



DO YOU KNOW WHERE YOUR SOCIAL SECURITY NUMBER IS RIGHT NOW?

Identity theft is a growing crime that leaves up to 40,000 or more consumers each year fighting to clear their names and correct their credit reports after thieves establish fraudulent credit accounts in their names.

One way thieves gain access to personal information about you is through your Social Security number (SSN). Since Americans' SSN is now used for a multitude of different purposes, a window of opportunity is open wide for such identity thieves.



HISTORY OF SOCIAL SECURITY NUMBERS

When Social Security began in 1935, the 9-digit Social Security Numbers (SSN) were distributed as an arrangement to track earnings and benefits covered by the new program. However, as time has passed, the SSN is no longer unique to the system for which it was established. The SSN has almost become a national identification number for not only federal, state, and local government agencies, but also educational institutions, medical and health services, businesses, banks, department stores, insurance companies, and the list goes on and on.

AN ISSUE OF LEGALITY

It is unlawful to use someone else's SSN or to give inaccurate information when applying for a number, according to Edmund Mierzwinski, Consumer Program Director of the US Public Interest Research Group. But that's about where the protection ends. While government agencies are regulated to keep your SSN private, anyone else asking for your SSN is not regulated under such laws.

PROBLEMS WITH MISUSE OF SSNs

Computer databases of personal information including your SSN are available within many organizations and often are easily accessible to people working within the organization. Groups frequently sell lists to marketers, resulting in annoying but usually harmless telephone calls from telemarketers. On the other hand, employees with access to computer databases could deliberately misuse the information themselves. Among other things, with your SSN, identity thieves can get credit cards in your name and even gain access to your own personal bank account.

Through random selection of Social Security numbers, identity thieves could choose you. With the incredible increase in database information availability, a SSN thief could track you all the way from your last marginal purchase to the movie you rented last night.

The fact that it is legal for someone else to use this information poses a real problem for victims. Some people may contest that it is an infringement of their right to privacy, but, since there is no regulation, they have no recourse. As this is the case, remember to not give your SSN

out over the telephone or internet because you do not know who is on the other end.

To help avoid some of the problems listed above, the government has set up a website at <http://www.consumer.gov> which informs the public about what they can do to limit the amount of information about themselves that can be accessed on the web.

As a consumer, there are some preventive measures you can take to help avoid fraudulent use of your SSN. Read on and learn how you can safeguard your number and identity when dealing with various types of businesses and organizations.

PRIVATE ORGANIZATIONS

Leave the space blank, if a private organization asks you for your SSN on a document. If someone verbally asks for your SSN, explain to them that you do not want to give out your SSN and ask if an alternative number could be used. Ask to speak with a manager or someone higher up in the organization if the person you are dealing with insists the SSN is necessary. Many organizations will assign you an alternative number to use in place of your SSN.

This method will work with most organizations, though the establishment can rightfully refuse you service if common ground cannot be reached. If this happens and you can purchase your product or service somewhere else, it may be wise to do so. Keep in mind that public utilities are considered private organizations under the laws regulating SSNs.

PRIVATE EMPLOYERS

Employers are required to obtain your SSN for tax purposes. When applying for a job, you should not give out your SSN until you have accepted an offer. If a background check is necessary, you can request that you be allowed to personally give your SSN to the person doing the checking. This will help reduce the number of people with your SSN information and decrease the threat of fraud.

FINANCIAL INSTITUTIONS

According to well-known author on Social Security issues, Chris Hibbert, banks and other financial institutions are required by the Internal

Revenue Service to report interest on their customers' accounts using the SSN. Banks may open a non-interest bearing account with other forms of identification.

The bank may ask if you would like to have your SSN printed on your personal checks. You should think hard about whether or not you want to do this because it provides thieves with not only your SSN, but your account number, too. If your checks already have your SSN printed on them, you may want to order new checks without it.

Many lending institutions ask clients for their SSN to be put on the deed of trust, such as when you are buying a house. A deed of trust is a public document accessible to anybody that wants to look it up. Since all parties involved already have your SSN, it is not necessary under the law that your SSN be put on the deed.

SCHOOLS AND UNIVERSITIES

Universities that receive federal funding require students to have a SSN. Foreign students are typically assigned a temporary number for the length of their education. Universities are required by the Family Educational Rights and Privacy Act of 1974 to withhold the number unless the student requests its release.

Public schools that receive federal funding can ask for the SSN of a child or parent, though if either party does not have one, the school cannot force them to obtain one. In the case that a student does not have an SSN, according to the National Coalition of Advocates for Students (NCAS), the school must assign a number. To obtain more information about this act, contact NCAS by writing to them at 100 Boylston Street, Suite 737, Boston, MA 02116 or by calling (617) 357-8507. However, most children have a SSN by the age of one since the passage of legislation requiring it in order for their parents to claim them as dependents on their income tax returns.

INSURANCE COMPANIES

Insurance companies usually require SSNs for underwriting life and health insurance, but not property (house) and vehicle (automobile) insurance.

Although group health plans may use your SSN as your identification number, this is not necessary because such health plans do not

require insurability qualifications of individuals. If this is the case, you may want to talk to your employer about being assigned an alternative identification number. Keep in mind that insurance is prepaid, thus there is no need to have a credit check to obtain it . For more information about SSNs and the privacy of your medical records, see Cooperative Extension publication *Do Your Medical Records Really Belong To You?* (FAM-RHF.112).

**PRIVACY LAWS
GOVERNING THE USE OF
SOCIAL SECURITY NUMBERS**

1. The Privacy Act of 1974
2. Family Educational Rights and Privacy Act of 1974
3. The Family Support Act of 1988
4. Personal Information Privacy Act of 1997

INTERNET

Since the internet is such a new venue, privacy practices are self-regulated. Web sites are available for people to track their credit reports, driving record, and much more. All of this information can be obtained by any internet user if they have the person’s SSN, for a fee ranging from \$20 to \$250. For additional information pertaining specifically to the internet, read the Cooperative Extension publication *How Private is Your Ride on the Internet?*(FAM-RHF.110).

TELEMARKETING

Telemarketers will ask you as much information about your identity as you will allow. To keep your SSN private, you may want to provide them with innocuous but inaccurate information. The SSN 078-05-1120 was printed on “sample” cards in the 1940’s and 1950’s. Although the IRS and Social Security Administration will recognize it as a fake, most clerks probably will not (“What” 1998).

Even if you are initiating a purchase by telephone, be leery of giving out your SSN. Recent highlights of an investigative report show that companies are contracting with prisons to use the prisoners as assistants with the phone orders. The next time you call to make airplane

reservations or to order merchandise out of your favorite catalog, be aware that there may be a prisoner on the other end asking all the questions.

DRIVER’S LICENSE

Departments of Motor Vehicles in some states use SSNs as identifiers. Laws have recently been passed in Kentucky to omit the SSN from your driver’s license card. If you have not changed your license since this law was passed, you may want to go to your local DMV office and have your SSN replaced with a driver’s license number.

LANDLORDS

Landlords often request SSNs to obtain a credit check for prospective tenants. You may want to inquire if the landlord would accept a letter of reference from a previous landlord or if there is another way that you could demonstrate your creditworthiness.

Landlords track tenants that have left in precarious situations by using the “bad tenant” list. Currently, the Fair Credit Reporting Act does not cover the database of “bad tenants.” If your SSN has been fraudulently used to rent a property by someone else, or if a landlord made a mistake entering the SSN, you could be refused housing and not told why. Unfortunately, due to the lack of regulation, the landlord does not have to tell you where he obtained his information or why you are being denied.

SUGGESTIONS

Here are some practical suggestions for maintaining the privacy of your Social Security number.

DO:

- ▶ Keep your SS card in a safe place.
- ▶ Periodically check your SS report and your credit report for signs of fraudulent use.
- ▶ Ask if there is an alternative when someone other than a regulated government agency requests your SSN.

DO NOT:

- ▶ Carry your SSN in your purse or wallet where it can be easily stolen.
- ▶ Give out your SSN over the telephone or the

internet.

- ▶ Give your SSN to a potential employer before accepting an offer.
- ▶ Put your SSN on a public document.

You can check the Social Security Administration database and your credit report to find out if your SSN has been misused.

SOCIAL SECURITY ADMINISTRATION

To obtain your Social Security records, call 800-772-1213 and ask for Form 7004 (Request for Earning and Benefit Estimate Statement). The hearing impaired can call 800-325-0778 between 7 a.m. and 7 p.m. on business days. If you discover someone is using your SSN, you should immediately report your discovery to the number above.

CREDIT REPORT

You can obtain a personal credit report by calling Equifax (800-658-1111), TransUnion (800-916-8800), or Experian (800-682-7654). Unless you have been denied credit in the last 60 days, you will be charged a small fee (\$8) for these services. If you find a discrepancy in your credit report, you should contact the credit bureau and provide the company with a consumer statement.

Checking your credit and Social Security records will assure you that no one is fraudulently using your SSN. For more information about privacy laws, subscribe to *Privacy Journal* at P.O. Box 28577, Providence, RI 02908.

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