1. Why would kids under 7YO be working? I could imagine child actors, but they would certainly be making too much money to qualify for benefits.... In fact, I would imagine that earnings reports for most kids under 14YO would be suspect (why would someone younger than 14YO have an earnings record?). As such, why does SSA not verify the earnings reporting for most kids, if not all?

There are some legitimate occupations for children under 7 such as child actors, models, music recording artists, child musicians, etc. However there are people who knowingly or unknowingly provide their employer with an incorrect SSN or the employer reports the earnings under an incorrect name and number. In the beginning of the year when SSA receives the earnings reports/wage information from employers for the past year SSA verifies the reported name and SSN with the information on our records. If it is determined that the earnings for the SSN reported are for a child who is 6 and under, then the earnings are placed in SSA's Suspense File and the SSA-L3231-C1 is sent to the employer to verify that the employer indeed employed a child under the age of 7. (If SSA has previously contacted the employer and the employer has verified that they do employ young children – for example a child modeling agency SSA does not send the SSA-L3231-C1 to the employer as it is assumed the earnings do belong to the child.)

The decision was made by SSA's top officials to use the benchmark age of 7 and younger.

The above is just one of several SSA systems that identify earnings problems with young children's SSNs. For example, SSA is implementing in their Employer Verification System (EVS); (a system employers use upon hiring an individual to verify that the SSN the individual provided is a valid number and belongs to that individual) that SSA records indicate the date of birth on our records for the perspective employee belongs to a child age 14 and under. In addition, if a child is entitled to monthly social security benefits and has earnings posted to their records over a the yearly allowable amount set by law for SSA recipients, the record is alerted for development.

2. Also, why are businesses the primary respondents?

The SSA-L3231 is one of three letters used to verify whether earnings reported for a young child do indeed belong to that child. IF the employer does not respond or if there is a question as to the employer's response, a letter is sent to the last known address of the child advising that earnings were reported for the child (but not credited to the SSN) and to contact their local SSA office. If SSA receives self-employment earnings for a SSN that belongs to the child a letter is also sent to the last known address requesting the child/guardian to contact SSA.