

**Explanation of May 7, 2007, Manager's Amendment to
H.R. 948, Social Security Number Protection Act of 2007**

1. Page 2, line 13 and throughout – Technical amendment to strike “Social Security account number” and substitute “Social Security number” (SSN) each place that it appears.
2. Page 3, line 19 through page 5, line 7 – Experian commented that: “The primary goal of the legislation should be to stop the sale or public display of SSNs on the Internet. There is no legitimate reason why a Website operator should be selling SSNs to the general public.” The Center for Democracy & Technology (CDT) also called for a restriction on public display of SSNs. Manager’s Amendment adds a new Section 3 that prohibits (1) intentional display of or access to SSNs to or by the general public over the Internet, (2) requiring a consumer to use his or her SSN as a password for access to goods or services, and (3) the display of the SSN on membership or identity cards. Provides that a violation of this section shall be enforced by the Federal Trade Commission (FTC) as an unfair or deceptive act or practice in violation of a regulation under Section 18 of the Federal Trade Commission Act (FTC Act), and that any person who violates FTC regulations promulgated under the SSN Protection Act shall be subject to the same penalties and subject to the same privileges and immunities as provided in the FTC Act. Authorizes the FTC to promulgate rules providing for any exemptions that the FTC finds appropriate and consistent with the public interest, the protection of consumers, and the purposes of the SSN Protection Act. Redesignates original Sections 3 and 4 as Sections 4 and 6.
3. Insert after Section 4 – CDT commented that the biggest problem with SSNs is their widespread use as authenticators to verify a person’s identity, and resulting “mission creep” that “increase[s] fraud risks by creating a single number that is the key to unlocking numerous facets of a consumer’s identity--making the number a very tempting target for crooks or scammers.” Other stakeholders raised concerns with prohibiting their use altogether. Manager’s Amendment adds a new Section 5 that directs the FTC to conduct a study of the issue and submit a report to Congress within one year of enactment of the legislation.
4. Page 11, line 8 – Manager’s Amendment amends Section 6 to strike “consistent with” and substitute “similar to” and add “prohibits the uses of Social Security numbers described in section 3 (a).” in order to ensure that the preemption provision is effective in facilitating a single national standard of conduct and protection for consumers.

AMENDMENT TO H.R. 948
OFFERED BY MR. RUSH

Page 2, beginning on line 13 and beginning on line 24, strike “or Social Security account number” each place it appears.

Redesignate sections 3 and 4 as sections 4 and 6, respectively, and insert after section 2 the following:

1 **SEC. 3. PROHIBITION ON CERTAIN USES OF SOCIAL SECUR-**
2 **RITY NUMBERS.**

3 (a) PROHIBITION.—Except as provided under regula-
4 tions issued by the Commission under subsection (c), it
5 shall be unlawful for any person to—

6 (1) intentionally display the Social Security
7 number of another individual on a website that is
8 generally accessible to the public or provide an indi-
9 vidual with access to the Social Security number of
10 another individual through the Internet;

11 (2) require an individual who is customer of or
12 member associated with such person to use that in-
13 dividual’s Social Security number as a password for
14 access to any good or service, including access to

1 any account of that individual or any protected ac-
2 cess website; or

3 (3) display the Social Security number of any
4 individual on any membership or identity card issued
5 by such person.

6 (b) ENFORCEMENT.—A violation of subsection (a)
7 shall be treated as an unfair and deceptive act or practice
8 in violation of a regulation under section 18(a)(1)(B) of
9 the Federal Trade Commission Act (15 U.S.C.
10 57a(a)(1)(B)) regarding unfair or deceptive acts or prac-
11 tices. The Commission shall enforce this section in the
12 same manner, by the same means, and with the same ju-
13 risdiction, powers, and duties as though all applicable
14 terms and provisions of the Federal Trade Commission
15 Act (15 U.S.C. 41 et seq.) were incorporated into and
16 made a part of this section. Any person who violates sub-
17 section (a) shall be subject to the penalties and entitled
18 to the privileges and immunities provided in that Act.

19 (c) EXCEPTIONS.—Not later than 9 months after the
20 date of enactment of this Act, the Commission shall pro-
21 mulgate rules providing for any exceptions to the prohibi-
22 tion in subsection (a) for circumstances which the Com-
23 mission considers appropriate and consistent with the pub-
24 lic interest, the protection of consumers, and the purposes
25 of this Act.

Insert after section 4 (as redesignated by the preceding amendment) the following:

1 **SEC. 5. STUDY ON FEASIBILITY OF BANNING SOCIAL SECU-**
2 **RITY AS AN AUTHENTICATOR.**

3 (a) STUDY.—The Commission shall conduct a study
4 to determine—

5 (1) the extent of the use of Social Security
6 numbers as a primary means of authenticating iden-
7 tity;

8 (2) the extent of the use of Social Security
9 numbers for verification in commercial transactions;
10 and

11 (3) the feasibility of a prohibition on such use.

12 The study shall also examine possible alternatives to So-
13 cial Security numbers for verification purposes and uses
14 in authenticating identity.

15 (b) REPORT.—The Commission shall transmit to
16 Congress a report of the study, including any rec-
17 ommendations, not later than 1 year after the date of the
18 enactment of this Act.

Page 11, line 8, strike “expressly restricts” and all
that follows and insert “expressly—

19 (1) prohibits the uses of Social Security num-
20 bers described in section 3(a); or

1 (2) restricts or prohibits the sale or purchase of
2 Social Security numbers in a manner similar to the
3 regulations promulgated under section 4(b).