

INTRODUCTION OF THE IDENTITY THEFT PREVENTION ACT -- HON. RON PAUL  
(Extensions of Remarks - January 03, 2001)

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**HON. RON PAUL** OF TEXAS IN THE HOUSE OF REPRESENTATIVES Wednesday, January 3, 2001

- Mr. PAUL. Mr. Speaker, today I introduce the Identity Theft Prevention Act. This act protects the American people from government-mandated uniform identifiers which facilitate private crime as well as the abuse of liberty. The major provision of the Identity Theft Prevention Act halts the practice of using the Social Security number as an identifier by requiring the Social Security Administration to issue all Americans new Social Security numbers within five years after the enactment of the bill. These new numbers will be the sole legal property of the recipient and the Social Security Administration shall be forbidden to divulge the numbers for any purposes not related to Social Security Administration. Social Security numbers issued before implementation of this bill shall no longer be considered valid federal identifiers. Of course, the Social Security Administration shall be able to use an individual's original Social Security number to ensure efficient administration of the Social Security system.

- Mr. Speaker, Congress has a moral responsibility to address this problem as it was Congress which transformed the Social Security number into a national identifier. Thanks to Congress, today no American can get a job, open a bank account, get a professional license, or even get a drivers' license without presenting their Social Security number. So widespread has the use of the Social Security number become that a member of my staff had to produce a Social Security number in order to get a fishing license!

- One of the most disturbing abuses of the Social Security number is the congressionally-authorized rule forcing parents to get a Social Security number for their newborn children in order to claim them as dependents. Forcing parents to register their children with the state is more like something out of the nightmares of George Orwell than the dreams of a free republic which inspired this nation's founders.

- Congressionally-mandated use of the Social Security number as an identifier facilitates the horrendous crime of identity theft. Thanks to the Congressionally-mandated use of the Social Security number as a uniform identifier, an unscrupulous person may simply obtain someone's Social Security number in order to access that person's bank accounts, credit cards, and other financial assets. Many Americans have lost their life savings and had their credit destroyed as a result of identity theft--yet the federal government continues to encourage such crimes by mandating use of the Social Security number as a uniform ID!

- This act also forbids the federal government from creating national ID cards or establishing any identifiers for the purpose of investigating, monitoring, overseeing, or regulating private transactions between American citizens, as well as repealing those sections of the Health Insurance Portability and Accountability Act of 1996 that require the Department of Health and Human Services to establish a uniform standard health identifier. By putting an end to government-mandated uniform IDs, the Identity Theft Prevention Act will prevent millions of Americans from having their liberty, property and privacy violated by private-and-public sector criminals.

- In addition to forbidding the federal government from creating national identifiers, this legislation forbids the federal government from blackmailing states into adopting uniform standard identifiers by withholding federal funds. One of the most onerous practices of Congress is the use of federal funds illegitimately taken from the American people to bribe states into obeying federal dictates.

- Mr. Speaker, of all the invasions of privacy proposed in the past decade, perhaps the most onerous is the attempt to assign every American a "unique health identifier"--an identifier which could be used to create a national database containing the medical history of all Americans. As an OB/GYN with more than 30 years in private practice, I know well the importance of preserving the sanctity of the physician-patient relationship. Oftentimes, effective treatment depends on a patient's ability to place absolute trust in his or her doctor. What will happen to that trust when patients know that any and all information given to their doctor will be placed in a government accessible data base?

- Many of my colleagues will claim that the federal government needs these powers to protect against fraud or some other criminal activities. However, monitoring the transactions of every American in order to catch those few who are involved in some sort of illegal activity turns one of the great bulwarks of our liberty, the presumption of innocence, on its head. The federal government has no right to treat all Americans as criminals by spying on their relationship with their doctors, employers, or bankers. In fact, criminal law enforcement is reserved to the state and local governments by the Constitution's Tenth Amendment.

- Other members of Congress will claim that the federal government needs the power to monitor Americans in order to allow the government to operate more efficiently. I would remind my colleagues that in a constitutional republic the people are never asked to sacrifice their liberties to make the job of government officials a little bit easier. We are here to protect the freedom of the American people, not to make privacy invasion more efficient.

- Mr. Speaker, while I do not question the sincerity of those members who suggest that Congress can ensure citizens' rights are protected through legislation restricting access to personal information, the only effective privacy protection is to forbid the federal government from mandating national identifiers. Legislative "privacy protections" are inadequate to protect the liberty of Americans for several reasons. First, it is simply common sense that repealing those federal laws that promote identity theft is more effective in protecting the public than expanding the power of the federal police force. Federal punishment of identity thieves provides cold comfort to those who have suffered financial losses and the destruction of their good

reputation as a result of identity theft.

- Federal laws are not only ineffective in stopping private criminals, they have not even stopped unscrupulous government officials from accessing personal information. Did laws purporting to restrict the use of personal information stop the well-publicized violation of privacy by IRS officials or the FBI abuses by the Clinton and Nixon administrations?

- Second, the federal government has been creating property interests in private information for

- Perhaps the most outrageous example of phony privacy protection is the Clinton Administration's so-called "medical privacy" proposal, which allow medical researchers, certain business interests, and law enforcement officials' access to health care information, in complete disregard of the Fifth Amendment and the wishes of individual patients! Obviously, "privacy protection" laws have proven greatly inadequate to protect personal information when the government is the one providing or seeking the information.

- The primary reason why any action short of the repeal of laws authorizing privacy violations is insufficient is because the federal government lacks constitutional authority to force citizens to adopt a universal identifier for health care, employment, or any other reason. Any federal action that oversteps constitutional limitations violates liberty because it ratifies the principle that the federal government, not the Constitution, is the ultimate judge of its own jurisdiction over the people. The only effective protection of the rights of citizens is for Congress to follow Thomas Jefferson's advice and "bind (the federal government) down with chains of the Constitution."

- Mr. Speaker, those members who are unpersuaded by the moral and constitutional reasons for embracing the Identity Theft Prevention Act should consider the overwhelming opposition of the American people toward national identifiers. The overwhelming public opposition to the various "Know-Your-Customer" schemes, the attempt to turn drivers' licenses into National ID cards, the Clinton Administration's Medical Privacy proposal, as well as the numerous complaints over the ever-growing uses of the Social Security number show that American people want Congress to stop invading their privacy. Congress risks provoking a voter backlash if we fail to halt the growth of the surveillance state.

- In conclusion, Mr. Speaker, I once again call on my colleagues to join me in putting an end to the federal government's unconstitutional use of national identifiers to monitor the actions of private citizens. National identifiers threaten all Americans by exposing them to the threat of identity theft by private criminals and abuse of their liberties by public criminals. In addition, national identifiers are incompatible with a limited, constitutional government. I, therefore, hope my colleagues will join my efforts to protect the freedom of their constituents by supporting the Identity Theft Prevention Act.

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