

**U.S. House of Representatives**  
**Committee on Ways and Means**  
**Subcommittee on Social Security**

**Statement for the Record**

**Social Security Administration's Response to the September 11 Terrorist Attacks**

**The Honorable James G. Huse, Jr.**  
**Inspector General, Social Security Administration**

**November 1, 2001**

Good morning, Chairman Shaw, Congressman Matsui, and members of the Subcommittee. I have come before you on many occasions to discuss the misuse of Social Security numbers, but never before in a situation such as this. In the past five weeks, we have learned that the risks inherent in failing to adequately protect the integrity of the SSN may have serious consequences.

My office is currently involved in a great many investigations of subjects and witnesses suspected of association with the events of September 11. It has quickly become apparent just how instrumental the use of a fraudulent SSN has been for these individuals, who rely on aliases and assumed identities in order to integrate themselves anonymously into our society.

I would like to describe one example of an investigation being conducted by the FBI and one of our Field Divisions involving an individual currently under INS detention for immigration violations. The investigation determined that the individual purchased a fraudulent Social Security Number processed by a former SSA employee who was indicted and prosecuted. The fraudulent Social Security number and associated INS documents enabled this man to remain and function without restriction in the United States.

This is only one example of how integral the SSN has been to the national investigation into the September 11 attacks. Our office has been a busy participant in the investigation from the start. Within minutes of the attack on the World Trade Center, my Special Agent-in-Charge for the New York Field Division was in contact with the FBI, offering the services of the eighteen Special Agents under his command. Our involvement in the ongoing national investigation, mandated by the role the SSN plays in establishing false identities and committing the financial crimes necessary to bankroll terrorism, has grown on a daily basis.

While top management officials at our Baltimore headquarters worked with the Commissioners of Social Security and the Internal Revenue Service to secure appropriate authority to share data with the FBI, our field agents swung into action. Nine of our agents in the New York/New Jersey area remain assigned exclusively to the FBI investigation. At headquarters, one of our agents was quickly assigned to the FBI's Strategic Information and Operations Center, another to the National Infrastructure Protection Center. Six members of our electronic crime team have rendered assistance to the FBI, while two of our computer specialists write programs to more specifically query SSA's databases for information the FBI needs. Seven additional agents are fielding those requests for SSN information on suspects and witnesses, each of which is routed

through the FBI's Baltimore office to our headquarters. Across the country, more of our agents are assigned to Joint Terrorism Task Forces, and four senior investigative officials in Baltimore oversee all of our emergency operations. Many of our investigators are working full-time on the terrorism investigation and responding to allegations of SSN misuse. This has obviously left us somewhat short-handed in other areas.

What has become apparent in the case I discussed a moment ago, and in all of our work on the national investigation, is that a purloined SSN is as useful a tool for terrorists as it is for identity thieves. We must now address that reality as we continue our efforts to deal with these problems.

The first step in that renewed effort is to face again an unavoidable reality. While never intended to be such, the SSN is used as our national identifier.

The SSN is used legitimately in so many areas of our lives that it is impossible to think that we can turn back the clock and reserve its use to tracking earnings and paying benefits, the uses for which it was originally designed. We can, however, take two critical steps.

The first is to stop the issuance of SSNs to those who would use them to commit crimes. Enumeration, the process by which SSNs are issued by the Social Security Administration, has been the subject of several audits by my office, and we have made numerous recommendations. Most notable is the need for independent verification of evidentiary documents submitted in support of applications for SSNs. Whether by statute, by regulation, or by policy, SSA must be required to verify the evidence submitted by SSN applicants before approving any SSN application. And if those documents originate with the INS, the INS should certify them. H.R. 2036, introduced by this Subcommittee, does require verification of birth records for SSN applicants and moves us closer to the INS certification requirement. It is my hope that upon enactment of this Bill, SSA and the INS will move quickly to establish such a program. SSA is justifiably proud of its track record of outstanding customer service, but we must achieve a more effective balance between security and expediency. I believe the Enumeration Work Group chartered by the Acting Commissioner within days of the terrorism attacks is developing appropriate adjustments to our business processes to respond to this need. The second step we must take is to better protect validly issued SSNs. The Subcommittee's Bill not only provides better enforcement mechanisms, but is designed to stop the indiscriminate display of SSNs on public documents and the sale and purchase of SSNs over the Internet and by other means.

By acknowledging that the SSN is our virtual national identifier, we accept the responsibility to protect its integrity—not only to prevent the financial crimes that have historically defined SSN misuse, but to ensure that it is not used for other criminal purposes as well.

By limiting the public availability of SSN information and continuing to review the added value of stronger controls over the issuance of SSNs, even if those controls are more time consuming and more expensive, we can make true progress. We must not maintain the status quo and provide any advantage to those with criminal intentions.

We have already fought long and hard to reduce SSN misuse, and we stand ready to do more. We know now, without question, that this illegal activity not only facilitates financial crimes, but

provides capability for organized criminal enterprises to sustain themselves while engaged in acts of terrorism. Certainly I cannot state that the SSA Office of the Inspector General can prevent terrorism, or even completely eradicate SSN misuse. But the time has come to attempt—and accomplish—still more.

Thank you, and I'd be happy to answer any questions.