

110TH CONGRESS
1ST SESSION

H. R. 3271

To prohibit the solicitation and display of Social Security account numbers,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2007

Ms. SHEA-PORTER introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on 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

A BILL

To prohibit the solicitation and display of Social Security
account numbers, 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.**

4 This Act may be cited as the “Social Security Ac-
5 count Number Protection Act”.

6 **SEC. 2. SOCIAL SECURITY ACCOUNT NUMBER PROTECTION.**

7 (a) PROHIBITION OF UNNECESSARY SOLICITATION
8 OF SOCIAL SECURITY NUMBERS.—

1 (1) IN GENERAL.—Unless there is a specific use
2 of a social security number for which no other iden-
3 tifier reasonably can be used, a covered entity may
4 not solicit a social security number from an indi-
5 vidual except for the following purposes:

6 (A) For use in an identification, verifica-
7 tion, accuracy, or identity proofing process.

8 (B) For any purpose permitted under the
9 Fair Credit Reporting Act (15 U.S.C. 1681 et
10 seq.) or the Gramm-Leach-Bliley Act (15
11 U.S.C. 6802(e)).

12 (C) To comply with the requirement of
13 Federal, State, or local law.

14 (2) EXCEPTIONS.—Paragraph (1) does not
15 apply to the solicitation of a social security num-
16 ber—

17 (A) for the purpose of obtaining a con-
18 sumer report for any purpose permitted under
19 the Fair Credit Reporting Act (15 U.S.C. 1681
20 et seq.);

21 (B) by a consumer reporting agency for
22 the purpose of authenticating or obtaining ap-
23 propriate proof of a consumer's identity, as re-
24 quired under that Act;

1 (C) for any purpose permitted under sec-
2 tion 502(e) of the Gramm-Leach-Bliley Act (15
3 U.S.C. 6802(e));

4 (D) to the extent necessary for verifying
5 the accuracy of information submitted by an in-
6 dividual to a covered entity, its agents, contrac-
7 tors, or employees or for the purpose of authen-
8 ticating or obtaining appropriate proof of an in-
9 dividual's identity;

10 (E) to identify or locate missing or ab-
11 ducted children, witnesses, criminals, fugitives,
12 parties to lawsuits, parents delinquent in child
13 support payments, organ and bone marrow do-
14 nors, pension fund beneficiaries, and missing
15 heirs; or

16 (F) to the extent necessary to prevent, de-
17 tect, or investigate fraud, unauthorized trans-
18 actions, or other financial liability or to facili-
19 tate the enforcement of an obligation of, or col-
20 lection of a debt from, a consumer, provided
21 that the person selling, providing, displaying, or
22 obtaining the social security number does not
23 do so for marketing purposes.

1 (b) PROHIBITION OF THE DISPLAY OF SOCIAL SECUR-
2 RITY NUMBERS ON EMPLOYEE IDENTIFICATION CARDS,
3 ETC.—

4 (1) IN GENERAL.—A covered entity may not
5 display an individual’s security number (or any de-
6 rivative of such number) on any card or tag that is
7 commonly provided to employees (or to their family
8 members), faculty, staff, or students for purposes of
9 identification.

10 (2) DRIVER’S LICENSES.—A State may not dis-
11 play the social security number of an individual on
12 driver’s licenses issued by that State.

13 (c) PROHIBITION OF PRISONER ACCESS TO SOCIAL
14 SECURITY NUMBERS.—

15 (1) IN GENERAL.—Section 205(c)(2)(C) of the
16 Social Security Act (42 U.S.C. 405(c)(2)(C)) is
17 amended by adding at the end the following:

18 “(x) No executive, legislative, or judicial agency or
19 instrumentality of the Federal Government or of a State
20 or political subdivision thereof (or person acting as an
21 agent of such an agency or instrumentality) may employ,
22 or enter into a contract for the use or employment of, pris-
23 oners in any capacity that would allow such prisoners ac-
24 cess to the social security account numbers of other indi-
25 viduals. For purposes of this clause, the term ‘prisoner’

1 means an individual who is confined in a jail, prison, or
 2 other penal institution or correctional facility, serving
 3 community service as a term of probation or parole, or
 4 serving a sentence through a work-furlough program.”.

5 (2) TREATMENT OF CURRENT ARRANGE-
 6 MENTS.—In the case of—

7 (A) prisoners employed as described in
 8 clause (x) of section 205(c)(2)(C) of the Social
 9 Security Act (42 U.S.C. 405(c)(2)(C)), as
 10 added by paragraph (1), on the date of enact-
 11 ment of this Act; and

12 (B) contracts described in such clause in
 13 effect on such date;

14 the amendment made by paragraph (1) shall take ef-
 15 fect 90 days after the date of enactment of this Act.

16 (d) PROHIBITION OF SALE AND DISPLAY OF SOCIAL
 17 SECURITY NUMBERS TO THE GENERAL PUBLIC.—

18 (1) IN GENERAL.—Except as provided in para-
 19 graph (2), it shall be unlawful for any person—

20 (A) to sell, purchase, or provide a social se-
 21 curity number, to the general public or display
 22 to the general public social security numbers; or

23 (B) to obtain or use any individual’s social
 24 security number for the purpose of locating or
 25 identifying such individual with the intent to

1 physically injure or harm such individual or
2 using the identity of such individual for any il-
3 legal purpose.

4 (2) EXCEPTIONS.—Notwithstanding paragraph
5 (1), and subject to paragraph (4), a social security
6 number may be sold, provided, displayed, or ob-
7 tained by any person—

8 (A) to the extent necessary for law enforce-
9 ment or national security purposes;

10 (B) to the extent necessary for public
11 health purposes;

12 (C) to the extent necessary in emergency
13 situations to protect the health or safety of 1
14 or more individuals;

15 (D) to the extent that the sale or display
16 is required, authorized, or permitted under any
17 law of the United States or of any State (or po-
18 litical subdivision thereof);

19 (E) for any purposes allowed under the
20 Fair Credit Reporting Act (15 U.S.C. 1681 et
21 seq.) or the Gramm-Leach-Bliley Act (15
22 U.S.C. 6802(e));

23 (F) to the extent necessary for verifying
24 the accuracy of information submitted by an in-
25 dividual to a covered entity, its agents, contrac-

1 tors, or employees or for the purpose of authen-
2 ticating or obtaining appropriate proof of the
3 individual's identity;

4 (G) to the extent necessary to identify or
5 locate missing or abducted children, witnesses
6 to an ongoing or potential civil or criminal law-
7 suit, criminals, criminal suspects, parties to
8 lawsuits, parents delinquent in child support
9 payments, organ and bone marrow donors, pen-
10 sion fund beneficiaries, missing heirs, and for
11 similar legal, medical, or family related pur-
12 poses, if the person selling, providing, dis-
13 playing, or obtaining the social security number
14 does not do so for marketing purposes;

15 (H) to the extent necessary to prevent, de-
16 tect, or investigate fraud, unauthorized trans-
17 actions, or other financial liability or to facili-
18 tate the enforcement of an obligation of, or col-
19 lection of a debt from, a consumer, if the per-
20 son selling, providing, displaying, or obtaining
21 the social security number does not do so for
22 marketing purposes;

23 (I) to the extent the transmission of the
24 number is incidental to, and in the course of,

1 the sale, lease, franchising, or merger of all, or
2 a portion of, a business;

3 (J) to the extent necessary for research
4 (other than market research) conducted by an
5 agency or instrumentality of the United States
6 or of a State or political subdivision thereof (or
7 an agent of such an agency or instrumentality)
8 for the purpose of advancing the public good,
9 on the condition that the researcher provides
10 adequate assurances that—

11 (i) the social security numbers will not
12 be used to harass, target, or publicly reveal
13 information concerning any identifiable in-
14 dividuals;

15 (ii) information about identifiable in-
16 dividuals obtained from the research will
17 not be used to make decisions that directly
18 affect the rights, benefits, or privileges of
19 specific individuals; and

20 (iii) the researcher has in place appro-
21 priate safeguards to protect the privacy
22 and confidentiality of any information
23 about identifiable individuals, including
24 procedures to ensure that the social secu-
25 rity numbers will be encrypted or otherwise

1 appropriately secured from unauthorized
2 disclosure; or

3 (K) to the extent that the transmission of
4 the social security number is incidental to the
5 sale or provision of a document lawfully ob-
6 tained from—

7 (i) the Federal Government or a State
8 or local government, that the document
9 has been made available to the general
10 public; or

11 (ii) the document has been made
12 available to the general public via widely
13 distributed media.

14 (3) LIMITATION.—Paragraph (2)(K) does not
15 apply to information obtained from publicly available
16 sources or from Federal, State, or local government
17 records if that information is combined with infor-
18 mation obtained from non-public sources.

19 (4) CONSENSUAL SALE.—Notwithstanding
20 paragraph (1), a social security number assigned to
21 an individual may be sold, provided, or displayed to
22 the general public by any person to the extent con-
23 sistent with such individual's voluntary and affirma-
24 tive written consent to the sale, provision, or display
25 of the social security number only if—

1 (A) the terms of the consent and the right
2 to refuse consent are presented to the individual
3 in a clear, conspicuous, and understandable
4 manner;

5 (B) the individual is placed under no obli-
6 gation to provide consent to any such sale or
7 display; and

8 (C) the terms of the consent authorize the
9 individual to limit the sale, provision, or display
10 to purposes directly associated with the trans-
11 action with respect to which the consent is
12 sought.

13 **SEC. 3. ENFORCEMENT.**

14 (a) ENFORCEMENT BY COMMISSION.—Except as pro-
15 vided in subsection (c), this Act shall be enforced by the
16 Commission.

17 (b) VIOLATION IS UNFAIR OR DECEPTIVE ACT OR
18 PRACTICE.—The violation of any provision of this Act
19 shall be treated as an unfair or deceptive act or practice
20 proscribed under a rule issued under section 18(a)(1)(B)
21 of the Federal Trade Commission Act (15 U.S.C.
22 57a(a)(1)(B)).

23 (c) ENFORCEMENT BY CERTAIN OTHER AGEN-
24 CIES.—Compliance with this Act shall be enforced exclu-
25 sively under—

1 (1) section 8 of the Federal Deposit Insurance
2 Act (12 U.S.C. 1818), in the case of—

3 (A) national banks, and Federal branches
4 and Federal agencies of foreign banks by the
5 Office of the Comptroller of the Currency;

6 (B) member banks of the Federal Reserve
7 System (other than national banks), branches
8 and agencies of foreign banks (other than Fed-
9 eral branches, Federal agencies, and insured
10 State branches of foreign banks), commercial
11 lending companies owned or controlled by for-
12 eign banks, organizations operating under sec-
13 tion 25 or 25A of the Federal Reserve Act (12
14 U.S.C. 601 and 611) by the Board of Gov-
15 ernors of the Federal Reserve System;

16 (C) banks insured by the Federal Deposit
17 Insurance Corporation (other than members of
18 the Federal Reserve System), insured State
19 branches of foreign banks by the Board of Di-
20 rectors of the Federal Deposit Insurance Cor-
21 poration; and

22 (D) savings associations the deposits of
23 which are insured by the Federal Deposit In-
24 surance Corporation by the Director of the Of-
25 fice of Thrift Supervision;

1 (2) the Federal Credit Union Act (12 U.S.C.
2 1751 et seq.) by the Board of the National Credit
3 Union Administration Board with respect to any
4 Federal credit union;

5 (3) the Securities and Exchange Act of 1934
6 (15 U.S.C. 78a et seq.) by the Securities and Ex-
7 change Commission with respect to—

8 (A) a broker or dealer subject to that Act;

9 (B) an investment company subject to the
10 Investment Company Act of 1940 (15 U.S.C.
11 80a–1 et seq.); and

12 (C) an investment advisor subject to the
13 Investment Advisers Act of 1940 (15 U.S.C.
14 80b–1 et seq.); and

15 (4) State insurance law, in the case of any per-
16 son engaged in providing insurance, by the applica-
17 ble State insurance authority of the State in which
18 the person is domiciled.

19 (d) EXERCISE OF CERTAIN POWERS.—For the pur-
20 pose of the exercise by any agency referred to in sub-
21 section (c) of its powers under any Act referred to in that
22 subsection, a violation of this Act is deemed to be a viola-
23 tion of a requirement imposed under that Act. In addition
24 to its powers under any provision of law specifically re-
25 ferred to in subsection (c), each of the agencies referred

1 to in that subsection may exercise, for the purpose of en-
2 forcing compliance with any requirement imposed under
3 this Act, any other authority conferred on it by law.

4 (e) OTHER AUTHORITY NOT AFFECTED.—Nothing
5 in this Act shall be construed to limit or affect in any
6 way the Commission’s authority to bring enforcement ac-
7 tions or take any other measure under the Federal Trade
8 Commission Act (15 U.S.C. 41 et seq.) or any other provi-
9 sion of law.

10 (f) COMPLIANCE WITH GRAMM-LEACH-BLILEY
11 ACT.—

12 (1) NOTICE.—Any covered entity that is subject
13 to the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et
14 seq.), and gives notice in compliance with the notifi-
15 cation requirements established for such covered en-
16 tities under title V of that Act is deemed to be in
17 compliance with section 3 of this Act.

18 (2) SAFEGUARDS.—Any covered entity that is
19 subject to the Gramm-Leach-Bliley Act (15 U.S.C.
20 6801 et seq.), and fulfills the information protection
21 requirements established for such entities under title
22 V of the Act and under section 607(a) of the Fair
23 Credit Reporting Act (15 U.S.C. 1681e(a)) to pro-
24 tect sensitive personal information shall be deemed
25 to be in compliance with section 2 of this Act.

1 **SEC. 4. ENFORCEMENT BY STATE ATTORNEYS GENERAL.**

2 (a) IN GENERAL.—Except as provided in section
3 3(c), a State, as *parens patriae*, may bring a civil action
4 on behalf of its residents in an appropriate state or district
5 court of the United States to enforce the provisions of this
6 Act, to obtain damages, restitution, or other compensation
7 on behalf of such residents, or to obtain such further and
8 other relief as the court may deem appropriate, whenever
9 the attorney general of the State has reason to believe that
10 the interests of the residents of the State have been or
11 are being threatened or adversely affected by a covered
12 entity that violates this Act or a regulation under this Act.

13 (b) NOTICE.—The State shall serve written notice to
14 the Commission (or other appropriate Federal regulator
15 under section 3) of any civil action under subsection (a)
16 at least 60 days prior to initiating such civil action. The
17 notice shall include a copy of the complaint to be filed
18 to initiate such civil action, except that if it is not feasible
19 for the State to provide such prior notice, the State shall
20 provide such notice immediately upon instituting such civil
21 action.

22 (c) AUTHORITY TO INTERVENE.—Upon receiving the
23 notice required by subsection (b), the Commission (or
24 other appropriate Federal regulator under section 8) may
25 intervene in such civil action and upon intervening—

1 (1) be heard on all matters arising in such civil
2 action; and

3 (2) file petitions for appeal of a decision in such
4 civil action.

5 (d) CONSTRUCTION.—For purposes of bringing any
6 civil action under subsection (a), nothing in this section
7 shall prevent the attorney general of a State from exer-
8 cising the powers conferred on the attorney general by the
9 laws of such State to conduct investigations or to admin-
10 ister oaths or affirmations or to compel the attendance
11 of witnesses or the production of documentary and other
12 evidence.

13 (e) VENUE; SERVICE OF PROCESS.—In a civil action
14 brought under subsection (a)—

15 (1) the venue shall be a judicial district in
16 which—

17 (A) the covered entity operates; or

18 (B) the covered entity was authorized to do
19 business;

20 (2) process may be served without regard to the
21 territorial limits of the district or of the State in
22 which the civil action is instituted; and

23 (3) a person who participated with a covered
24 entity in an alleged violation that is being litigated

1 in the civil action may be joined in the civil action
2 without regard to the residence of the person.

3 (f) LIMITATION ON STATE ACTION WHILE FEDERAL
4 ACTION IS PENDING.—If the Commission (or other appro-
5 priate Federal agency under section 3) has instituted a
6 civil action or an administrative action for violation of this
7 Act, no State attorney general, or official or agency of a
8 State, may bring an action under this subsection during
9 the pendency of that action against any defendant named
10 in the complaint of the Commission or the other agency
11 for any violation of this Act alleged in the complaint.

12 **SEC. 5. DEFINITIONS.**

13 In this Act—

14 (1) the term “Commission” means the Federal
15 Trade Commission;

16 (2) the term “covered entity” means a sole pro-
17 prietorship, partnership, corporation, trust, estate,
18 cooperative, association, or other commercial entity,
19 and any charitable, educational, or nonprofit organi-
20 zation, that acquires, maintains, or utilizes sensitive
21 personal information; and

22 (3) the term “social security number” means a
23 social security number that contains more than 5

- 1 digits of the full 9-digit number assigned by the So-
- 2 cial Security Administration.

