
HOUSE BILL 1881

State of Washington

56th Legislature

1999 Regular Session

By Representatives Lambert, Edwards, Carrell, Koster, Sump, Campbell,
Dunn and Thomas

Read first time 02/09/1999. Referred to Committee on Judiciary.

1 AN ACT Relating to protecting privacy by restricting the use of
2 social security account numbers; amending RCW 26.23.150; adding a new
3 section to chapter 19.182 RCW; adding a new chapter to Title 19 RCW;
4 creating a new section; providing an effective date; and declaring an
5 emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature declares:

8 (1) The social security account number was first intended for use
9 solely by the federal government as a way of tracking the earnings of
10 an individual in order to determine the amount of social security taxes
11 to credit to the individual's account;

12 (2) Over the years, the use of the social security account number
13 by both the public and private sectors for other purposes has
14 increased;

15 (3) The increased use of the social security account number for
16 other purposes has led to an increase of stolen and misappropriated
17 social security account numbers, identity theft, and fraud;

18 (4) Although federal law provides some limits on the use of the
19 social security account number by government agencies, the federal law

1 does not prohibit private companies from asking for a person's social
2 security account number;

3 (5) Federal laws provide little protection against private
4 companies misusing a person's social security account number;

5 (6) With today's technology, the use of the social security account
6 number as a personal identifier is less necessary than in the past;

7 (7) There are other identification methods available, such as using
8 an algorithm to digitize a person's name or other identifying
9 information, or issuing personal identifying numbers known only to the
10 individual and company;

11 (8) It is the intent of chapter . . . , Laws of 1999 (this act) to
12 protect the privacy of the citizens of Washington by restricting the
13 use of social security account numbers by companies, government
14 agencies, and organizations that use individual's social security
15 account numbers for numerical identifiers, account numbers, and other
16 recordkeeping purposes.

17 NEW SECTION. **Sec. 2.** The definitions in this section apply
18 throughout this chapter unless the context clearly requires otherwise.

19 (1) "Person" means natural persons, government agencies,
20 corporations, trusts, unincorporated associations, partnerships, and
21 any other commercial entity, including financial institutions and
22 consumer reporting agencies, located or doing business in the state of
23 Washington.

24 (2) "Financial institution" means a bank, trust company, mutual
25 savings bank, savings and loan association, or credit union authorized
26 by federal or state law to accept deposits in this state.

27 (3) "Consumer reporting agency" means an agency as defined in RCW
28 19.182.010.

29 (4) "Informed written consent" means written consent given after
30 being informed whether providing a social security account number is
31 voluntary or mandatory, what statutory authority requires providing the
32 number, and how the number will be used.

33 NEW SECTION. **Sec. 3.** Except as provided in sections 5 and 6 of
34 this act, no person may utilize or retain an individual's social
35 security account number, or any intentional derivative of that number,
36 for purposes of identification of the individual.

1 NEW SECTION. **Sec. 4.** Except as provided in sections 5 and 6 of
2 this act, no person may buy, sell, trade, offer for trade or sale, or
3 convey in any manner an individual's social security account number, or
4 any intentional derivative of that number.

5 NEW SECTION. **Sec. 5.** (1) A person may use an individual's social
6 security account number for credit data collection, credit data
7 maintenance, credit data reporting, or, in the case of financial
8 institutions, for conducting financial transactions explicitly
9 authorized by law, upon obtaining the informed written consent of the
10 individual.

11 (2) A consumer reporting agency may not furnish or provide any
12 person with a consumer report that contains an individual's social
13 security account number without the informed written consent of the
14 individual.

15 NEW SECTION. **Sec. 6.** Nothing in this chapter prohibits the lawful
16 use of social security account numbers by financial institutions,
17 employers, and state and local government agencies where the use of
18 social security account numbers is explicitly required by state or
19 federal law.

20 NEW SECTION. **Sec. 7.** (1) Any person aggrieved by any act of any
21 person in violation of this chapter may bring a civil action in
22 superior court to recover:

23 (a) Such preliminary and equitable relief as the court determines;
24 and

25 (b)(i) The greater of any actual damages or twenty-five thousand
26 dollars; or

27 (ii) Five hundred thousand dollars if violations have occurred with
28 frequency sufficient to constitute a general business practice.

29 (2) In a civil action brought under this section in which the
30 aggrieved individual has substantially prevailed, the court may assess
31 against the respondent reasonable attorneys' fees and other costs.

32 (3) No action may be commenced under this section more than three
33 years after the date on which the violation was or should reasonably
34 have been discovered by the aggrieved individual.

1 NEW SECTION. **Sec. 8.** A new section is added to chapter 19.182 RCW
2 to read as follows:

3 A consumer reporting agency may not furnish or provide any person
4 with a consumer report that contains an individual's social security
5 account number without the informed written consent of the individual.

6 **Sec. 9.** RCW 26.23.150 and 1998 c 160 s 7 are each amended to read
7 as follows:

8 (1) In order to assist in child support enforcement as required by
9 federal law, all applicants for an original, replacement, or renewal of
10 a professional license, driver's license, occupational license, or
11 recreational license must furnish the licensing agency with the
12 applicant's social security number, which shall be recorded on the
13 application. The licensing agencies collecting social security numbers
14 shall not display the social security number on the license document.
15 Social security numbers collected by licensing agencies shall not be
16 disclosed except as required by state or federal law or under RCW
17 26.23.120. Licensing agencies may not request or collect social
18 security numbers from applicants for original, replacement, or renewal
19 of professional licenses, drivers' licenses, occupational licenses, or
20 recreational licenses until the date specified under sections 5536 and
21 5557 of the federal balanced budget act of 1997 or if a waiver under
22 subsection (2) of this section has been granted.

23 (2) Before October 1, 2000, and after studying the effectiveness
24 and efficiency of the state's use of a procedure different from the
25 federal mandate, the governor, through the department of social and
26 health services, shall seek a waiver of the federal mandate to record
27 social security account numbers on applications for professional,
28 drivers', occupational, and recreational licenses.

29 NEW SECTION. **Sec. 10.** The office of the administrator for the
30 courts shall study the options and feasibility of operating the
31 judicial information system without, and a case tracking and
32 identification system that does not require, the use and retention of
33 individuals' social security account numbers. The office of the
34 administrator for the courts must submit a report to the legislature by
35 January 1, 2000.

1 NEW SECTION. **Sec. 11.** Sections 1 through 7 of this act constitute
2 a new chapter in Title 19 RCW.

3 NEW SECTION. **Sec. 12.** Sections 2 through 8 of this act take
4 effect January 1, 2002.

5 NEW SECTION. **Sec. 13.** Section 9 of this act is necessary for the
6 immediate preservation of the public peace, health, or safety, or
7 support of the state government and its existing public institutions,
8 and takes effect immediately.

9 NEW SECTION. **Sec. 14.** If any provision of this act or its
10 application to any person or circumstance is held invalid, the
11 remainder of the act or the application of the provision to other
12 persons or circumstances is not affected.

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