

Important Uses of Social Security Numbers (SSNs) by Businesses and Government Agencies

Preventing and investigating terrorist activities – The use of commercial databases is an important tool in protecting Homeland Security and critical infrastructure and fighting the global war against terrorism. Information provided by a CSPRA member companies was instrumental in locating suspects wanted in connection with the September 11th terrorist attacks. The SSNs contained in databases are a critical tool used by federal law enforcement agencies to locate suspects and witnesses and in investigating and building cases against suspected terrorists.

Locating and recovering missing children –Several CSPRA members have partnered with the National Center for Missing and Exploited Children to help that organization locate missing and abducted children. Locating a missing child within the first 48 hours is critical. After that time, the chance of recovering the child drops dramatically. In many of these cases, it is the noncustodial parent who has taken the child. The use of SSNs is critical in locating the noncustodial parent and recovering the missing child.

Identifying and preventing fraud – Banks and other financial institutions routinely rely on SSNs in public record information contained in commercial databases to detect fraudulent credit card applications. Insurance companies have experienced similar successes through the ability to use SSNs. The use of SSNs in public records and other sources is key to preventing fraud.

Locating witnesses and helping make arrests – Lawyers are major users of these databases. Access to SSN information in these databases is critical to tracking down witnesses in connection with civil litigation. Law enforcement agencies also are major users of commercial databases.

Preventing and investigating financial crime – Public records are relied on by federal, state and local law enforcement to prevent and investigate financial crime. SSNs play a vital role in these investigations. In addition, one CSPRA member has recently developed a tool that is used widely by banks and other financial institutions to screen new customers to prevent money laundering and other illegal transactions used to fund terrorist activities. The use of SSNs by financial institutions to verify and validate information on prospective customers is critical to the success of this program.

Enforcing child support obligations and government assistance programs – Public and private agencies rely on SSNs in public records and other information contained in commercial databases to locate parents who are delinquent in child support payments and to locate and attach assets in satisfying court-ordered judgments. Reliance on SSNs contained in key public records is a critical component to the success of these searches. Additionally, government agencies use SSNs in the administration of assistance programs to prevent or detect the fraudulent collection of benefits.

Helping locate pension fund beneficiaries – The task of locating former employees is becoming increasingly difficult. Americans move on average every five years, particularly when they change jobs. Their names may change as a result of marriage or the may list

slightly different names (*e.g.*, leaving out a middle initial) on employment documents. To ensure that pension fund beneficiaries receive the money owed them, plan administrators and sponsors are required by federal law to use commercial databases to search for missing pension beneficiaries. These services are by far the most cost-effective and efficient way to find these former workers. Pension Benefit Information, a leading service used to locate these workers, reported in public testimony delivered before Congress that searching with a retiree's SSN results in an 85-90% success rate in locating an individual, compared to a success rate of only 8% without use of this information. Loss of SSNs from public records and commercial locator services would dramatically increase the costs of locating former employees. Moreover, in many cases, employers would be unable to find former employees, resulting in a loss of pension benefits.

Locating heirs and beneficiaries of trusts and unclaimed funds – Commercial database services are used to locate heirs, beneficiaries of trusts, and beneficiaries of unclaimed funds. Access to SSN information offers a cost-effective means by which an estate's attorney or executors can locate heirs. Similarly, trustees use SSNs to locate beneficiaries and banks use SSNs to locate persons who have failed to close accounts and beneficiaries to unclaimed funds and safety deposit boxes, avoiding having unclaimed property and money escheat to the state.

Helping locate blood, bone marrow, and organ donors – The National Marrow Donor Program and other similar programs use SSNs to locate prior donors when someone with the same blood type needs a transplant. These programs also use SSNs to locate individuals who have had bone marrow transplants in the past.

Contributing to important medical research efforts – Medical research centers use SSNs to locate individuals who were past participants in their research programs. Medical researchers also use SSNs to estimate the year of birth and age for research subjects in occupational and epidemiological research where the SSN is known.

Notifying families about environmental hazards – SSNs are used by some environmental enforcement agencies to locate and notify individuals that an area in which they formerly resided has been identified as a hazardous waste area. SSNs are also used to identify, locate, and notify former workers of workplace exposure to hazardous materials.

It is important to recognize the myriad of critical uses that are derived from the use of SSNs. Overly restrictive policies governing access, dissemination and disclosure of SSNs would have serious unintended consequences.