



September 4, 2007

Federal Trade Commission
Office of the Secretary
Room H-135 (Annex K)
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Social Security Numbers In The Private Sector -- Project No. P075414

Dear Commissioners:

The National Association of Professional Background Screeners (“NAPBS”) is a professional association representing over 400 screening companies nationwide. The background screening industry is a vital part of our modern economy. KPMG estimated that this is a \$2 billion industry and it is growing rapidly.

Every day millions of Americans go to work, drop off kids at childcare centers and schools, drive by cargo trucks carrying hazardous materials, trust the care of a loved one to a healthcare provider, and in doing so they expect a level of due diligence to ensure safe and qualified employees in these locations. The members of NABPS carry out that due diligence.

We appreciate your interest in the private sector use of Social Security Numbers (“SSNs”). Background screening is a legitimate and established industry currently regulated by the Federal Trade Commission (“Commission”) under the authority of the Fair Credit Reporting Act (“FCRA”) as well as by numerous related state laws. The use of SSNs enables our industry to efficiently and accurately provide background screenings. The Association seeks to foster awareness of issues related to consumer protection and privacy rights within the background screening industry.

We are pleased to have the opportunity to submit comments on the topic of Social Security Numbers in the Private Sector. We are responding the topics you have enumerated.

Current Private Sector Collection and Uses of the Social Security Number (“SSN”)

Background screening is an integral part of our nation’s hiring and employment processes. Background checks help employers and volunteer organizations hire and work with safe and qualified individuals. The personal information that is verified through the screening process is provided by the individual that is being screened with full knowledge and written consent of use as governed by the Fair Credit Report Act (FCRA).



The purpose of this FTC initiative is to develop a record on this critical issue and seek comment from stakeholders. In order to make the Commission fully aware of the implications of any action on this segment, for your consideration, below is a list of background screening reports that depend entirely upon, or are enhanced by, the inclusion of an SSN:

- **Employment Eligibility Verification Forms I-9 and Right to Work Verification** - Required by the Department of Homeland Security in order to establish an individual's employment eligibility in the United States.
- **Past Address Locators** - Used to find past residences of applicants' for background screening. A useful tool since often times criminals tend not to include addresses in areas where they have a past criminal history.
- **Credit Reports** - Credit Bureaus require SSNs and are used by small and large businesses to help qualify individuals who are working in financially sensitive areas. This affects every aspect of our credit economy, moving billions of dollars each day.
- **Identity Verification** - Private and public tools that support compliance with the USA Patriot Act require SSNs.
- **Drug Screening** - While not required to perform the specific drug test, the use of SSNs allows employers to tie together drug screening results with applicant's background history. For example, this allows trucking companies to quickly hire new drivers and comply with Department of Transportation safety regulations.
- **Civil Court Searches** - Breach of contractual obligations, landlord/tenant cases, small claims cases, bankruptcy proceedings and other civil court searches often require the courts to use a SSN to establish a match.
- **Education Verification** - SSNs often must be provided in order to verify information on a previous student, which is particularly useful since a large percentage of the American population often changes addresses or names due to marriage, for instance.
- **Employment Verification** - SSNs often must be provided in order to verify employment history.
- **County Criminal Searches** - Name and date of birth typically provide the level of accuracy required for a search. However, greater accuracy is provided in searches where a SSN and/or Drivers' License number is also included within a criminal file.



The Role of the SSN as Authenticator

NAPBS supports the continued, permissible use of SSNs for legitimate purposes such as background screens which keep America's workforce safe.

Our Association serves employers, job applicants, employees, landlords and potential tenants by providing the critical information employers and landlords need to make safe, intelligent hiring and leasing decisions. Social Security Numbers and other personal identifiers provided by the applicant with prior written consent are critical to performing a quick, fair, cost-effective, and accurate background check.

The background screening industry is heavily reliant upon access to SSNs in order to provide accurate and timely information for legal purposes throughout the economy. We ardently believe that background screeners must be permitted to verify personal identity

through the use of SSNs provided by an applicant with their full knowledge and consent (as required by existing law).

Without the use of a SSN it would be extremely difficult, if not impossible, to provide complete, accurate and thorough background checks for employers, landlords, tenants, volunteers and others for whom a background check is vital.

The complete removal of SSNs would result in:

- longer wait times for employees to get jobs;
- higher risks for businesses and consumers due to the difficulty in verifying information;
- possible contraction of job growth due to the additional time and costs associated with new employees;
- and, finally, possible refusal of employment to innocent citizens who are confused with similarly named individuals with adverse information without the ability to match further.

The Role of the SSN in Fraud Prevention & The Role of the SSN in Identify Theft

As part of the consumer protection, the Fair Credit Reporting Act ("FCRA") requires the disclosure of a background check used to make an adverse hiring decision. This provision gives the consumer the ability to review the report, dispute the information as needed, and requires a re-verification of the adverse data (to the extent available).



We believe that SSNs are sensitive, personally identifiable information that needs to be protected from falling into the hands of identity thieves or otherwise used inappropriately.

In our opinion, however, the removal of SSNs from publicly available documents will result in longer waiting times for applicants and will increase the potential for law abiding citizens to be denied employment, housing or other opportunities based on incorrect or incomplete background check matches. Additionally, the prudent use of SSNs will actually protect victims from fraud by providing accuracy in information.

With respect to identify theft prevention, we support the masking of SSN data in private and public records, provided that appropriate authorized personnel are permitted to continue to verify a SSN match in civil or criminal court records when the SSN is provided by the individual applicant for the purpose of facilitating a background check.

Conclusion

We appreciate the opportunity to comment on this significant issue. If you desire additional information please do not hesitate to contact us at . Additionally, we remain available to meet with the Commission, its staff or to testify at public hearings on this subject.

Sincerely,

Arthur J. Cohen, Esq.
President