



State of Connecticut
Senator Donald E. Williams, Jr.
President Pro Tempore

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Senate President Pro Tempore
On

**Raised Bill 315: An Act Prohibiting the Unnecessary Collection of
Social Security Numbers**

Committee on General Law

March 6, 2012

Senator Doyle, Representative Taborsak and members of the committee, thank you for this opportunity to testify in support of Raised Bill 315: ***An Act Prohibiting the Unnecessary Collection of Social Security Numbers***. The goal of this bill is to provide what I believe is much-needed protection for Connecticut consumers, by broadening the scope of our Social Security number protection laws.

According to the U.S. Department of Justice, in 2010, 8.6 million households experienced identity theft victimization.¹ Consumers Union estimates that there are 22,000 new victims every day.² Many of these incidents, including financial fraud, are attributable to misuse of personal information, such as Social Security numbers. These numbers are valuable targets for identity thieves and are often easily found on various documents. They appear on business records, in mailings, and on consumer forms. If a Social Security number falls into the wrong hands, it is very difficult to have it changed. Identity thieves may open new accounts, take out loans or insurance policies and incur high amounts of debt in a consumer's name. In many cases, such fraud takes several years to discover.

Social Security numbers are required for purposes of credit, taxes, employment, investment, new bank accounts, child support, criminal record checks, and as otherwise required by law. However, Social Security numbers are also collected and used widely where not necessary or mandated by law and where other means of identification would suffice. In fact, often a space appears for Social Security numbers on forms for consumers to fill out, even though the business does not require the number. Consumers may nevertheless feel compelled to fill in the blank. Different numbers can easily be assigned for purposes of identification and record-keeping.

¹ U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, *Identity Theft Reported by Households, 2005-2010*. Available at <http://www.bjs.gov/content/pub/pdf/itrh0510.pdf>.

² Consumers Union, *Social Security Number Protection Legislation for States*. Available at http://www.consumersunion.org/pub/core_financial_services/004801.html.

Currently, under Connecticut law, anyone who collects Social Security numbers must protect their confidentiality, shall not unlawfully disclose them, and must limit access to them. C.G.S. 743dd, Sec 42-471. Connecticut is in the company of many states that have similar restrictions. However, even with these restrictions, identity theft continues to be a problem.

This bill would strengthen protections by prohibiting outright the request or collection of Social Security numbers unless permitted. It provides a sound basis for discussion in determining the appropriate scope of exemptions. I would urge you to review two provisions in this bill. First, the specific exemptions for several enumerated health insurance policies in subsection (b)(1) may be too broad. Health insurance policies may have good reason to collect Social Security numbers. Second, the exceptions set forth in subsection (c)(5) appear too vague to adequately protect consumers. To the extent that those exceptions are determined necessary, I hope that they will be more narrowly written.

Not only will these provisions protect Connecticut consumers, they will protect business owners and service providers from the burden of taking extra steps to safeguard Social Security numbers that they collect. These business owners and providers can instead use more secure means of identifying customers.

I look forward to working with you on this critical issue this session.

Thank you.