County of Los Angeles
CHIEF EXECUTIVE OFFICE
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LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 25, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

REGISTRAR-RECORDER/COUNTY CLERK: REQUEST TO APPROVE AN ADDITIONAL ONE DOLLAR ($1.00) FEE FOR RECORDING THE FIRST PAGE OF EVERY INSTRUMENT, PAPER OR NOTICE REQUIRED OR PERMITTED BY LAW TO BE RECORDED FOR IMPLEMENTATION OF A SOCIAL SECURITY NUMBER TRUNCATION PROGRAM PURSUANT TO ASSEMBLY BILL 1168

(ALL DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD, AFTER THE PUBLIC HEARING:

1. Approve the attached Resolution authorizing the Registrar-Recorder/County Clerk (RR/CC) to implement a Social Security Number Truncation Program authorizing the RR/CC to charge an additional fee of $1 for the recordation of the first page of recorded documents until December 31, 2017 as required by the newly enacted Assembly Bill (AB) 1168, pursuant to Government Code section 27300 et seq. Said Social Security Number Truncation Program is to become effective 30 days from the date of Board approval in accordance with Government Code section 25123.

2. Instruct the Auditor-Controller to conduct two reviews to verify that the funds generated by this fee are used only for the purpose of the Social Security Number Truncation Program. The reviews shall state the progress of the RR/CC in truncating recorded documents pursuant to subdivision (a) of Section 27301, and shall estimate any ongoing costs to the County of complying with subdivisions (a) and (b) of Section 27301.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommendation is to authorize the RR/CC pursuant to AB 1168 to charge an additional fee of $1 for recording the first page of each document until December 31, 2017 to cover the cost of implementing a Social Security Number Truncation Program. AB 1168 requires the recorder to create a "public record" version of each "official record" by redacting the first five digits of that number for any document recorded since January 1, 1980.

As the official custodian of records, the RR/CC is responsible for maintaining real property, birth, death and marriage records. The implementation of a Social Security Number Truncation Program will enable compliance with the State legislation restricting access to personal information contained in recorded documents by protecting the fraudulent misuse of personal information contained in recorded documents.

Implementation of Strategic Plan Goals

The recommended actions support Countywide Strategic Plan Goal No. 1: Service Excellence: Provide the public with effective delivery of services within the County by implementing integrated services to comply with legislative mandates to protect personal information contained in recorded documents available for public viewing; Goal No. 4: Fiscal Responsibility: Effectively manage existing resources. The use of the revenue generated from the additional fee assessed on recorded documents will allow the County to comply with new State law and provide enhanced services at no additional cost to the County.

FISCAL IMPACT/FINANCING

The RR/CC anticipates collecting approximately $2 million per fiscal year with projected revenue in the current fiscal year for the period of May 1, 2008 through June 30, 2008 being approximately $300,000. The revenue collected will be accounted for in a budgeted special revenue fund with all related program expenses charged to the dedicated account. There is no impact to net County cost. Additionally, AB 1168 provides that a county recorder shall be required to create a public record version of an official record only for that portion of the official record for which the fee is sufficient to create a public record version.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

AB 1168 was chaptered on October 13, 2007 and applies to any document recorded since January 1, 1980. The bill imposed a state-mandated local program and authorized the RR/CC, upon authorization by your Board, to charge an additional fee of $1 for recording

the first page of each document until December 31, 2017, to implement a Social Security Number Truncation Program. The bill also permits the RR/CC to request an extension of the authorization to charge this fee beyond December 31, 2017.

Furthermore, the bill requires the County's Auditor-Controller to conduct two reviews to verify that the funds generated by this fee are used only for the purpose of the program, as described in Article 3.5 (commencing with Section 27300) and for conducting these reviews. The reviews shall state the progress of the county recorder in truncating recorded documents pursuant to subdivision (a) of Section 27301, and shall estimate any ongoing costs to the county recorder of complying with subdivisions (a) and (b) of Section 27301. The Board shall require that the first review be completed not before June 1, 2012, or after December 31, 2013, and that the second review be completed not before June 1, 2017, or after December 31, 2017. The reviews shall adhere to generally accepted accounting standards, and the review results shall be made available to the public.

Except for documents that are recorded or required to be open to the public pursuant to the California Public Records Act, existing law prohibits any person or entity from publicly posting or displaying in any manner an individual's social security number, printing an individual's social security number on any card required to access products or services, requiring an individual to use his or her social security number to access an internet website, requiring an individual to transmit his or her social security number over the Internet, or printing an individual's social security number on materials that are mailed to the individual, with specified exceptions. The California Public Records Act requires state and local agencies to make their records available for public inspection unless a record is exempt from disclosure. The act exempts from disclosure, among others, any record that is a personnel, medical, or similar file the disclosure of which would constitute an unwarranted invasion of personal privacy.

Pursuant to the provisions of this bill, beginning January 1, 2008, unless otherwise required by state or federal law, no person, entity, or government agency shall present for recording or filing with a county recorder a document that is open to the public, if that document displays more than the last four digits of the social security number.

Most official records maintained by the RR/CC fall under the California Public Records Act. Such records are accessible to the public and are provided upon request to any interested parties. AB 1168 requires the creation of a "public record" version of each "official record" so that the "public record" is in an electronic format and is an exact copy of the "official record" except that any social security number contained in the "official record" shall be truncated by redacting the first five digits of that number.

The RR/CC estimates approximately 14 million records out of the approximately 70 million official records maintained by the RR/CC since 1980 may contain social security numbers. In order to create a public record copy, the RR/CC shall first redact the social security number in all records that already exist in an electronic format and then create an electronic version of all other records and truncate the social security number contained in those records. The RR/CC plans to utilize an in-house developed software application that will allow the truncation of the first five numbers of an individual's social security number when accessed as a public record. The cost for developing the in-house application will be funded by revenue collected from the additional fee.

Currently, the RR/CC maintains documents in electronic format from 1992 forward which will facilitate the truncation of social security numbers for the recorded documents since that time. The recorded documents from 1980 through 1991 require conversion from microfilm to an electronic format to enable the truncation of the social security number. Therefore, the RR/CC will develop a Request for Proposal to competitively solicit contract services to convert those documents into an electronic format and create a record index. The resultant Agreement is anticipated to be submitted for your Board's approval before January 1, 2009.

Prior to adopting an ordinance, resolution, or other legislative enactment of a new fee, Government Code section 66018 requires that a local agency hold a public hearing at which oral or written presentations can be made. The Board of Supervisors' Executive Office, in compliance with section 6062(a) of the Government Code, has published an official notice and set the hearing for March 25, 2008.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the Resolution will ensure the County's compliance with the new State law mandating the truncation of social security numbers on recorded documents. The collection of the additional fee will enable the RR/CC to implement the requirements of AB 1168 without additional cost to the County.

CONCLUSION

Upon approval by your Board, the Executive Officer is requested to return one (1) adopted copy of this letter to:

Department of Registrar-Recorder/County Clerk
Finance & Management Division
12400 Imperial Highway, Room 7211
Norwalk, CA 90650
Attention: Adolfo Gonzalez, Administrative Studies Section

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:ES:
GS:JY:cg

Attachments

c: County Counsel
Auditor-Controller
Registrar-Recorder/County Clerk

RESOLUTION NO. _____

RESOLUTION APPROVING AN ADDITIONAL ONE DOLLAR ($1.00) FEE FOR RECORDING THE FIRST PAGE OF EVERY INSTRUMENT, PAPER OR NOTICE REQUIRED OR PERMITTED BY LAW TO BE RECORDED FOR IMPLEMENTATION AND ONGOING OPERATION OF A SOCIAL SECURITY TRUNCATION PROGRAM

WHEREAS, the Board of Supervisors supports the implementation of a Social Security Number Truncation Program pursuant to provisions of Assembly Bill 1168, Chapter 627 of the Statutes of 2007; and

WHEREAS, the Registrar-Recorder/County Clerk is required to establish a Social Security Number Truncation Program pursuant to section 27301 of the Government Code; and

WHEREAS, the Board of Supervisors has been provided the authority to increase recording fees pursuant to section 27361(d)(1) of the Government Code; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Los Angeles County Board of Supervisors approves effective May 1, 2008, an additional recording fee of one dollar ($1.00) for recording the first page of every instrument, paper, or notice required or permitted by law to be recorded to be used solely for the implementation and ongoing operation of a Social Security Number Truncation Program;

BE IT FURTHER RESOLVED AND ORDERED that the fee authorized pursuant to this resolution shall discontinue after December 31, 2017, unless reauthorized by the Board of Supervisors;

BE IT FURTHER RESOLVED AND ORDERED that Registrar-Recorder/County Clerk shall not seek reauthorization of the fee by the Board before June 1, 2017, or after December 31, 2017;

BE IT FURTHER RESOLVED AND ORDERED that the Los Angeles County Board of Supervisors directs the Auditor-Controller to conduct two reviews to verify that the funds generated by this fee are used only for the purpose of the Social Security Number Truncation Program within the timeframes provided under section 27361(d)(4).

BE IT FURTHER RESOLVED AND ORDERED that in determining the additional period of authorization, the Board shall take into consideration the two reviews performed by the Auditor-Controller;

On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing resolution was passed and adopted by the Board of Supervisors of the County of Los Angeles, State of California, this 25th day of March, 2008, by the following vote, to wit:

SACHI A. HAMAI, Executive
Officer-Clerk of the Board of Supervisors
Of the County of Los Angeles

By:_____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, Jr.
County Counsel

By: P. Salseda
PATRICE SALSEDA
Deputy County Counsel

INSTRUCTION SHEET FOR PUBLISHING
LEGAL ADVERTISEMENTS

TO: Executive Officer
Board of Supervisors
County of Los Angeles

FROM: Department of Registrar-Recorder/County Clerk
Finance and Management Division

NOTICE OF HEARING
AB 1168 Social Security Number Truncation Program Fee Increase

Publishing

Pursuant to Section 66018 of the California Government Code, prior to adopting an ordinance proposing a new fee, a local agency shall hold a public hearing. In accordance with Section 6062a of the California Government Code, the Executive Officer shall publish notice of the hearing. Publication of the notice shall be for ten days in a newspaper regularly published once a week or more often. Two publications, with at least five days intervening between the dates of the first and last publication, not counting such publication date are sufficient. The period of notice commences upon the first day of the publication and terminates at the end of the tenth day, including therein the first day.

Forward five reprints of the attached advertisement to the County of Los Angeles Department of Registrar-Recorder/County Clerk, Finance and Management Division, Attention: Adolfo Gonzalez, 12400 Imperial Highway, Room #7211, Norwalk, CA 90650.

Should there be any questions regarding this matter, please contact Adolfo Gonzalez of this office at (562) 462-2737, Monday through Friday, 8:30 a.m. to 6:30 p.m.

NU:eb:ag

Attachment

NOTICE OF PUBLIC HEARING
AB 1168 SOCIAL SECURITY TRUNCATION PROGRAM FEE INCREASE

Notice is hereby given that a public hearing will be held by the Board of Supervisors regarding an increase to fees charged by the County in connection with the first page of each recorded document.

Said hearing will be held on March 25, 2008, at 9:30 a.m., in the hearing room of the Board of Supervisors, Room 381B, Kenneth Hahn Hall of Administration, 500 West Temple Street (corner of Temple Street and Grand Avenue), Los Angeles, CA 90012.

The proposed fee increase will be available at the Executive Office of the Board of Supervisors, Kenneth Hahn Hall of Administration, 500 West Temple Street, Room 383, Los Angeles, CA 90012.

The Board of Supervisors will consider and may adopt the fee increase. Further notice is given that the Board of Supervisors may continue this hearing from time to time.

Written comments may be sent to the Executive Office of the Board of Supervisors at the above address. If you do not understand this notice or need more information, please contact Adolfo Gonzalez of the County of Los Angeles, Department of Registrar-Recorder/County Clerk at (562) 462-2737, Monday through Friday, 8:30 a.m. to 6:30 p.m.

Upon 72 hours notice, the County can provide program information and publications in alternate formats or make other accommodations for people with disabilities. Additionally, documents are available at the Kenneth Hahn Hall of Administration in Los Angeles (500 West Temple Street), which is accessible to individuals with disabilities.

Si no entiende este anunio o necesita mas information, por favor llamar a Adolfo Gonzalez (562) 462-2737, de lunes a vienes, 8:30 a.m. a 6:30 p.m.

SACHI A. HAMAI
Executive Officer-Clerk of
The Board of Supervisors

Assembly Bill No. 1168

CHAPTER 627

An act to add Sections 1798.88 and 1798.89 to the Civil Code, to add Section 9526.5 to the Commercial Code, to add Section 66018.55 to the Education Code, and to amend Section 27361 of, to add Sections 6254.27, 6254.28, 6254.29, and 15705 to, and to add Article 3.5 (commencing with Section 27300) to Chapter 6 of Part 3 of Division 2 of Title 3 of, the Government Code, relating to social security numbers.

[Approved by Governor October 13, 2007. Filed with Secretary of State October 13, 2007.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1168, Jones. Social security numbers.

(1) Existing law establishes the University of California, under the administration of the Regents of the University of California, the California State University, under the administration of the Trustees of the California State University, and the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, and private, independent institutions of higher education as the 4 segments of postsecondary education in this state.

This bill would require the Office of Privacy Protection in the Department of Consumer Affairs to establish a task force, with specified members, to conduct a review of the use by all public and private colleges and universities in this state of social security numbers in order to recommend practices to minimize the collection, use, storage, and retention of social security numbers. It would require the task force to commence meetings no later than May 1, 2008, and, on or before July 1, 2010, to submit a report of its findings and recommendations to the Office of Privacy Protection and to the Assembly Committee on Judiciary and the Senate Committee on Judiciary.

(2) Existing law prohibits any person or entity from publicly posting or displaying in any manner an individual's social security number, printing an individual's social security number on any card required to access products or services, requiring an individual to transmit his or her social security number over the Internet, requiring an individual to use his or her social security number to access an Internet Web site, or printing an individual's social security number on any materials that are mailed to the individual, with specified exceptions. Existing law provides that these prohibitions do not apply to documents that are recorded or required to be open to the public pursuant to the California Public Records Act.

The California Public Records Act requires state and local agencies to make their records available for public inspection unless a record is exempt

from disclosure. The act exempts from disclosure, among others, any record that is a personnel, medical, or similar file the disclosure of which would constitute an unwarranted invasion of personal privacy.

This bill would declare the intent of the Legislature that, in order to protect against the risk of identity theft, local agencies shall redact social security numbers from records before disclosing them to the public pursuant to this chapter. This bill also would provide that, unless required to do so by state or federal law, no person, entity, or government agency shall present for recording or filing with a county recorder if it displays more than the last 4 digits of a social security number, as specified.

(3) Existing law establishes in state government the Franchise Tax Board to, among other duties, administer the Personal Income Tax Law and the Corporation Tax Law.

This bill would provide that, notwithstanding any other provision of law, unless prohibited by federal law, the board shall truncate social security numbers on lien abstracts and any other records created by the board that are disclosable under the California Public Records Act before disclosing the record to the public.

(4) Existing law specifies requirements for the filing of various documents with the Secretary of State and other filing offices.

This bill would apply requirements to redact social security numbers on specified filings. It would require that for every filing containing an untruncated social security number filed before August 1, 2007, or after that date if filed by means other than the filing office's Web site, a filing office shall create a public filing, defined to mean an exact copy of the official filing except that the first 5 digits of any social security number are redacted. It would require each filing office to post a notice on its Web site informing filers not to include social security numbers in any portion of their filings. It would require that, when a public filing version of an official filing exists, and upon a request for inspection, copying, or any other public disclosure of an official filing that is not exempt from disclosure, a filing office shall make available only the public filing version of that filing. It would specify that these provisions shall not apply to a county recorder. It also would require the Secretary of State to produce and make available financing statements that do not provide a space for the disclosure of a social security number of an individual.

(5) Existing law requires the recorder of each county, upon payment of proper fees and taxes, to accept for recordation any instrument, paper, or notice that is authorized or required by law to be recorded, as specified, and specifies that these recorded documents shall be called "official records."

This bill would require the recorder of each county to establish a social security number truncation program in order to create a "public record" version of each "official record" so that the "public record" is in an electronic format and is an exact copy of the "official record" except that any social security number contained in the "official record" shall be truncated by redacting the first 5 digits of that number. These provisions would apply to any document recorded since January 1, 1980, as specified. It would provide

that when a "public record" version of an "official record" exists, and upon request of any person to inspect, for a copy of, or to otherwise publicly disclose that record, the recorder shall make available only the "public record" version of that record, and publicly disclose the "official record" only in response to a subpoena or court order. By creating new duties for county recorders, this bill would impose a state-mandated local program.

Existing law establishes a fee for recording documents with the county recorder at $4 for the first page and $3 for each additional page and authorizes a county recorder to assess additional specified fees.

This bill would authorize a county recorder, upon authorization of the board of supervisors, to charge an additional fee of $1 for recording the first page of each document, until December 31, 2017, to be used only by the county recorder collecting the fee to implement a social security number truncation program pursuant to these provisions. It would provide that a board shall not authorize this fee unless the board requires the county auditor to audit the county's use of funds generated by this fee, as specified, and would authorize the county recorder to request an extension of the authorization to charge this fee beyond December 31, 2017. It would require each county recorder, no later than June 1, 2008, to petition the board of supervisors for the authority to levy the fee.

The bill also would provide that, notwithstanding these provisions, a county recorder shall be required to create a public record version of an official record only for that fraction of the official records for which the fee is sufficient to create a public record version.

The bill also would require that the County Recorders Association of California, no later than January 1, 2009, and annually thereafter, submit to the Assembly Committee on Judiciary, Senate Committee on Judiciary, and the Office of Privacy Protection a report on the progress each county recorder has made in complying with these provisions. It would require the Office of Privacy Protection, on or before January 1, 2018, to report to these committees on whether counties need to continue to levy the fee authorized by these provisions.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(7) This bill would make legislative findings that any limitation on the public's right of access to the writings of public officials and agencies made by its provisions is necessary to protect against the risk of identity theft.

The people of the State of California do enact as follows:

SECTION 1. Section 1798.89 is added to the Civil Code, to read:

1798.89. Unless otherwise required to do so by state or federal law, no person, entity, or government agency shall present for recording or filing with a county recorder a document that is required by any provision of law to be open to the public if that record displays more than the last four digits of a social security number.

SEC. 2. Section 9526.5 is added to the Commercial Code, to read:

9526.5. (a) For purposes of this section, the following terms have the following meanings:

(1) "Official filing" means the permanent archival filing of all instruments, papers, records, and attachments as accepted for filing by a filing office.

(2) "Public filing" means a filing that is an exact copy of an official filing except that any social security number contained in the copied filing is truncated. The public filing shall have the same legal force and effect as the official filing.

(3) "Truncate" means to redact at least the first five digits of a social security number.

(4) "Truncated social security number" means a social security number that displays no more than the last four digits of the number.

(b) For every filing containing an untruncated social security number filed before August 1, 2007, a filing office shall create a public filing.

(c) A filing office shall post a notice on its Web site informing filers not to include social security numbers in any portion of their filings. A filing office's online filing system shall not contain a field requesting a social security number.

(d) Beginning August 1, 2007, for every filing containing an untruncated social security number filed by means other than the filing office's Web site, a filing office shall create a public filing.

(e) When a public filing version of an official filing exists, both of the following shall apply:

(1) Upon a request for inspection, copying, or any other public disclosure of an official filing that is not exempt from disclosure, a filing office shall make available only the public filing version of that filing.

(2) A filing office shall publicly disclose an official filing only in response to a subpoena or order of a court of competent jurisdiction.

(3) Nothing in this article shall be construed to restrict, delay, or modify access to any official filing, or modify any existing agreements regarding access to any official filing, prior to the creation and availability of a public filing version of that official filing.

(f) A filing office shall be deemed to be in compliance with the requirements of this section and shall not be liable for failure to truncate a social security number if he or she uses due diligence to locate social security numbers in official records and truncate the social security numbers in the

public filing version of those official filings. The use of an automated program with a high rate of accuracy shall be deemed to be due diligence.

(g) In the event that a filing office fails to truncate a social security number contained in a record pursuant to subdivision (b) or (d), any person may request that the filing office truncate the social security number contained in that record. Notwithstanding that a filing office may be deemed to be in compliance with this section pursuant to subdivision (f), a filing office that receives a request that identifies the exact location of an untruncated social security number that is required to be truncated pursuant to subdivision (b) or (d) within a specifically identified record, shall truncate that number within 10 business days of receiving the request. The public filing with the truncated social security number shall replace the record with the untruncated number.

(h) The Secretary of State shall not produce or make available financing statements in the form and format described in Section 9521 that provide a space identified for the disclosure of the social security number of an individual.

(i) The Secretary of State shall produce and make available financing statements in the form and format described in Section 9521, except that the financing statements shall not provide a space identified for the disclosure of the social security number of an individual.

(j) The provisions of this section shall not apply to a county recorder.

SEC. 3. Section 66018.55 is added to the Education Code, to read:

66018.55. (a) As used in this section "college and university" shall include all institutions of public higher education and all independent institutions of higher education.

(b) The Office of Privacy Protection in the Department of Consumer Affairs shall establish a task force to conduct a review of the use by all colleges and universities of social security numbers in order to recommend practices to minimize the collection, use, storage, and retention of social security numbers in relation to academic and operational needs and applicable legal requirements.

(c) The task force shall be known as the "College and University Social Security Number Task Force." The Office of Privacy Protection shall determine the composition of the task force, which shall include, but not be limited to, all of the following:

(1) Two representatives from each of the three institutions of public higher education.

(2) Two representatives of the California Association of Independent Colleges and Universities.

(3) Two representatives each from two organizations devoted to the protection of personal privacy.

(4) One representative from a national organization devoted to the management of informational technology in higher education.

(5) One representative from the business community with expertise in technological solutions to privacy concerns.

(6) One representative each from the Assembly Committee on Judiciary and the Senate Committee on Judiciary.

(d) The task force shall seek input, as deemed necessary and appropriate, from all of the following:

(1) Representatives of organizations with expertise in technical policy and practices of Internet disclosure, private policy relevant to Internet disclosure, and fostering public integrity and accountability.

(2) The constituencies of the college and university communities, including students, staff, and faculty.

(e) The task force shall review and make recommendations to minimize the collection, use, storage, and retention of social security numbers by California colleges and universities and shall include, but not be limited to, all of the following:

(1) A survey of best practices at colleges and universities and the costs of implementing those best practices.

(2) The necessary use and protection of social security numbers for all of the following:

(A) Research purposes.

(B) Academic purposes, including, but not limited to, academic research, admission, financial aid, and other related operational uses.

(C) Operational uses by academic medical centers, including, but not limited to, patient identification, tracking, and care.

(D) Business purposes, including, but not limited to, the provision of employee benefits, tax purposes, loan programs, and other requirements imposed by current state and federal statutes and regulations.

(E) Any other operational need of the college or university.

(3) Current personal privacy protections provided to students, applicants, staff, and faculty of colleges and universities.

(4) Existing state and federal legal requirements, including regulatory requirements, mandating the use of social security numbers at colleges and universities.

(5) The possible use of personal identifiers or other substitutes for social security numbers that protect personal information and meet the operational needs of colleges and universities.

(6) The cost of funding any recommendations presented by the task force, including those that are of minimal cost and can be implemented immediately and those that require additional funding or time to implement.

(f) The task force shall commence meetings no later than May 1, 2008.

(g) (1) On or before July 1, 2010, the task force shall submit a final report of its findings and recommendations to the Office of Privacy Protection, and to the Assembly Committee on Judiciary and the Senate Committee on Judiciary.

(2) The final report shall also include a list of the existing uses of social security numbers common among colleges and universities for routine operations and compliance with state and federal laws.

(3) The findings and recommendations of the task force shall be informational only and shall not be binding on any college or university.

SEC. 4. Section 6254.27 is added to the Government Code, to read:

6254.27. Nothing in this chapter shall be construed to require the disclosure by a county recorder of any "official record" if a "public record" version of that record is available pursuant to Article 3.5 (commencing with Section 27300) of Chapter 6 of Part 3 of Division 2 of Title 3.

SEC. 5. Section 6254.28 is added to the Government Code, to read:

6254.28. Nothing in this chapter shall be construed to require the disclosure by a filing office of any "official record" if a "public record" version of that record is available pursuant to Section 9526.5 of the Commercial Code.

SEC. 6. Section 6254.29 is added to the Government Code, to read:

6254.29. (a) It is the intent of the Legislature that, in order to protect against the risk of identity theft, local agencies shall redact social security numbers from records before disclosing them to the public pursuant to this chapter.

(b) Nothing in this chapter shall be construed to require a local agency to disclose a social security number.

(c) This section shall not apply to records maintained by a county recorder.

SEC. 7. Section 15705 is added to the Government Code, to read:

15705. Notwithstanding any other provision of law, unless prohibited by federal law, the Franchise Tax Board shall truncate social security numbers on lien abstracts and any other records created by the board that are disclosable under Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 before disclosing the record to the public. For purposes of this section, "truncate" means to redact the first five digits of a social security number.

SEC. 8. Article 3.5 (commencing with Section 27300) is added to Chapter 6 of Part 3 of Division 2 of Title 3 of the Government Code, to read:

Article 3.5. Social Security Number Truncation Program

27300. As used in this article, the following terms have the following meanings:

(a) "Official record" means the permanent archival record of all instruments, papers, and notices as accepted for recording by a county recorder.

(b) "Public record" means a record that is in an electronic format and is an exact copy of an official record except that any social security number contained in the copied record is truncated. The public record shall have the same legal force and effect as the official record.

(c) "Truncate" means to redact the first five digits of a social security number.

(d) "Truncated social security number" means a social security number that displays only the last four digits of the number.

27301. The county recorder of each county shall establish a social security number truncation program in order to create a public record version of each official record. The program shall include both of the following components, which the recorder shall implement concurrently:

(a) For each official record recorded between January 1, 1980, and December 31, 2008, the recorder shall create in an electronic format an exact copy of the record except that any social security number contained in the copied record shall be truncated. In order to create a public record copy, the recorder shall first truncate the social security numbers in all records that already exist in an electronic format and then create an electronic version of all other records and truncate social security numbers contained in those records. Each group of records shall be handled in descending chronological order.

(b) For each official record recorded on or after January 1, 2009, the recorder shall create a copy of that record in an electronic format and truncate any social security number contained in that record.

(c) Nothing in this article shall be construed to restrict, delay, or modify access to any official record, or modify any existing agreements regarding access to any official record, prior to the creation and availability of a public record version of that official record. A county recorder shall not charge any new fee or increase any existing fees in order to fund the social security number truncation program pursuant to this article, except as provided in subdivision (d) of Section 27361.

(d) Notwithstanding subdivisions (a) and (b), a county recorder shall not be required to create a public record version of an official record if the fee authorized in Section 27304 is determined by the recorder to be insufficient to meet the cost of creating the public record version. In that case, the county recorder shall determine whether the fee is sufficient to meet the cost of creating a public record version of only a fraction of the official records described in subdivisions (a) and (b). If the fee is sufficient to meet the cost of creating a public record version of a fraction of the official records, the recorder shall be required to create a public record version of that fraction only.

27302. (a) A county recorder shall be deemed to be in compliance with the requirements of Section 27301 and shall not be liable for failure to truncate a social security number if he or she uses due diligence to locate social security numbers in official records and truncate social security numbers in the public record version of those official records. The use of an automated program with a high rate of accuracy shall be deemed to be due diligence.

(b) In the event that a county recorder fails to truncate a social security number contained in a public record, any person may request that the county recorder truncate the social security number contained in that record. Notwithstanding that a county recorder may be deemed to be in compliance with Section 27301 pursuant to subdivision (a), a county recorder that receives a request that identifies the exact location of an untruncated social security number within a specifically identified public record, shall truncate

that number within 10 business days of receiving the request. The public record with the truncated social security number shall replace the record with the untruncated number.

27303. When a public record version of an official record exists, both of the following shall apply:

(a) Upon a request for inspection, copying, or any other public disclosure of an official record that is not exempt from disclosure, a county recorder shall make available only the public record version of that record.

(b) A county recorder shall publicly disclose an official record only in response to a subpoena or order of a court of competent jurisdiction.

27304. (a) Each county may use funds generated by fees authorized by subdivision (d) of Section 27361 to implement a social security number truncation program required by this article.

(b) No later than June 1, 2008, the county recorder of each county shall petition the board of supervisors in that county for the authority to levy the fee authorized by subdivision (d) of Section 27361.

(c) It is the intent of the Legislature that in the interest of enabling county recorders to act expeditiously to protect the privacy of Californians, counties be permitted to seek revenue anticipation loans or other outside funding sources for the implementation of a social security number truncation program to be secured by the anticipated revenue from the fee authorized by subdivision (d) of Section 27361.

27305. (a) To assist the Legislature in monitoring the progress of each county recorder's social security number truncation program, the County Recorders Association of California, no later than January 1, 2009, and annually thereafter, shall submit to the chairpersons of the Assembly Committee on Judiciary and of the Senate Committee on Judiciary, and to the Office of Privacy Protection, or any successor agency, a report on the progress each county recorder has made in complying with this article.

(b) Upon the Office of Privacy Protection making a determination that all counties have completed the component of the program described in subdivision (a) of Section 27301, the report described in subdivision (a) of this section shall no longer be required.

27307. A county recorder is authorized to take all actions required by this article notwithstanding subdivision (d) of Section 27203 or any other provision of law.

SEC. 9. Section 27361 of the Government Code is amended to read:

27361. (a) The fee for recording and indexing every instrument, paper, or notice required or permitted by law to be recorded is four dollars ($4) for recording the first page and three dollars ($3) for each additional page, except the recorder may charge additional fees as follows:

(1) If the printing on printed forms is spaced more than nine lines per vertical inch or more than 22 characters and spaces per inch measured horizontally for not less than three inches in one sentence, the recorder shall charge one dollar ($1) extra for each page or sheet on which printing appears excepting, however, the extra charge shall not apply to printed words which are directive or explanatory in nature for completion of the form or on vital

statistics forms. Fees collected under this paragraph are not subject to subdivision (b) or (c).

(2) If a page or sheet does not conform with the dimensions described in subdivision (a) of Section 27361.5, the recorder shall charge three dollars ($3) extra per page or sheet of the document. The extra charge authorized under this paragraph shall be available solely to support, maintain, improve, and provide for the full operation for modernized creation, retention, and retrieval of information in each county's system of recorded documents. Fees collected under this paragraph are not subject to subdivision (b) or (c).

(b) One dollar ($1) of each three dollar ($3) fee for each additional page shall be deposited in the county general fund.

(c) Notwithstanding Section 68085, one dollar ($1) for recording the first page and one dollar ($1) for each additional page shall be available solely to support, maintain, improve, and provide for the full operation for modernized creation, retention, and retrieval of information in each county's system of recorded documents.

(d) (1) In addition to all other fees authorized by this section, a county recorder may charge a fee of one dollar ($1) for recording the first page of every instrument, paper, or notice required or permitted by law to be recorded, as authorized by each county's board of supervisors. The funds generated by this fee shall be used only by the county recorder collecting the fee for the purpose of implementing a social security number truncation program pursuant to Article 3.5 (commencing with Section 27300).

(2) A county recorder shall not charge the fee described in paragraph (1) after December 31, 2017, unless the county recorder has received reauthorization by the county's board of supervisors. A county recorder shall not seek reauthorization of the fee by the board before June 1, 2017, or after December 31, 2017. In determining the additional period of authorization, the board shall consider the review described in paragraph (4) of this subdivision.

(3) Notwithstanding paragraph (2), a county recorder who, pursuant to subdivision (c) of Section 27304, secures a revenue anticipation loan, or other outside source of funding, for the implementation of a social security truncation program, may be authorized to charge the fee described in paragraph (1) for a period not to exceed the term of repayment of the loan or other outside source of funding.

(4) A county board of supervisors that authorizes the fee described in this subdivision shall require the county auditor to conduct two reviews to verify that the funds generated by this fee are used only for the purpose of the program, as described in Article 3.5 (commencing with Section 27300) and for conducting these reviews. The reviews shall state the progress of the county recorder in truncating recorded documents pursuant to subdivision (a) of Section 27301, and shall estimate any ongoing costs to the county recorder of complying with subdivisions (a) and (b) of Section 27301. The board shall require that the first review be completed not before June 1, 2012, or after December 31, 2013, and that the second review be completed not before June 1, 2017, or after December 31, 2017. The reviews shall

adhere to generally accepted accounting standards, and the review results shall be made available to the public.

SEC. 10. The Legislature finds and declares that Sections 2, 4, 5, and 8 of this act impose a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to protect against the risk of identity theft when government documents maintained by county recorders contain social security numbers, it is necessary to enact legislation that ensures the confidentiality of social security numbers.

SEC. 11. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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