

State Agencies Use of a Social Security Number for Debt Collection

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DAS

DEPARTMENT OF
ADMINISTRATIVE
SERVICES

CHIEF FINANCIAL
OFFICE

Disclaimer:

- An individual's Social Security Number (SSN) in combination with the first name (or initial) and last name is the first data element identified in ORS 646A.602 and along with other forms of personal information must be protected by the agency that collects the information.

Why do I want to ask for a Social Security Number?

- ⦿ During debt collection, having accurate information to identify the individual is extremely important. Especially if collection enforcement actions are taken (i.e. garnishments, liens, offsets)
 - > When assigning a debt to the Department of Revenue (DOR) it provides the most accurate matching of records for collecting from an individual.

Is an SSN required for collection?

- ⦿ No, accounts may be forwarded to DOR for full collection without an SSN.
- ⦿ Collection tools such as offsets of tax returns can only occur if an SSN is provided **OR** sufficient debtor information is provided to allow DOR to match tax records to obtain the SSN from those records.

How to obtain an SSN?

- ⦿ Agencies can request the person to provide it directly.
- ⦿ Use a third party service (skip tracing)

Direct from the person

- ⦿ This can be on an application or other form when services are being requested or an account established.
- ⦿ This process is subject to Federal/State laws and Administrative Rule

Federal laws

- Privacy Act of 1974, 5 U.S.C. § 552a, section 7.
- Any Federal, State or local government agency which requests an individual to disclose their social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by what statutory or other authority such number is solicited, and what uses will be made of it.

Federal laws

- ⦿ Unless required by federal or state law, a state agency may not deny a right, benefit or privilege provided by law because of the individual's refusal to disclose their SSN.

Oregon Statute

- ORS 293.226 authorizes state agencies (state officer, board, commission, corporation, institution, department or other state organization) to request a person voluntarily provide their SSN for use in collecting debts owed to the State.
- The agency must disclose the purpose that the SSN is being requested, including debt collection.

Oregon Statute

- Agencies must comply with rules adopted by the Department of Administrative Services when requesting a person to voluntarily provide their SSN for debt collection purposes.

Oregon Statute

- When a person is required to provide an SSN under federal or state law the agency may NOT use the SSN (otherwise allowed by law) for debt collection unless the agency has provided the notice of the intent to use for debt collection purposes and the person has voluntarily provided the SSN for that purpose.

Administrative Rule

- OAR 122-085-0200 applies to the voluntary collection of SSN only.
- Where reasonable and unless prohibited by law, agencies may request a person to voluntarily provide their SSN.

Administrative Rule

Notification Requirements

- ⦿ Agency must provide notify the person clearly in writing:
 - > That providing the SSN is voluntary
 - > The purpose(s) for which the agency is requesting the SSN, including debt collection.
 - > That the SSN will be secured as required by the Oregon Consumer Identity Theft Protection Act. (ORS 646A.600-628).

Administrative Rule

Protection of the SSN

- ◉ State agencies must follow Federal and Oregon state guidelines for the protection of SSN's collected.
 - > If an agency is unable to properly secure and protect the SSN, it may not ask a person to voluntarily provide their SSN.

Administrative Rule

Sharing the SSN

- ◉ State agencies may share the SSN collected as necessary only for purposes the agency provided the person in the written notice.
 - > The sharing of the SSN must be in compliance with ORS 646A.600-628.
 - > If the other entity is unable to properly secure and protect the SSN, the agency may not share the SSN.

What if the person doesn't provide the SSN voluntarily?

- If an individual refuses to provide the SSN, or the agency has not requested the SSN to be provided voluntarily the agency should consider using a skip tracing vendor.
- Skip tracing vendors can provide a variety of data elements about an individual including identifying information like the SSN as well as potential asset information.

Skip Tracing

- Refer to [OAM 35.30.70](#) for information on using skip tracing as part of an agencies collection process.
- The Accounts Receivable Resources website¹ includes a Tools Matrix² which provides a list of various skip tracing providers.

1. <https://www.oregon.gov/das/Financial/Acctng/Pages/Accounts-receivable-resources.aspx>
2. <https://www.oregon.gov/das/Financial/Acctng/Documents/Tools%20Matrix.published.xlsx>

Skip Tracing

- ◉ When using skip tracing, the agency should have as many other data elements as possible to narrow down search results and help ensure an accurate match is made.
- ◉ If an SSN is obtained from skip tracing, be aware that the debtor could have reason to dispute they are the person who owes the debt if the based on the SSN.

Skip Tracing

- While notification to the person is not required when obtaining an SSN through skip tracing, agencies are still held to the security and protection requirements of ORS646A.600-628.

Summary

- ⦿ An SSN is not required for collection of debts but it DOES increase the efficiency of collecting debts by ensuring the proper person is contacted.
- ⦿ An SSN allows for collection tools such as offset of tax returns to occur, increasing amounts collected for agencies.

Summary

- If asking the individual to provide their SSN, an agency must provide written notification as required by federal and state law.
 - > The agency can only use the SSN for the purposes identified in the notification (including debt collection).

Summary

- If the SSN is not provided by the individual, agencies can use skip tracing to locate the SSN.
- Regardless of how the agency obtained the SSN, all personal identifiable information in the possession of the agency must be protected in accordance with state law.

Questions?

- Contact your agency SWARM analyst for any questions you may have about collecting or using an SSN for debt collection.
- https://www.oregon.gov/das/Financial/Acctng/Documents/A_R%20Contacts.pdf