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SOCIAL SECURITY

Mass Issuance of Counterfeit-Resistant Cards Expensive, but Alternatives Exist





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The Honorable Bill Archer
Chairman, Committee on Ways and Means
House of Representatives

The Honorable Henry Hyde
Chairman, Committee on The Judiciary
House of Representatives

The Honorable William Roth, Jr.
Chairman, Committee on Finance
United States Senate

The Honorable Orrin G. Hatch
Chairman, Committee on The Judiciary
United States Senate

Since legislation was enacted in 1986 requiring employers to review documents of prospective employees to establish their right to work in this country, the Social Security card has become one of the primary documents to determine employment eligibility. Following passage of this legislation, concerns have deepened that the card is easily counterfeited and does not prevent individuals from illegally working in the United States due to employers not knowing whether job applicants' cards are genuine. While a card with certain security features was issued in 1983, the media has since reported instances of thousands of counterfeit Social Security cards being seized. In addition, some congressional members believe that the card's susceptibility to fraudulent use hurts public confidence in the Social Security program. To enhance the security of the card, some Members of Congress have asked, on several occasions, the Social Security Administration (SSA) and the Congressional Budget Office (CBO) to estimate the cost of issuing a counterfeit-resistant card.

In 1996, under the Illegal Immigration Reform and Immigrant Responsibility Act, the Congress included a mandate requiring SSA to develop a prototype counterfeit-resistant card made of a durable tamper-resistant material with various security features that could be used in establishing reliable proof of citizenship or legal noncitizenship status.¹ The mandate also required SSA and GAO to estimate and compare the cost

¹P.L. 104-208, is the Omnibus Consolidated Appropriations Act of 1997. Division C is the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. For the specific wording of the 1996 mandate, see app. I, fig. I.1.

of producing and disseminating several types of enhanced cards to all living number holders over 3-, 5-, and 10-year periods. These estimates were to include an evaluation of the cost of imposing a user fee on those who request a replacement of the enhanced card and enhanced cards requested prior to the time individuals were scheduled to receive them. Earlier that year, a Member of Congress asked CBO to estimate the cost of issuing a counterfeit-resistant card, believing an earlier SSA estimate of producing such a card was high.

CBO estimated that it would cost SSA an additional \$512 million over its current card issuance costs to issue an enhanced Social Security card to 172 million people. SSA's most recent cost estimates of issuing such a card—provided in its Report to Congress on Options for Enhancing the Social Security Card, September 1997—range from \$3.9 billion to \$9.2 billion, depending on which of seven card options SSA developed was chosen.

To avoid duplicating SSA's work, you redirected us to (1) explain differences in CBO's and SSA's estimates for replacing the Social Security card, (2) evaluate SSA's estimates of the cost of issuing a more secure card, and (3) present additional issuance options. To assess the cost estimates, we examined SSA's and CBO's basic assumptions; reviewed their methodology for and data supporting their workload and cost estimates; as well as discussed with appropriate staff SSA's estimates of the reasonableness of the time to perform certain functions such as taking a number holder's picture to place on the cards. We discussed available card technologies, such as including information on a magnetic stripe or microprocessor chip, and their costs with industry representatives. We also developed alternative card issuance options, which we discussed with knowledgeable officials in federal and state governments, as well as private industry. We conducted our work between June 1997 and May 1998 in accordance with generally accepted government auditing standards. (For more details on our scope and methodology, see app. II.)

Results in Brief

The wide variation between SSA's and CBO's estimates is due primarily to the different issuance assumptions used by each agency in its estimates. For example, CBO's estimate was an informal staff-level estimate of the cost to issue an enhanced card to 172 million number holders who it believed would request the new card. SSA's estimate is based on issuing enhanced cards to 277 million number holders. In addition, CBO's estimate did not include approximately \$1.7 billion in SSA's processing costs to issue

new and replacement cards, which CBO believed SSA would incur regardless of whether or not an enhanced card was issued. Further, CBO's estimate, which provided costs for only one type of card technology, appears to underestimate the processing costs it did identify for all the cards and excludes the production cost for about 36 million cards.

SSA's 1997 estimates of the cost for issuing an enhanced card generally appear to be reasonable if a new card were to be given to all 277 million current number holders. SSA's estimates show that for five of the seven card options it considered, processing costs alone accounted for 90 percent of the estimated costs to issue an enhanced card. Thus, regardless of the material from which the card is made or technology used for security purposes, issuing an enhanced card to all number holders using current procedures would cost a minimum of about \$4 billion or more. Processing costs include taking applications for new cards, establishing number holders' citizenship or alien status to determine their work eligibility, and taking a picture or capturing a fingerprint for the card. In making its estimates, SSA assumed that it would use existing Social Security card application procedures to issue all enhanced cards and establish reliable proof of citizenship or alien status for number holders where necessary. Ultimately, SSA's costs will depend on how the Congress decides to implement the issuance of a new card.

Alternatives to the high costs associated with a mass issuance of new cards do, however, exist. These alternatives may provide a more cost-effective approach to handling work eligibility verification, although they may not address all concerns about public confidence in the Social Security system. One alternative would be to issue a new enhanced Social Security card only to those who need it to verify work eligibility. Bureau of Labor Statistics (BLS) data suggest this approach could involve up to an estimated 118 million individuals—about 43 percent of the 277 million current number holders. This option would help maximize control over illegal workers while significantly reducing SSA's costs. However, many additional individuals may choose to apply for such a card instead of waiting until they seek employment or change jobs. If this occurs, the savings attributable to this alternative would be reduced. In a second approach, SSA could issue the new card only to those applying for a new Social Security number and those who normally request replacement cards. This option would also substantially reduce the cost of card issuance but provides no new employment authorization internal controls for many current number holders. A third alternative could use state drivers' licenses and identity cards instead of Social Security cards for

work eligibility verification purposes. States renew these documents every few years and already include security features and a photograph. Also, the states could obtain current citizenship information from SSA for up to 87 million individuals for work authorization purposes. This option would avoid the enormous costs associated with reissuing the current Social Security card but would likely impose a significant burden on the states to make work eligibility determinations for the remaining 190 million individuals. Moreover, it would not necessarily enhance public confidence in the Social Security system.

Background

Since the inception of the Social Security program in 1935, the Social Security number and, to a lesser extent, the Social Security card have been used for nonwork-related purposes. For example, federal, state, and local governments require individuals to have a Social Security number to receive certain benefits or services, such as Supplemental Security Income, Temporary Assistance for Needy Families, and food stamps. Recent legislation provides strong incentives for states to include Social Security numbers on death certificates² and drivers' licenses,³ and private industry uses them for credit applications and insurance purposes, among other uses. In addition, the card is used to establish an individual's eligibility to work in the United States.⁴ This range of uses has increased the potential for the number to be misused and the card to be counterfeited, causing concern in the Congress, which has, on several occasions, considered directing SSA to issue a more tamper-proof and less easily counterfeited card.

Originally, SSA assigned a Social Security number to anyone based solely on the applicant's unverified statements regarding age, identity, and place of birth, and issued everyone a card that contained the person's name and Social Security number. Over time, SSA strengthened its requirements for assigning numbers and varied the information shown on the cards it issued. Since 1978, SSA has required applicants for original Social Security numbers to provide proof of age, identity, and citizenship or alien status. SSA later began printing legends, noting work restrictions on cards issued to noncitizens. Since 1982, SSA has provided Social Security numbers only

²P.L. 104-193, Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

³P.L. 104-208.

⁴U.S. citizens and noncitizens receiving authorization from the Immigration and Naturalization Service (INS) are legally entitled to work in the United States. P.L. 99-603, the Immigration Reform and Control Act of 1986, made it illegal for employers to hire persons who could not prove their entitlement to work in this country.

to U.S. citizens, noncitizens authorized to work in the United States, and noncitizens with an approved nonwork reason for needing a number. Beginning in 1982, SSA printed “Not Valid for Employment” on cards issued to noncitizens who lacked work authorization but needed cards for nonwork purposes; and since 1992, it printed “Valid for Work Only With INS Authorization” on cards issued to noncitizens with temporary work authorization.

Some Members of Congress have also been concerned about the public’s confidence in the Social Security system in general, and the message it sends to the public when the card is easily counterfeited and illegal uses of an individual’s Social Security number are easily made. In 1983, the Congress sought to combat illegal use of the number by passing legislation requiring SSA to develop its first counterfeit-resistant Social Security card. In response, SSA introduced counterfeit-resistant and tamper proof cards with security features including a blue tint random marbled pattern, planchettes, and intaglio printing.⁵ Members of Congress subsequently expressed disappointment with the new card SSA developed, alleging that its security features did not make it significantly more difficult to counterfeit and that employers could not easily determine its authenticity for work authorization purposes. By law, illegal aliens—as well as legally admitted noncitizens, such as students and tourists—without valid INS work authorization are not entitled to work in the United States.

Issuance Procedures for New and Replacement Social Security Cards

To obtain a Social Security number and card, applicants fill out an application and submit evidence of their age, identity, and citizenship status or lawful alien status. Noncitizens must provide INS documentation authorizing them to work in the United States or a valid nonwork reason for needing a Social Security number, such as receipt of federal benefits. Applicants 18 or over are required to have an in-person interview and explain why they never obtained a Social Security number before. The Enumeration at Birth program allows parents to obtain a Social Security number for newborn babies through the hospital during the birth registration process. Applicant information is transmitted through the state to SSA, and a Social Security number and card are issued.

When an individual’s card is lost or mutilated or the individual reports changes to information contained in SSA’s records (such as a legal name change after marriage), SSA issues a replacement card. However, unlike the

⁵The blue tint random marbled pattern is erasable and shows any attempts at alteration. Planchettes are small multicolored discs placed randomly on card stock and can be seen with the naked eye. Intaglio printing is used on U.S. currency and provides a raised effect that is difficult to replicate.

process for issuing original cards, SSA does not verify the citizenship of individuals who indicate to SSA that they were born in the United States, as long as the information they previously provided to SSA supports their assertion. As a result, the process for issuing replacement cards does not provide for the cards to be reliable proof of the number holder's entitlement to work in the United States. To receive a replacement card, an individual completes an application for a Social Security number and provides proof of identity, such as a drivers' license, government or state identification, or school records. If, however, an individual is foreign-born and has not become a naturalized U.S. citizen, additional documents must be shown. These applicants must provide evidence of current lawful alien status and either INS work authorization or a valid nonwork reason for needing a number.

SSA has issued new versions of Social Security cards while allowing existing cards to remain valid. As a result, current number holders may conceivably have one of 47 valid versions of the card that SSA has issued since the inception of the program. For example, cards issued before 1982 to noncitizens without work authorization do not contain legends indicating their lack of work authorization. The 40 versions of cards issued before 1983 lack counterfeit-resistant and tamper-proof security features. Likewise, cards issued before 1992 to noncitizens authorized to work for a limited time do not bear legends indicating their temporary work authorization.

Costs of Issuing Cards Historically Borne by Social Security's Trust Funds

The Social Security trust funds have historically borne the costs of issuing original and replacement cards. SSA currently issues cards free-of-charge and does not limit the frequency or number of replacement cards. SSA has 1,300 field offices nationwide, which handle most applications for original Social Security numbers and replacement cards.⁶ While not labor intensive, handling Social Security number applications constitutes the largest volume of transactions for field offices. In fiscal year 1996, it cost SSA about \$200 million to issue about 6 million original and 10 million replacement cards. However, under section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a), payment for major changes, such as implementation of an enhanced counterfeit-resistant Social Security card, cannot be paid for by the trust funds or general appropriations. The Congress would need to specifically provide funding for such changes.

⁶Requests for Social Security numbers received from outside the United States are handled by SSA's Office of International Operations, and the electronic enumeration of newborns using birth registration data is handled by independent hospitals or other entities and SSA's Office of Systems.

Increasing Role for the Social Security Card in Work Authorization

Under the Immigration Reform and Control Act of 1986, employers are required to review documents that establish prospective employee's identity and eligibility to work in the United States before hiring them.⁷ The law further requires employers to sign statements certifying that the documents they review appear genuine and refer to the prospective employee. The documents are provided by the prospective employees, and the law allows them discretion as to which of numerous approved documents they provide to employers. However, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 required a reduction in the types of documents individuals can use to prove their identity and eligibility to work and gave the Department of Justice (DOJ) the authority to set conditions for implementing the reduction. To date, DOJ has eliminated some documents that previously could be used to establish eligibility to work, but implementation of this provision has not been completed. (See app. III.)

Presently, the Social Security card, U.S. birth certificate, and U.S. passport remain the primary documents used by citizens to prove their eligibility to work. Noncitizens are currently limited to using either the Social Security card, if they possess one, or one of eight documents they may receive from INS that authorizes their employment. However, DOJ proposes to eliminate birth certificates from among the list of approved work eligibility documents. With these recent and proposed reductions in the types of work authorization documents allowed, reliance on the Social Security card as reliable proof of the prospective employee's entitlement to work could increase the card's vulnerability to forgery and misuse.

CBO and SSA Estimates Are Difficult to Compare

On several occasions, the Congress has asked CBO and SSA to estimate the cost of issuing an enhanced card. CBO's and SSA's estimates have been widely divergent due to the assumptions each used regarding the number of people who would receive an enhanced card and the recognition of various costs in the issuance process.

In 1994, SSA estimated that it would cost about \$2.8 billion to \$5.3 billion to issue enhanced cards to all 270 million number holders.⁸ This included \$2.8 billion for processing the card and an additional \$2.5 billion to include

⁷This includes U.S. citizens; certain aliens, including those with permanent resident or refugee status; or aliens who lack INS work authorization but were issued Social Security cards before SSA noted work restrictions on the cards.

⁸SSA prepared the card estimate for use in hearings before the House Subcommittee on International Law, Immigration, and Refugees, Sept. 29, 1994.

pictures or capture fingerprints on the cards. However, SSA's estimates were much higher than some in the Congress anticipated they would be; so in 1996, a Member of Congress asked CBO for an independent estimate to coincide with proposed legislation making the Social Security card the primary work authorization document. In its 1996 informal staff-level estimate, CBO said it would cost SSA about \$512 million to issue an enhanced card.

These CBO and SSA estimates were so different that the Congress mandated SSA to develop a new estimate as part of the 1996 Illegal Immigration Reform and Immigrant Responsibility Act. The Congress also required GAO to develop its own estimate to compare with SSA's.⁹ Our analysis of the CBO and SSA estimates shows that they are the result of very different assumptions, including the size of the population to whom the proposed card would be issued and consideration of ongoing card-processing costs. These differences make it difficult to compare the estimates. CBO's estimate, for example, was for a single card option with security features similar to a drivers' license, while SSA's most recent and most comprehensive estimate considered seven different card options in response to the 1996 congressional mandate.

In addition, CBO's and SSA's estimates were based on significantly different numbers of enhanced cards to be issued. CBO estimated the cost of issuing an enhanced card to 172 million number holders. These number holders consisted of 136 million people who CBO estimated would normally request original and replacement cards over an 8-year period,¹⁰ plus an additional 36 million people who it estimated would request the enhanced card. SSA, on the other hand, was mandated to estimate the cost of developing and issuing an enhanced card to all current number holders, which it estimated at 277 million. SSA's issuance thus represents a 61-percent increase over CBO's with respect to the number of individuals who would get an enhanced card.

CBO's estimate also did not include the processing costs SSA would normally incur issuing or reissuing cards for 136 million people—approximately \$1.7 billion in costs over the 8-year period of the CBO estimate—because staff considered them costs SSA would incur whether the card was enhanced or not. SSA's 1997 estimate included all

⁹This mandated requirement was later changed by the committees involved in drafting the mandate to require GAO to verify the accuracy of SSA's new estimate, rather than to develop a parallel estimate.

¹⁰CBO's estimate covered the 8 years prior to implementation of the proposal to make a secure Social Security card the primary work authorization document.

costs associated with producing and disseminating the enhanced card, as if they were new costs for the 277 million number holders, without consideration of its ongoing costs for enumeration and reissuance. CBO also did not include other pertinent card and processing costs for the 172 million number holders included in its estimate. For example, CBO did not include the personnel costs associated with SSA employees taking pictures for the new card for all 172 million cards. SSA currently estimates this cost at \$1.00 per card. For roughly 85 million individuals who have not previously proven their work eligibility status, CBO did not include costs for time necessary to review original documentation. SSA currently estimates this cost at \$2.00 per card. For 36 million individuals, CBO did not include the cost of producing the card itself (CBO estimates this cost at \$1.50 per card) and underestimated the average processing costs for these cards. SSA included all these costs (personnel, review of documentation, and production costs) for all of the 277 million people in its estimate. In addition, SSA included \$177 million for the cost of informing number holders of the reissuance. CBO did not include an estimate of this cost in its overall estimate.

SSA Estimates Are Reasonable for a Mass Issuance to All Number Holders

SSA's 1997 estimates of the cost for issuing a more enhanced card generally appear to be reasonable if a new card is to be given to all 277 million current number holders. SSA reported that total costs to issue a more enhanced Social Security card to all number holders range from \$3.9 billion to \$9.2 billion,¹¹ depending on the card option selected.¹² SSA refined its methodology for estimating the cost to issue a new Social Security card in its 1997 estimates. The estimates include the cost of producing the card; the cost of equipment; the postal cost of notifying number holders that they must apply for a new card; and the cost, where necessary, to establish the number holder's work eligibility status. (See app. IV.) However, the estimates also appear to overstate some implementation costs and not fully consider others.

In response to the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 mandate, SSA developed cost estimates for seven different card technologies, as shown in table 1.

¹¹These estimates are made in 1996 dollars; the actual costs could be more, depending on when implementation is started.

¹²SSA's estimate consists of processing costs (ranging from \$3.6 billion to \$3.9 billion); correspondence to number holders (\$177 million); and card, equipment, and technology costs (ranging from \$100 million to \$5.2 billion).

Table 1: SSA's Proposed Card Options

Option	Card description
Option 1	Basic plastic card with the number holder's name and Social Security number printed on the front of the card. There are two versions of this card: one with and one without a statement concerning the number holder's citizenship/noncitizen status.
Option 2	Plastic card with the number holder's name and Social Security number printed on the front of the card, and an electronically captured picture, sex, and date of birth on the back of the card.
Option 3	Plastic card with the number holder's name and Social Security number on the front of the card and a secure bar code data storage stripe on the back to hold identifying information and a biometric identifier. ^a
Option 4	Plastic card with the number holder's name and Social Security number on the front of the card and an optical data storage stripe on the back that can store large amounts of identifying information about the number holder.
Option 5	Plastic card with the number holder's name and Social Security number on the front of the card and a magnetic stripe on the back.
Option 6	Plastic card with the number holder's name, Social Security number, and picture on the front of the card and a magnetic stripe on the back.
Option 7	Plastic card with the number holder's name, Social Security number, and a microprocessor (computer chip) on the front of the card, a magnetic stripe on the back and a picture.

^aBiometric identifiers are mechanisms to capture a living personal characteristic such as a fingerprint in a digital or analog form.

Source: SSA, Report to Congress on Options for Enhancing the Social Security Card (Sept. 1997).

Several assumptions regarding how cards would be reissued also have a significant effect on SSA's estimates. Since the agency was mandated to estimate the cost of providing the enhanced card to all living number holders, SSA assumed that all such individuals would have to complete a Social Security card application, as they do in its current card issuance and reissuance process. Using both Census Bureau data and its analysis of its own records of numbers issued since the beginning of the program in 1935, SSA estimated that there are 277 million living number holders. This number appears reasonable based on our analysis of SSA's estimate and review of Census Bureau-based projection data. SSA further assumed that out of the total number of number holders, it would add the verification of citizenship for about 190 million individuals who would need to provide to

SSA proof of their work eligibility status.¹³ SSA field offices would review applications and documents establishing the number holders' identity; verify their citizenship status, as appropriate; and take pictures, capture fingerprints, or both, if required for the new card. For the remaining 87 million people, SSA would only need to take new applications, establish identity, and take individuals' pictures because SSA has already documented their citizenship status. SSA proposed mailing at least two correspondences to inform number holders of the reissuance and request that they contact the agency. SSA estimates that this effort will require a total expenditure of up to 73,000 work years, or about 7,000 to 24,000 work years annually, depending on the issuance period and option selected. To put this effort into perspective, SSA currently has a total workforce of about 65,500 employees.

Cost to Produce the Card

While SSA's total estimated costs of issuing an enhanced card are high, the cost of the card itself and the cost of personalizing it are relatively low on a per card basis for most card options. For five of the technology options, the costs range between \$.36 and \$.69. For the two higher technology card options—those with optical storage or a microprocessor (options 4 and 7)—the estimated costs were considerably higher—\$18.30 and \$11.34, respectively. Table 2 shows card and card personalization costs for all seven card options.

Table 2: Card and Card Personalization Costs

Card option	Card and card personalization costs
Option 1: basic plastic card	\$.36
Option 2: plastic card with picture	.42
Option 3: plastic card with secure bar code	.36
Option 4: plastic card with optical storage	18.30
Option 5: plastic card with magnetic stripe	.66
Option 6: plastic card with magnetic stripe and picture	.69
Option 7: plastic card with microprocessor, magnetic stripe, and picture	11.34

Source: SSA, Report to Congress on Options for Enhancing the Social Security Card.

¹³Includes 177 million individuals, mainly those issued cards prior to 1978, who have not previously proved citizenship for SSA's records and 13 million who have previously proven they are noncitizens but for whom SSA will need to update the status of their work authorization.

These costs are based mostly on an estimate by SSA's contractor who manufactured the seven card prototypes; however, an SSA official stated that the final estimated costs in most instances are somewhat lower than the contractor's estimates because of the volume of SSA's card issuance and the anticipated downward effect of competitive contracting on costs.

To determine whether SSA's costs were roughly equivalent to those experienced by others, we discussed card costs with officials from the Maryland Motor Vehicle Administration and Schlumberger Malco, a large manufacturer of a variety of card technologies. The Maryland officials provided us with cost information for a Maryland drivers' license, which is probably most similar to SSA's option 6—an identification-style magnetic stripe card with a picture on the front. State officials stated that it costs them \$.89 for each personalized license. This compares to SSA's estimate of \$.69 for its most similar card option. We also discussed SSA's seven card options with an official from Schlumberger Malco who stated that SSA's range of card costs and card personalization estimates generally appear reasonable. He told us that without detailed specifications, it would be difficult to be more precise but noted that card volume is the major factor in any card cost estimate. On the basis of these statements, it would appear that SSA's estimate of card and personalization costs are reasonable. When these card and personalization unit costs are applied to the universe of 277 million number holders, the cost of the card ranges from \$100 million for a simple plastic card to \$5.2 billion for a card with optical storage technology.¹⁴

Cost of Equipment and Capacity

While most of the work to produce an enhanced card would be done by a contractor, SSA would need to purchase specialized equipment to take pictures, capture fingerprints, read bar codes and magnetic stripes, or interact with microprocessors, depending on the card option selected. SSA estimates that purchasing and installing such equipment in each of its 1,300 field offices would cost between \$62 million and \$86 million. SSA based its equipment estimates, in large part, on those provided by its contractor, a large producer of card manufacturing equipment, as well as estimates by state and local government operations participating in its survey on the amount of time necessary to take a picture.¹⁵ Officials from

¹⁴Card costs are for the card stock itself. Card personalization costs include items such as printing a name and number on the card and adding pictures or including data on magnetic stripes to the cards.

¹⁵SSA conducted a survey of federal, state, and local government agencies that used photographs or biometrics on their cards to determine the amount of time that would be added to the application process to take a picture or capture a fingerprint. As part of this survey, they also discussed the cost of equipment to perform this function.

Schlumberger Malco stated that because there are so many equipment variations, it is difficult to give specific equipment estimates without exact equipment specifications, but a large application such as SSA's would keep prices low; moreover, equipment costs tend to decline as new technology is introduced. In addition to the equipment at SSA's 1,300 field offices, employers would need equipment to read biometric or other identifying information of prospective employees. SSA's report does not discuss these costs, and a decision would need to be made with regard to who would pay these costs.

SSA estimated that it would need at least four equipment installations per field office to meet the issuance requirements within a 3-year period. However, based on our analysis of the equipment capacity, it appears that fewer than four installations would be necessary to handle projected workloads. In addition, SSA could reasonably expect equipment demand to be lower for an extended issuance over 5 or 10 years, thereby reducing the need for four equipment installations per office, if those options were chosen. Also, if SSA limited the number of offices taking card applications, particularly in geographic areas where several field offices are located in close proximity, it could reduce the total number of equipment installations necessary.

Cost to Notify the Public

To issue new cards, SSA proposed mailing at least two correspondences to all number holders at a cost of \$177 million. This estimate consists of 277 million people receiving mail at a cost of \$.64 each (two mailings of \$.32, which includes postage of \$.26 and printing costs for the notice, paper, and envelope). The first correspondence would be a general announcement about the new card; the second would include specific information about when to contact SSA and the documentation needed for the new card. SSA proposed customizing the correspondences in the case of individuals who have previously proven their citizenship status in SSA records to reflect that only proof of identity would be needed. SSA did not include in its estimate the additional costs for preparing the customized correspondence or for handling phone calls and walk-in traffic in response to the correspondences. SSA's success in contacting some number holders to reissue new cards may be contingent upon obtaining addresses from the Internal Revenue Service. If SSA does not receive addresses for everyone, it is likely that fewer cards would be issued.

Cost of Processing Reapplications for the Card

A significant portion of SSA's estimate is attributable to the personnel costs of taking applications for new cards, establishing number holders' citizenship or alien status to determine their work eligibility, and the time to take a picture or capture a fingerprint. For five of the seven options in SSA's estimate, these costs constitute 90 percent or more of the total cost of issuing a new card. Table 3 shows the relationship of these processing costs to total card issuance costs for each of the seven options. This relationship is particularly significant because it shows that regardless of the material from which the card is made or the technology used on the card for security purposes, reissuance of a new card to all number holders will cost a minimum of approximately \$4 billion, using SSA's current procedures.

Table 3: Card Processing Costs as a Percentage of Total Card Issuance Costs

Card option	Processing cost ^a (billions)	Total reissuance cost (billions)	Processing cost as a percentage of total cost
Option 1: plastic card	\$3.6 ^b	\$3.9	92%
Option 2: plastic card with picture	3.9	4.3	91
Option 3: plastic card with secure bar code	3.9	4.3	91
Option 4: plastic card with optical storage	3.9	9.2	42
Option 5: plastic card with magnetic stripe	3.6 ^b	4.0	90
Option 6: plastic card with magnetic stripe and picture	3.9	4.3	91
Option 7: plastic card with microprocessor, magnetic stripe, and picture	3.9	7.3	53

^aProcessing cost includes the labor and indirect costs to process an application and review evidence of citizenship or noncitizen status and, if applicable, the time to take a picture or capture a fingerprint.

^bProcessing costs are somewhat lower for options that do not include a picture or biometric identifier.

Source: SSA, [Report to Congress on Options for Enhancing the Social Security Card](#).

SSA's estimate for the cost of processing each new card includes handling applications; verifying citizenship or alien status; and, if appropriate for that particular option, taking a picture or capturing a fingerprint. This estimate is based on cost and workload data associated with SSA's current

process for issuing or reissuing cards. SSA used fiscal year 1996 workload counts and costs from its cost analysis system for Social Security number related activities to estimate that it would take about 27 minutes each for processing applications at its 1,300 field offices. To this, it applied an average cost of about \$.43 per minute, which included the salary for affected employees plus other indirect costs.¹⁶ This results in a unit cost of \$11.70 for processing each application. (See app. V.) Similarly, SSA estimated it would take an additional 5 minutes to verify an individual's citizenship status at an average cost of \$.40 per minute, producing a unit cost of \$2.00 per card, which was applied to the 190 million number holders who have not had their citizenship status determined. SSA also estimated it would take an additional 2.5 minutes per card, also at \$.40 per minute, to take a picture or capture a fingerprint producing an average cost of \$1.00 per card. SSA based its estimates of time to take pictures and capture fingerprints on a survey of federal, state, and local government agencies that produce similar cards with pictures or fingerprints.

Other Factors Not Considered in SSA's Estimate Could Increase or Reduce Costs

SSA's estimate did not include all costs associated with issuing a new card that would include a picture or fingerprint. Costs for activities such as maintaining equipment, training personnel to operate the new picture taking or fingerprint recording equipment, and modifying SSA's systems to store picture or biometric data and to allow employees to access this information have not been included in this estimate. SSA stated that these costs would need to be added in a complete assessment of a card issuance that included these particular options.

In addition to these ongoing costs, SSA did not estimate the costs for certain future workloads, such as updating number holders' pictures (possibly as often as every 5 to 10 years) over their lifetime, or replacing cards that use magnetic or electronic storage technology, such as magnetic stripes or microprocessors, which may have to be replaced periodically to ensure the reliability of stored data. SSA stated that while it did not estimate the cost of these future workloads, each would involve some or all of the same types of costs and workloads associated with issuing an enhanced card to all number holders.

SSA's estimate would be somewhat lower, but not significantly, if it considered several circumstances. First, any potential for streamlining the process for a card issuance of this magnitude would save money when compared to the current annual card issuance process. Second, the cost

¹⁶Indirect costs include items such as rent, utilities, and data transmission costs.

that SSA currently incurs to issue replacement cards would be redirected to any new issuance program, offsetting some of the costs. Third, as previously noted, options such as limiting the number of offices that receive specialized equipment to take a number holder's picture or capture a fingerprint for a new card, especially in areas where several field offices are in close proximity, could provide additional savings.

Estimate of User Fee Cost Is Overstated

It appears that the Congress is considering offsetting some of the costs of the enhanced card by charging a user fee for replacement cards. In addition to requiring that SSA estimate the costs associated with producing and issuing enhanced Social Security cards, the 1996 mandate directed SSA to "evaluate the feasibility and cost of imposing a user fee for replacement cards and cards issued prior to the scheduled 3-, 5-, and 10-year phase-in options." In its report, SSA estimated that the cost of collecting these fees would be \$1.3 billion. We believe this estimate to be substantially overstated.

SSA's estimate applied the unit cost to all 277 million current number holders, which it believes was required by the mandate. However, our interpretation of the mandate was that user fees would only be applied to those individuals who either request a replacement of the new enhanced Social Security card (currently about 10 million people request replacement cards yearly) or request the new card before they are scheduled to receive it. In our discussions with members of congressional staffs involved in drafting the mandate, they said they agree with our interpretation and never intended for everyone who receives the new card to be charged a user fee.

However, SSA opposes charging for any cards because participation in the program is generally mandatory and it fears charges for cards could lead individuals not to report important changes, such as name changes due to marriage. This would in turn cause recordkeeping problems for the agency and potentially inaccurate records for number holders. Yet SSA acknowledges in its report that the fee could be waived under some circumstances, such as in the case of a name change due to marriage, to encourage individuals to report such changes and enable SSA to keep its records current. This may also be true for hardship reasons for individuals who cannot afford to pay for the replacement card. In addition, SSA also fails to recognize in its report that the costs of collecting the user fee would be offset to some extent by the fees paid. Consequently, the cost to

SSA of collecting a user fee should be much less than the \$1.3 billion SSA estimated.

SSA's estimate of the cost for handling user fees was based on a unit cost of \$4.60 per card, which it derived from its estimates of the amount of time necessary for handling three alternative forms of payment from all 277 million number holders. SSA reported that it based its estimates on its experience in receiving remittances in its field offices, primarily recipients' repayments of overpaid benefits. However, it does not track workload and cost data for handling these payments, and SSA officials told us that the agency has no measurement system for determining, and has not conducted studies of, how long it takes field offices and processing centers to handle these payments. Consequently, we cannot determine whether SSA's unit cost is reasonable or not. To handle the collection of user fees, SSA said it would redesign the current process used by its field offices for handling remittances to accommodate the substantially higher volume of payments for the new card. SSA stated that it would liberalize existing procedures that only allow individuals to make cash or check payments at field offices by providing them with the option of being billed and mailing payments to SSA processing centers or paying by credit card at field offices.

SSA's per card cost is the average unit cost for field offices and processing centers to handle payments based on SSA's assumptions about the rate applicants would select among three payment methods—pay cash or charge at an SSA facility or be billed and pay by mail. SSA assumes that of these options—each of which has a different cost to SSA—one-half of the applicants would elect to be billed by mail at a cost of \$4.09 each, one-fourth would opt to pay at a field office by credit card at \$1.71 each, and one-fourth would opt to pay at a field office by cash or check at \$8.45 each. To the extent the percentage of applicants who select payment methods vary from those assumed by SSA, the average cost of handling payments will also change. However, we have no basis for assessing the accuracy of SSA's assumptions.

Alternatives to the Mass Reissuance of Social Security Cards

The mass reissuance of Social Security cards to all number holders would have a significant impact on SSA's resources and potentially cost billions of dollars. Alternatives to a mass reissuance of a new Social Security card may constitute a more cost-effective approach to preventing those individuals who are ineligible to work from obtaining jobs and, in some

instances, could also help to improve public confidence in the Social Security system.

However, we identified four alternative approaches that would cost less than the approach SSA evaluated:

- extending the mandated issuance time frame,
- issuing cards only to individuals who change jobs,
- issuing enhanced cards to new applicants and those requesting replacement cards, and
- using drivers' licenses as an alternative to the Social Security card.

These alternatives are only a few of the many available and each has advantages and disadvantages. But they are representative of ideas for accomplishing the congressional objectives for a new card at a reduced cost.

Extending the Mandated Issuance Time Frame

Extending the current mandated issuance time frame beyond 10 years could help reduce costs. This alternative would provide a new card for everyone eventually, and there would be less disruption on SSA resources than the 3-, 5-, or 10-year options. However, this option would delay improving controls over the work authorization process.

Issuing Enhanced Cards Only to Individuals Who Change Jobs

For retired individuals who are no longer working and the very young who have not entered the workforce, there may be little advantage to issuing a new card. Also, most individuals would not need to show their card to an employer unless they were to change jobs. Consequently, it may be more effective to meet the goals of the mandate by issuing new cards only to those who may be seeking new jobs or changing jobs. A new legislative requirement could be written to require that all those seeking employment would have to show the enhanced Social Security card for identification and work authorization purposes.

This alternative maximizes control over illegal workers and reduces the impact on SSA resources. It could potentially reduce the number of new cards SSA has to issue and remove the need for SSA to locate and contact number holders in order to issue new cards—because individuals would be responsible for obtaining a new card. Public confidence in the system would also be addressed for a significant portion of the population since all individuals entering the workforce and changing jobs would be

required to get the new card. For those who do not get the new card, they would know that the Social Security system was protected from those who were not entitled to work.

Under this alternative, the number of individuals who would require a card would be much smaller than for a mass reissuance. Based on BLS data, in February 1996, there were 110 million employed wage and salary workers age 16 and over and an additional 7.9 million unemployed individuals. However, BLS data do not capture individuals not currently in the workforce who could obtain employment in the future. In addition, SSA could be unable to control the flow of applications for an enhanced card. Many people may choose to apply for an enhanced card to avoid having to wait until they are seeking employment or changing jobs. If this occurs, savings attributable to this alternative would be reduced.

Issuing Enhanced Cards Only to New Applicants and Those Requesting Replacements

Another alternative would be to issue enhanced Social Security cards only to first-time applicants for Social Security cards and to those who voluntarily request replacement cards. SSA currently spends only about \$200 million yearly enumerating 6 million people and replacing 10 million cards. The added costs of this alternative would be those associated with enhancing the card (card cost and required equipment), any additional processing time required for taking pictures or capturing biometric information, and the time necessary to verify citizenship status for those whose status has not previously been verified. It is possible, however, that legislation to consolidate the number of acceptable work eligibility documents and an individual's desire to have the new card will increase the number of requests for replacement cards that SSA is currently experiencing. But the overall cost savings from prospective issuance of the new card would be substantial. Although this option would be less costly to SSA, it would allow the current work authorization problem to continue until all current number holders either voluntarily replace their cards or stop working. In addition, since this alternative would not require those seeking jobs to have the enhanced card, there may be an incentive for those seeking illegal employment to avoid obtaining the new cards.

Using State Drivers' Licenses as an Alternative to the Social Security Card

Another alternative to reissuing the Social Security card would be to enhance state drivers' licenses so that they could be used to verify workers' employment eligibility. This approach could save significant SSA resources, and could make the reissuance of an enhanced Social Security card unnecessary. States already issue to residents drivers' licenses and

state identification cards, which are renewed every few years. According to the American Association of Motor Vehicle Administrators (AAMVA), an organization that helps establish uniform licensing standards and practices for state Motor Vehicle Administrations (MVA), most people already have drivers' licenses or state identification cards. All licenses include the individual's picture, have various security features, and are already widely accepted as identification documents.¹⁷ Currently, 40 states use digital pictures as a security feature on their licenses. This digital technology allows an individual's image to be viewed electronically from a database in order to help ensure the proper identification of an individual whose license has been lost or stolen.

This alternative, however, would impose a significant burden on state MVAs, because they would have to review original documents to prove an individual's citizenship or alien status and indicate their status on drivers' licenses. States would have the same difficulty SSA would have in securing original documentation from older and foreign-born individuals to support their claim of citizenship and work eligibility in order to certify their work status. In addition, state MVA workloads would increase because individuals who do not currently have a license or identification card may need one for work purposes.

While AAMVA believes that states would strongly oppose this alternative because of the additional burden it would place on their already limited resources,¹⁸ recent legislation provides strong incentives for states to include Social Security numbers on drivers' licenses. Doing so would likely help eliminate some of the burden on state MVAs because SSA may be able to provide citizenship information to the states for up to 87 million number holders whose work eligibility status SSA has already established. While this alternative would address the worker eligibility verification aspect of the mandate, it would do little to increase public confidence in the Social Security system, since no enhanced Social Security card issuance is involved.

Conclusions

SSA's estimate of the cost for issuing new Social Security cards meets the literal interpretation of the mandate, but alternatives exist to the high

¹⁷According to the AAMVA, in certain very limited circumstances, a license may be issued without a picture. This could occur if an individual is out of the country for an extended period or if there is a religious objection to putting their picture on the license.

¹⁸To the extent a legislative requirement for states to determine citizenship or alien status imposed additional costs on them, it could be subject to the Unfunded Mandates Reform Act of 1995. This law, in effect, makes it more difficult to enact legislation imposing unreimbursed costs on states.

costs of replacing every card. SSA estimates that it would cost \$3.9 to \$9.2 billion for the new card, depending on which of seven alternative technologies is chosen. These costs are so high because SSA was mandated to estimate the costs of reissuing a new card to all 277 million number holders. Moreover, most of the costs, \$3.6 billion to \$3.9 billion, represent the personnel costs for retaking applications, establishing work eligibility status, and taking a picture or capturing a fingerprint, if applicable. Therefore, regardless of the material the new card is made from and the technologies built in to increase its security, a complete reissuance of cards is very expensive.

Given the high estimated cost of issuing cards to all current number holders, we believe that there are alternatives, such as using less costly technology, limiting the universe of number holders who will be required to have the new card, and extending the time period over which the new card will be disseminated. If the primary goal is to control work authorization, there is little need for a new enhanced card for those not seeking or changing jobs, particularly the very young and very old. Ultimately, the costs associated with meeting the congressional goals of work eligibility verification and public confidence in the Social Security system will be dependent on a congressional decision as to the specific role of a new Social Security card.

Agency Comments

SSA informed us that it would not provide formal comments on this report. Instead, it provided technical comments, which we have included as appropriate. CBO informed us that because it did not have any objections to the information we presented, it would not be providing formal comments.

Copies of this report are being sent to the Commissioner of SSA and other parties interested in Social Security matters. If you have any further questions, please contact me on (202) 512-7215. Other major contributors were Roland H. Miller III, Assistant Director; Jeff Bernstein, Evaluator-in-Charge; and Jacquelyn Stewart, Senior Evaluator.



Cynthia M. Fagnoni
Director, Income Security Issues

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Abbreviations

AAMVA	American Association of Motor Vehicle Administrators
BLS	Bureau of Labor Statistics
CBO	Congressional Budget Office
DOJ	Department of Justice
MVA	Motor Vehicle Administration
OIG	Office of Inspector General
SSA	Social Security Administration

Illegal Immigration Reform and Immigrant Responsibility Act of 1996

**Figure I.1: Public Law 104-208, 110
Stat. 3009-719, September 30, 1996**

SEC. 657. DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD.

(a) DEVELOPMENT.—

(1) **IN GENERAL.**—The Commissioner of Social Security (in this section referred to as the “Commissioner”) shall, in accordance with the provisions of this section, develop a prototype of a counterfeit-resistant social security card. Such prototype card—

(A) shall be made of a durable, tamper-resistant material such as plastic or polyester;

(B) shall employ technologies that provide security features, such as magnetic stripes, holograms, and integrated circuits; and

(C) shall be developed so as to provide individuals with reliable proof of citizenship or legal resident alien status.

(2) **ASSISTANCE BY ATTORNEY GENERAL.**—The Attorney General shall provide such information and assistance as the Commissioner deems necessary to achieve the purposes of this section.

(b) STUDIES AND REPORTS.—

(1) **IN GENERAL.**—The Comptroller General and the Commissioner of Social Security shall each conduct a study, and issue a report to the Congress, that examines different methods of improving the social security card application process.

(2) **ELEMENTS OF STUDIES.**—The studies shall include evaluations of the cost and work load implications of issuing a counterfeit-resistant social security card for all individuals over a 3, 5, and 10 year period. The studies shall also evaluate the feasibility and cost implications of imposing a user fee for replacement cards and cards issued to individuals who apply for such a card prior to the scheduled 3, 5, and 10 year phase-in options.

(3) **DISTRIBUTION OF REPORTS.**—Copies of the reports described in this subsection, along with facsimiles of the prototype cards as described in subsection (a), shall be submitted to the Committees on Ways and Means and Judiciary of the House of Representatives and the Committees on Finance and Judiciary of the Senate not later than 1 year after the date of the enactment of this Act.

Scope and Methodology

The objectives of our work were to explain differences in CBO's and SSA's estimates for replacing the Social Security card; evaluate SSA's 1997 estimates of the cost of issuing a more secure Social Security card, including the feasibility and cost implications of charging user fees for a new card; and presenting additional card issuance options. To clarify the legislative intent of the mandate with respect to the mandate's overall goals and the handling of user fees, we reviewed the legislative history of the provision, the congressional record, and members' public statements. We also discussed congressional interests and concerns with the congressional staffs of congressmen who helped draft the mandate.

To gain a general understanding of Social Security card issues, we reviewed past reports by GAO and SSA's Office of Inspector General (OIG) on Social Security number enumeration problems, Social Security card fraud, and other issues related to issuing a new Social Security card. We also discussed fraudulent Social Security number and card practices with cognizant SSA and OIG officials. We visited SSA field offices in Florida, New York, Maryland, and the District of Columbia to interview staff to discuss basic enumeration and replacement card practices, card fraud, and other enumeration problems. We selected these sites because of their mix of populations and use of the Social Security number in their programs.

To assess SSA and CBO estimates of the cost to issue a new Social Security card, we identified and examined the assumptions on which they based their estimates. We reviewed SSA's methodology for estimating the number of cards that would need to be issued. In addition, we reviewed SSA's methodology for estimating the costs, both past and current, and overall resource requirements to issue a new card. We reviewed documents from SSA's cost accounting system, which SSA used as a basis for estimating costs and workloads. We discussed the reasonableness of SSA's estimates of the time it takes to perform certain functions—such as taking a picture, reviewing citizenship status, and handling payments—with SSA headquarters and field office staffs. To determine SSA's ability to locate number holders to issue new cards, we reviewed SSA's past experience in locating number holders to send out Personal Earnings and Benefit Estimate Statements.¹⁹ We reviewed CBO's methodology and cost estimate and discussed it with the responsible official.

To assess card and equipment costs, we discussed the methodology and basis for these costs with SSA's contractor, Datacard. We discussed card

¹⁹These statements show earnings that have been credited to the individual's record, the number of quarters of coverage needed for insured status, and an estimate of benefits.

costs, types of card technology, and the use of security features locally with the Maryland MVA and with Schlumberger Malco, a large card manufacturer.

To determine the feasibility and cost of imposing a user fee when issuing a new card, we discussed Canada's recent experience in charging user fees with SSA's OIG staff who had published a report on the subject in 1997. We reviewed SSA's methodology for estimating the costs of user fees, both for past and current estimates. Because we disagreed with SSA's assumptions about imposing a user fee, we discussed the intent of the mandate with congressional staff involved in drafting the mandate.

To determine alternatives to a complete reissuance of all 277 million current Social Security cards, we contacted AAMVA to discuss using state drivers' licenses as an alternative to issuing a new Social Security card; the willingness of the state MVAs to undertake such a task; and the status of state MVA use of security features, such as digital pictures.

We performed our work between June 1997 and May 1998 in accordance with generally accepted government auditing standards. Because SSA's cost analysis system had been recently reviewed by independent auditors, we did not assess the validity of its data.

Current List of Acceptable Documents for Employment Eligibility Verification

A	B	C
Documents that establish both identity and employment eligibility	Documents that establish identity	Documents that establish employment eligibility
U.S. passport (unexpired or expired)	Driver's license or identification card issued by a state or outlying possession of the United States, provided it contains a photograph or information such as name, date of birth, sex, height, eye color, and address	U.S. Social Security card issued by SSA (other than a card stating it is not valid for employment)
Unexpired foreign passport, with form I-551 stamp	Identification card issued by federal, state, or local government agency or entity, provided it contains a photograph or information such as name, date of birth, sex, height, eye color, and address	Certification of Birth Abroad issued by the Department of State (form FS-545 or form DS-1350)
Alien registration receipt card with photograph or permanent resident card (INS form I-551)	School identification card with a photograph	Original or certified copy of a birth certificate issued by a state, county, or municipal authority or outlying possession of the United States bearing an official seal
Unexpired temporary resident card (INS form I-688)	Voter's registration card	Native American tribal document
Unexpired employment authorization card (INS form I-688A)	U.S. military card or draft record	U.S. citizen identification card (INS form I-197)
Unexpired employment authorization document issued by INS, which contains a photograph (INS form I-766)	Military dependent's identification card	Identification card for use of resident citizen in the United States (INS form I-179)
Unexpired employment authorization document issued by INS, which contains a photograph (INS form I-688B)	U.S. Coast Guard Merchant Mariner card	Unexpired employment authorization document issued by the INS (other than those listed under A list)
For aliens authorized to work for a specific employer, unexpired foreign passport with form I-94 containing an endorsement of aliens' nonimmigrant status	Native American tribal document	
	Drivers' license issued by a Canadian government authority	
	School record or report card ^a	
	Clinic, doctor, or hospital record ^a	
	Day-care or nursery school record ^a	

Note: For employment eligibility verification purposes, one document from list A or one each from list A and B are required.

^aFor persons under age 18 who are unable to present a document listed above.

Source: INS, "List of Acceptable Employment Eligibility Verification Documents for Form (I-9)," under interim rules, as of Sept. 30, 1997.

Breakdown of SSA’s Estimates of Cost to Issue Enhanced Social Security Cards



Card option	Cost to contact number holders
Option 1: plastic card	\$177
Option 2: plastic card with picture	177
Option 3: plastic card with secure bar code	177
Option 4: plastic card with optical storage	177
Option 5: plastic card with magnetic stripe	177
Option 6: plastic card with magnetic stripe and picture	177
Option 7: plastic card with processor, magnetic stripe, and picture	177

Appendix IV
Breakdown of SSA's Estimates of Cost to
Issue Enhanced Social Security Cards

Card, equipment, and technology costs				Processing costs			Total all costs ^a
Card stock	Personalization cost	Equipment cost	Total card and equipment costs	Review application, citizenship status	Pictures and/or biometrics	Total processing costs	
\$33.2	\$66.5	\$0	\$99.7	\$3,621	\$0	3,621	\$3,898
38.8	77.5	62.4	178.7	3,621	277	3,898	4,254
33.2	66.5	75.4	175.1	3,621	277	3,898	4,250
1,690.0	3,379.1	86.3	5,155.4	3,621	277	3,898	9,231
61.0	121.8	3.9	186.7	3,621	0	3,621	3,985
63.7	127.4	66.3	257.4	3,621	277	3,898	4,333
1,047.0	2,094.2	71.5	3,212.7	3,621	277	3,898	7,288

Note: Dollars in millions.

^aMay not add due to rounding.

Source: SSA, Report to Congress on Options for Enhancing the Social Security Card.

SSA's 1997 Estimate of Cost and Work Years for Processing Social Security Number Applications

	Minutes to process application	Unit cost per application	Number of applications (millions)	Total cost of processing (millions)	Total work years to process applications
Base-level application processing using current process	27	\$11.70 ^a	277	\$3,241	59,928
Verifying U.S. citizenship or work authorization	5	2.00 ^b	190	380	7,612
Total Social Security number applications process		\$13.07^c	277	\$3,621	67,540
Obtaining picture or biometrics identifier	2.5	1.00 ^d	277	277	5,549
Total applications process		\$14.07	277	\$3,898	73,089

^aIncludes (1) average personnel cost for field office, program service center, and the Office of Disability and International Operations—components directly involved in Social Security number processing—and (2) indirect costs, such as rent, utilities, and data transmission costs. These totaled \$.43 per minute.

^bAverage cost for field office staff citizenship/work authorization activities at \$.40 per minute.

^cAverage cost per card calculated by GAO. This is less than adding \$11.70 and \$2.00 because not all 277 million number holders would need citizenship or work authorization established; 87 million are already completed.

^dAverage cost for field office staff to take pictures or capture fingerprints at \$.40 per minute.

Source: SSA, [Report to Congress on Options for Enhancing the Social Security Card](#).

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