



Use and Collection of Social Security Numbers

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Several federal laws regulate governmental use of an individual's social security number. However, these laws do not apply to the collection of a social security number by a private party. This issue brief provides an overview of the restrictions on state and local governmental use of a person's social security number, permissible uses of a person's social security number by a state or local governmental agency, and situations in which state and local governments are required to collect a person's social security number.

PURPOSE OF SOCIAL SECURITY NUMBERS

A social security number serves as a person's unique identification number. Originally, the social security number was created to identify workers so that employers and the federal government could properly coordinate the requirements of the Social Security program.¹ Over the years, the use of social security numbers has significantly expanded. Now, a person must have a social security number to participate in certain government functions such as paying taxes and receiving a tax credit or refund,² receiving certain government benefits,³ and applying for student loans through the federal government.⁴ A person may be also be requested to provide a social security number to verify the person's identity in consumer transactions, such as an application for a bank account or rental property, but production is voluntary.

Parents must list the social security number for each child for whom they wish to claim a tax deduction⁵ and may apply for a social security number upon a child's birth.⁶ Generally, only noncitizens who are authorized to work in the U.S. may obtain a social security number, and must provide current immigration documents when they apply.⁷ Applying for a social security card and number is free.

USE AND COLLECTION OF SOCIAL SECURITY NUMBERS

Restrictions on Governmental Use and Collection

Federal law places a number of restrictions on federal, state, and local governmental use of an individual's social security number. Several of these restrictions are found in the Privacy Act of 1974 (the Privacy Act). For example, among other restrictions, federal agencies generally are prohibited from disclosing a person's social security number without his or her consent, subject to certain exceptions, and must account for any disclosures made by the agency.

Additionally, federal, state, or local government agencies are generally prohibited from denying to an individual any right, benefit, or privilege provided by law because that individual refuses to disclose his or her Social Security number. This prohibition does not apply if: (1) the disclosure is required by federal law or the disclosure is required by a federal, state, or local agency maintaining a system of records in existence and operating before January 1, 1975; or (2) the disclosure was required under a statute or regulation adopted prior to that date to verify the identity of an individual.⁸

While a state or local governmental agency is limited in its ability to require individuals to disclose their social security numbers, those agencies are not prohibited from **requesting** that a person provide his or her Social Security number. However, if a state or local governmental agency requests a person to disclose his or her social security number, the Privacy Act requires the state or local government agency to advise the individual as to (1) whether the disclosure is mandatory or voluntary, (2) under what statutory authority or other authority the social security number is requested, and (3) what uses will be made of the social security number.⁹

Authorized or Required Collection

Federal law authorizes several specific uses that a state or local government, or an agency thereof, may make of a person's social security number. For example, the Social Security Act authorizes states or local units of government to require individuals to disclose their social security numbers and to utilize such numbers as a form of identification in the administration of a tax program, a general public assistance program, a driver's license or motor vehicle registration program, or a blood donor program, and in the administration of laws relating to birth certificates.¹⁰

In addition, the federal Personal Responsibility and Work Opportunity Reconciliation Act established a requirement that all states collect social security numbers as a condition of receiving federal funding for child support and family assistance programs. These laws were created to assist states and the federal government in finding and reducing the number of individuals evading child support payments. Thus, as a condition of receiving any license in Wisconsin, an individual's social security number must be recorded on the license application. Social security numbers are also required for records relating to a divorce decree, support order, or paternity determination, and on death certificates.¹¹

Private Collection of Social Security Numbers

While the social security number is commonly used as a financial identifier, the federal government does not regulate the collection of social security numbers by private individuals or corporations. Certain industries (credit, banking, etc.) may require a social security number as a condition of conducting business; however, it is up to the discretion of the individual to decide to release or withhold a social security number in private matters.

¹ Social Security Administration, Carolyn Puckett, *The Story of the Social Security Number*, 2009.

² 26 U.S.C. s. 6109 (d).

³ See, e.g., 42 U.S.C. s. 405 (c) (2) (F), regarding Social Security benefits.

⁴ 20 U.S.C. s. 1091 (a) (4) (B).

⁵ 26 U.S.C. s. 151.

⁶ 20 C.F.R. s. 422.103.

⁷ 20 C.F.R. s. 422.104; Social Security Administration, *Social Security Numbers for Noncitizens*, March 2018.

⁸ 5 U.S.C. s. 552a.

⁹ 5 U.S.C. s. 552a(e).

¹⁰ 42 U.S.C. s. 405 (c) (2) (C).

¹¹ ss. 49.22(2m)(a), 69.18(1m)(a) 1., 767.215(5), 767.58(2), and 767.89(2)(a), Stats.; 42 U.S.C. s. 666(a)(13).