

Basic Information Brief: Social Security Number Verification Service (SSNVS)

March 2006

What is SSNVS?

The Social Security Number Verification Service (SSNVS) is a new online service of the Social Security Administration (SSA) that allows Employers to verify Social Security Numbers (SSN) online via the internet. After running a small pilot program, in June 2005 the SSA expanded the SSNVS nationwide to *all employers*.

Basic Facts about SSNVS

The SSNVS is a free service that provides employers with another means to voluntarily check whether an employee's SSN matches SSA's database. According to SSA, the SSNVS will verify SSNs and names solely to ensure records of current or former employees are correct for the purpose of completing Internal Revenue Service (IRS) Wage and Tax Statement (Form W-2).

The SSNVS does not confirm whether an employee has valid authorization to work in the US. It is only a reflection as to whether the employer's records match SSA's records.

The SSNVS allows employers to match their record of employee names and SSNs with SSA's records *before* preparing and submitting Forms W-2. The SSA No-Match letters on the other hand are sent by SSA after an Employer has submitted Forms W-2 and the agency is unable to match an Employee's name and SSN. Employers may verify workers' SSNs through the SSNVS even if they never received a no-match letter for its workers. (For more information on SSA No-Match letters, see http://www.nilc.org/immsemplmnt/SSA-NM_Toolkit/index.htm.)

Using SSNVS, Employers can verify up to 10 names and SSNs online and receive immediate results. Employers can also upload a file containing up to 250,000 names and SSNs and receive results from SSA usually within the next government business day. In addition to employers, third parties, such as a payroll service, can use the SSNVS.

How the SSNVS works

In order to use the SSNVS, employers must first register for a personal identification number (PIN) and password from the SSA Business Services Online website by logging on to www.socialsecurity.gov/bsowelcome.htm. SSA will then send the employer an activation code via regular mail. Upon receipt of the activation code, employers can then begin using the SSNVS by using the activation code, password and PIN.

To use the SSNVS, employers go to the SSA Business Services Online website and log in using the activation code, password and PIN. The employer then chooses the Social Security Number Verification Service link. Once the SSNVS has been accessed, the employer has two options: (1) enter up to 10 names and SSNs onto the SSA website and receive immediate results; or (2) upload a file with up to 250,000 names and SSNs and receive results within the next business day.



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The SSNVS provides the employer with a response of all names and SSNs that do not match SSA's records.

Restrictions and Guidelines on using SSNVS

Because of concerns raised by advocates during the pilot stage of the SSNVS, the SSA has provided certain restrictions on an employer's use of the system. The key guidelines are as follows:

The SSNVS cannot be used to prescreen job applicants. This means that an employer may not verify a person's name and SSN until after he or she has been offered a job. Moreover, in order to ensure that employers are not misusing the SSNVS, SSA states that it will review the usage of SSNVS to ensure that employers are using it for the proper purposes.

The SSNVS cannot be used to take punitive action against an employee whose name and SSN do not match SSA's records. SSA advises employers who use SSNVS that a mismatch does not imply that the employer or employee intentionally provided incorrect information. A mismatch response from the SSNVS does not make any statement about an employee's immigration status and is not a basis, in and of itself, for taking adverse action against an employee. Doing so could subject an employer to anti-discrimination or labor law sanctions.

Any company policy concerning the use of SSNVS should be applied consistently to all workers. For example, if used for newly hired workers, employers should verify information on all newly hired workers. Or, if used to verify information on other workers in the employer's database, employers should verify all workers in its database.

Third party use of SSNVS is strictly limited to organizations that handle annual wage reporting responsibilities for employers and have an authorized and valid contract to do so.

SSNVS is not for individuals/companies who conduct identity verification, background checks, or other related services for employers or other parties.

Anyone who knowingly or willfully uses SSNVS to request or obtain information from SSA under false pretenses violates Federal law and may be punished by a fine or imprisonment or both.

While SSA included these guidelines, which are based on advocates' response to SSA's request for public comments, many are concerned that these safeguards are insufficient to ensure that employers do not use the SSNVS as a tool to retaliate against workers. (NILC's comments to SSA can be viewed at http://www.nilc.org/immsemplymnt/SSNVS_comments_3-18-05.final.pdf.) Given the experience of immigrants' and workers' rights advocates with the SSA no-match letters, advocates should expect to see an increase in the number of workers adversely affected by the SSNVS. Advocates will need to monitor and document the impact on workers.

SSA's suggested steps for each SSN that failed verification

SSA suggests that employers take certain steps upon receipt of notification that an SSN has failed verification in the SSNVS. Employers are first to compare the failed SSN to the employer's employment records to check for typographical errors. If the employment records match what was submitted, the employer should then ask the employee to check his/her Social Security card and to inform the employer if there is any difference between the employer's records and his/her card.

Next, if the employer's records and name and SSN match, the employer should ask the employee to check with the local Social Security Office to resolve the issue.

Finally, if the employee is unable to provide a SSN that can be successfully verified by the SSNVS, SSA instructs employers to document its efforts to obtain the corrected information and keep the documentation for a period of three years.

Concerns with the use of SSNVS for immigrant workers

Immigrant workers may be adversely affected through employer use of SSNVS because of inaccuracies in SSA's records and employer misuse of the program.

Workers' advocates have long been concerned about the accuracy of records maintained by SSA and other government agencies, and the resulting impact upon workers, including the large number of wages posted to the Earnings Suspense File (ESF), and improper worker firings by employers who misinterpret no-matches reported by the SSNVS, the SSA no-match letter program, and the Basic Pilot Program.

Advocates are also concerned that the SSNVS does not have sufficient protections in place for employees, including how to challenge incorrect information, and even how to ensure that workers are notified when records purportedly do not match SSA's records.

There is also a concern that employers will use the SSNVS to discriminate against immigrants or U.S. citizens who seem "foreign" by using it as a prescreening process before individuals are hired. An independent study of the DHS/SSA Basic Pilot program found that a significant number of participating employers used that system to pre-screen applicants, even though doing so was expressly prohibited.

Additionally, through SSNVS, employers can verify workers' SSNs at any time during their employment. There are no limitations on the use of this system. This opens the possibility that employers could misuse the SSNVS in order to retaliate against workers for exercising their workplace rights, including complaining about wage and hour violations, discrimination, and health and safety violations, or union organizing. There is a risk that these employers may run workers through SSNVS, and terminate those workers whose Social Security numbers are not immediately confirmed.

Presently, there are minimal privacy protections with the SSNVS. For example, there is no certainty that non-employers will be denied access to the system. Because the SSNVS is internet-based outside parties may also be able to gain access to the information (all that is needed is an employer identification number and password). The risk of privacy breaches is significant.

While SSA states that it will review the usage of SSNVS to ensure that employers are using it for the proper purposes, we are aware of no monitoring system currently in place to find employers who abuse the program.

Finally the anti-discrimination provisions are weak. SSA has incorporated some of advocates' suggested language but the SSNVS still has even less protections than the SSA No-Match letter program and the Basic Pilot.

What issues advocates should look for with employers using the SSNVS

SSNVS raises a number of questions and concerns that worker advocates must monitor closely.

Because of the significant concern with the accuracy of the government databases, workers, unions, organizers, and other worker advocates will need to make special efforts to educate themselves about SSNVS, the steps workers can take to challenge erroneous "failed verifications," and how to ensure that workers are not wrongly fired or suspended.

Advocates must also be on the lookout for instances where employers may be pre-screening workers, or using the SSNVS selectively.

If there is reason to believe that an employer is using the SSNVS to prescreen workers prior to hire, or if an employer hires, fires, or suspends a worker based upon SSNVS, a complaint should

be filed with the Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC). The OSC is a government agency that enforces the anti-discrimination provisions of the Immigration Reform and Control Act of 1986, 8 U.S.C. 1324b. Charge forms are available by telephone or through OSC's website. Workers may call the OSC's toll-free hotline at (800) 255-7688 or (800) 237-2515 (TDD for hearing impaired). There is also an automated Employer hotline at (800) 255-8155 or (800) 362-2735 (TDD). The OSC can also be reached via their website at www.usdoj.gov/crt/osc. The OSC provides assistance and written outreach materials in multiple languages. The OSC is not part of the Department of Homeland Security (DHS) (formerly known as the Immigration and Naturalization Service).

Contact NILC

Advocates should contact NILC for assistance on these issues. NILC is also interested in documenting employer abuse of the SSNVS and the adverse impact on low wage immigrant workers. Advocates with stories of such employer abuse should contact Monica Guizar at guizar@nilc.org.