

AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1168

Introduced by Assembly Member Jones

February 23, 2007

An act to add Section 1798.88 to the Civil Code, *to amend Sections 9516 and 9521 of, and to add Section 9526.5 to, the Commercial Code*, to add Section 66018.5 to the Education Code, and to add Section 15705 to the Government Code, relating to social security numbers.

LEGISLATIVE COUNSEL'S DIGEST

AB 1168, as amended, 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, ~~unless prohibited by federal law~~, all colleges and universities located in this state, ~~at both the campus and systemwide levels, to truncate~~ *to implement policies and procedures regarding the retention of social security numbers in their electronic records so that no more than the last 4 digits of any social security number is displayed that are accessible through the Internet, which shall provide for the redaction of social security numbers*. The bill would require that these ~~policies and procedures~~ authorize the Attorney General, or any ~~affected resident of this state injured person~~, to bring a civil action to enforce this provision.

(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 provide that, notwithstanding these provisions, a local agency ~~shall not disclose, before disclosing~~ to the public any record that is required to be open to the public by any provision of law ~~if that record displays more than the last four digits of~~, *shall truncate* any social security number *on the record by redacting the first 5 digits of that number.* The bill would provide exceptions to this requirement for a county recorder. By creating a new standard for disclosure of records by local agencies, this bill would impose a state-mandated local program.

(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 so that no more than the last four digits of any social security number are displayed.

(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 truncate social security numbers on specified filings.

(4)

(5) 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, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. Section 1798.88 is added to the Civil Code, to
2 read:

3 1798.88. (a) Notwithstanding subdivision (c) of Section
4 1798.85 or any other provision of law, unless required by federal
5 law, a local agency ~~shall not disclose, before disclosing~~ to the
6 public any record that is required to be open to the public by any
7 provision of law ~~if the record displays more than the last four digits~~
8 ~~of any social security number.~~, shall truncate any social security
9 number on the record. For purposes of this section, “truncate”
10 means to redact the first five digits of a social security number.

11 (b) (1) Notwithstanding subdivision (a), with respect to a county
12 recorder, the requirement to truncate social security numbers shall
13 apply only to public records and shall not apply to official records,
14 as those terms are defined in this section.

15 (2) For purposes of this subdivision,

16 (A) “Public record” means ____.

17 (B) “Official record” means ____.

18 (3) This section shall become operative with respect to a county
19 recorder on January 1, ____.

20 SEC. 2. Section 9516 of the Commercial Code is amended to
21 read:

22 9516. (a) Except as otherwise provided in subdivision (b),
23 communication of a record to a filing office and tender of the filing
24 fee or acceptance of the record by the filing office constitutes
25 filing.

26 (b) Filing does not occur with respect to a record that a filing
27 office refuses to accept because of any of the following:

- 1 (1) The record is not communicated by a method or medium of
2 communication authorized by the filing office.
- 3 (2) An amount equal to or greater than the applicable filing fee
4 is not tendered.
- 5 (3) The filing office is unable to index the record because of
6 any of the following:
 - 7 (A) In the case of an initial financing statement, the record does
8 not provide a name for the debtor.
 - 9 (B) In the case of an amendment or correction statement, either
10 of the following applies with respect to the record:
 - 11 (i) It does not identify the initial financing statement as required
12 by Section 9512 or 9518, as applicable.
 - 13 (ii) It identifies an initial financing statement whose
14 effectiveness has lapsed under Section 9515.
 - 15 (C) In the case of an initial financing statement that provides
16 the name of a debtor identified as an individual or an amendment
17 that provides a name of a debtor identified as an individual which
18 was not previously provided in the financing statement to which
19 the record relates, the record does not identify the debtor's last
20 name.
 - 21 (D) In the case of a record filed or recorded in the filing office
22 described in paragraph (1) of subdivision (a) of Section 9501, the
23 record does not provide a sufficient description of the real property
24 to which it relates.
- 25 (4) In the case of an initial financing statement or an amendment
26 that adds a secured party of record, the record does not provide a
27 name and mailing address for the secured party of record.
- 28 (5) In the case of an initial financing statement or an amendment
29 that provides a name of a debtor which was not previously provided
30 in the financing statement to which the amendment relates, the
31 record does not do any of the following:
 - 32 (A) Provide a mailing address for the debtor.
 - 33 (B) Indicate whether the debtor is an individual or an
34 organization.
 - 35 (C) If the financing statement indicates that the debtor is an
36 organization, provide any of the following:
 - 37 (i) A type of organization for the debtor.
 - 38 (ii) A jurisdiction of organization for the debtor.
 - 39 (iii) An organizational identification number for the debtor or
40 indicate that the debtor has none.

1 (6) In the case of an assignment reflected in an initial financing
2 statement under subdivision (a) of Section 9514 or an amendment
3 filed under subdivision (b) of Section 9514, the record does not
4 provide a name and mailing address for the assignee.

5 (7) In the case of a continuation statement, the record is not
6 filed within the six-month period prescribed by subdivision (d) of
7 Section 9515.

8 (8) *The record contains more than the last four digits of a social*
9 *security number.*

10 (c) For purposes of subdivision (b), both of the following rules
11 apply:

12 (1) A record does not provide information if the filing office is
13 unable to read or decipher the information.

14 (2) A record that does not indicate that it is an amendment or
15 identify an initial financing statement to which it relates, as
16 required by Section 9512, 9514, or 9518, is an initial financing
17 statement.

18 (d) A record that is communicated to the filing office with tender
19 of the filing fee, but which the filing office refuses to accept for a
20 reason other than one set forth in subdivision (b), is effective as a
21 filed record except as against a purchaser of the collateral which
22 gives value in reasonable reliance upon the absence of the record
23 from the files.

24 *SEC. 3. Section 9521 of the Commercial Code is amended to*
25 *read:*

26 9521. (a) A filing office that accepts written records may not
27 refuse to accept a written initial financing statement in the
28 following form and format or in the following form and format
29 but lacking a space identified for the disclosure of the social
30 security number of an individual except for a reason set forth in
31 subdivision (b) of Section 9516:



UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)
B. SEND ACKNOWLEDGEMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME – Insert only one debtor name (1a or 1b) – do not abbreviate or combine names

1a. ORGANIZATION'S NAME				
OR				
1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1d. TAX ID#: SSN OR EIN	ADDL. INFO. RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATION ID #, if any <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME – Insert only one debtor name (2a or 2b) – do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
2d. TAX ID#: SSN OR EIN	ADDL. INFO. RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATION ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE or ASSIGNOR S/P) – Insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME				
OR				
3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

5. ALTERNATIVE DESIGNATION [if applicable]: LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable] 7. Check if REQUEST SEARCH REPORT(S) or Debtor(s) [optional] All Debtor's Debtor 1 Debtor 2 [ADDITIONAL FEE]

8. OPTIONAL FILER REFERENCE DATA

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT		
9a. ORGANIZATION'S NAME		
OR	9b. INDIVIDUAL'S LAST NAME	
	FIRST NAME	MIDDLE NAME SUFFIX
10. MISCELLANEOUS:		

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME – Insert only one debtor name (11a or 11b) – do not abbreviate or combine names				
11a. ORGANIZATION'S NAME				
OR	11b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME
				SUFFIX
11c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY
11d. TAX ID#: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATION ID #, if any
				<input type="checkbox"/> NONE
12. <input type="checkbox"/> ADDITIONAL SECURED PARTY'S or <input type="checkbox"/> ASSIGNOR SIPS NAME – Insert only one debtor name (12a or 12b)				
12a. ORGANIZATION'S NAME				
OR	12b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME
				SUFFIX
12c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY
13. This FINANCING STATEMENT covers <input type="checkbox"/> timber to be cut or <input type="checkbox"/> as-extracted collateral, or is filed as a <input type="checkbox"/> fixture filing.		16. Additional collateral description:		
14. Description of real estate.				
15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):				
17. Check only if applicable and check only one box. Debtor is a <input type="checkbox"/> Trust or <input type="checkbox"/> Trustee acting with respect to property held in trust or <input type="checkbox"/> Decedent's Estate				
18. Check only if applicable and check only one box. <input type="checkbox"/> Debtor is a TRANSMITTING UTILITY <input type="checkbox"/> Filed in connection with a Manufactured Home Transaction — effective 30 years <input type="checkbox"/> Filed in connection with a Public Finance Transaction — effective 30 years				

1 (b) A filing office that accepts written records may not refuse
2 to accept a written record in the following form and format or in
3 the following form and format but lacking a space identified for
4 the disclosure of the social security number of an individual except
5 for a reason set forth in subdivision (b) of Section 9516:



UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
B. SEND ACKNOWLEDGEMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #	1b. This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the <input type="checkbox"/> REAL ESTATE RECORDS.
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2. **TERMINATION:** Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. **CONTINUATION:** Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. **ASSIGNMENT (full or partial):** Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. **AMENDMENT (PARTY INFORMATION):** This Amendment affects Debtor or Secured Party of record. Check only one of these two boxes. Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c. **DELETE** name: Give record name to be deleted in item 6a or 6b. **ADD** name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION

6a. ORGANIZATION'S NAME			
OR 6b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME			
OR 7b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
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7d. TAX ID#: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	7e. TYPE OF ORGANIZATION	7f. JURISDICTION OF ORGANIZATION	7g. ORGANIZATION ID #, if any <input type="checkbox"/> NONE
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8. **AMENDMENT (COLLATERAL CHANGE):** check only one box.
 Describe collateral deleted or added, or give entire restated collateral description, or describe collateral assigned.

9. **NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT** (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME			
OR 9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

10. OPTIONAL FILER REFERENCE DATA

UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

11. INITIAL FINANCING STATEMENT FILE # (same as item 1a on Amendment form)		
12. NAME OF PARTY AUTHORIZING THIS AMENDMENT (same as item 9 on Amendment form)		
12a. ORGANIZATION'S NAME		
OR		
12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME SUFFIX

13. Use this space for additional information

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1 *SEC. 4. Section 9526.5 is added to the Commercial Code, to*
2 *read:*

3 9526.5. (a) *Notwithstanding any other provision of law, a*
4 *filing office shall truncate any social security number on a filed*
5 *record before disclosing the record to the public. For purposes of*
6 *this section, “truncate” means to redact the first five digits of a*
7 *social security number.*

8 (b) *Notwithstanding subdivision (a), a local agency in*
9 *compliance with Section 1798.88 of the Civil Code shall be deemed*
10 *to be in compliance with this section. Nothing in this section shall*
11 *be deemed to require a local agency to comply with the provisions*
12 *of Section 1798.88 of the Civil Code before January 1, ____.*

13 ~~SEC. 2.~~

14 *SEC. 5. Section 66018.5 is added to the Education Code, to*
15 *read:*

16 ~~66018.5. (a) Notwithstanding any other provision of law,~~
17 ~~unless prohibited by federal law, all colleges and universities~~
18 ~~located in this state shall, at both the campus and systemwide~~
19 ~~levels, truncate social security numbers in their electronic records~~
20 ~~so that no more than the last four digits of any social security~~
21 ~~number are displayed. Notwithstanding Section 67400, this section~~
22 ~~shall apply to the University of California system and all of its~~
23 ~~campuses.~~

24 ~~(b) The Attorney General, or any affected resident of this state,~~
25 ~~may bring a civil action to enforce this section.~~

26 66018.5. (a) *All colleges and universities in this state shall*
27 *implement policies and procedures regarding the retention of*
28 *social security numbers in electronic records that are accessible*
29 *through the Internet. The policies and procedures shall provide*
30 *for the redaction of social security numbers except where necessary*
31 *and shall include, but not be limited to, all of the following:*

32 (1) *Regarding records that pertain to taxes, loans, or financial*
33 *aid, social security numbers shall be discarded upon the expiration*
34 *of the retention schedule prescribed by state or federal law.*

35 (2) *Regarding applications for admission to undergraduate and*
36 *graduate courses of study, social security numbers shall be*
37 *discarded no later than one year after the application is submitted*
38 *to the college or university.*

39 (b) *A college or university shall be deemed to have discarded*
40 *a social security number if it erases the number from its electronic*

1 records, if it truncates the number so that only the last four digits
2 remain or if it creates a “one-way hash” of the number. For
3 purposes of this section, a “one-way hash” means ____.

4 (c) Notwithstanding Section 67400, this section shall apply to
5 the University of California and all of its campuses.

6 (d) The Attorney General, or any person injured by a violation
7 of this section, may bring a civil action to enforce this section.

8 ~~SEC. 3.~~

9 SEC. 6. Section 15705 is added to the Government Code, to
10 read:

11 15705. Notwithstanding any other provision of law, unless
12 prohibited by federal law, the board shall truncate social security
13 numbers on lien abstracts and any other records created by the
14 board that are disclosable under Chapter 3.5 (commencing with
15 Section 6250) of Division 7 of Title 1 so that no more than the last
16 four digits of any social security number are displayed.

17 ~~SEC. 4.~~

18 SEC. 7. If the Commission on State Mandates determines that
19 this act contains costs mandated by the state, reimbursement to
20 local agencies and school districts for those costs shall be made
21 pursuant to Part 7 (commencing with Section 17500) of Division
22 4 of Title 2 of the Government Code.