). The Death Master File is a major deterrent to fraud which is used by many industries including small business owners, financial institutions, and life insurance companies. Why risk even greater chance of fraud by changing a system that works for the purposes for which it was designed. Why create additional administrative procedures that burden small businesses and local merchants by requiring them to qualify and sign up for access to the Death Master File.

While we advocate all genealogists should have immediate access to the SSDI, the National Genealogical Society would support the two year delay in access as proposed in S 1543—and if necessary the third year that National Taxpayer Advocate Nina Olson advocated during her oral testimony during the March 20th hearing. This support is with the caveat that certain genealogists are to be eligible for certification for immediate access. These genealogists include: forensic genealogists, heir researchers, and those researching individual genetically inherited diseases whose work is described in (III.4.a–d) above.

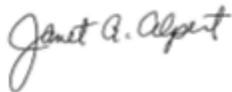
Although these genealogists may be working with other professionals who are certified for access, genealogists are usually self-employed contractors who do not have access to the business databases of the companies who contract with them. It has also been suggested that professional genealogists could use LexisNexis for their research in lieu of the SSDI. Subscriptions to LexisNexis are cost prohibitive for these small business self-employed professionals.

We recommend that the Department of Commerce certify those genealogists with government or legal contracts doing work as forensic genealogists or heir researchers and other certified or accredited genealogists. The Records Access and Preservation Committee (RPAC), described in the “II Background” on page 1, is willing to work with the subcommittee in determining who would qualify.

If the House Committee on Ways and Means is serious about finding solutions to tax fraud, they need to invite witnesses from the business and genealogical communities to testify. One business which has studied identity theft is ID Analytics. A summary of their 2011 study can be found at <http://www.idanalytics.com/news-and-events/news-releases/2012/4-23-2012.php>. Clearly identity theft is much broader than the use of the DMF by genealogists. The genealogical community represented through the Records Preservation and Access Committee described on page 1 of this testimony, is eager to provide a qualified industry witness upon request.

The National Genealogical Society appreciates the opportunity to present our positions to the subcommittees.

Sincerely,



Janet A. Alpert
Immediate Past President of the
National Genealogical Society and
NGS Representative on RPAC