

AMENDED IN SENATE SEPTEMBER 5, 2007

AMENDED IN SENATE AUGUST 31, 2007

AMENDED IN SENATE AUGUST 1, 2007

AMENDED IN SENATE JULY 17, 2007

AMENDED IN SENATE JULY 2, 2007

AMENDED IN ASSEMBLY JUNE 1, 2007

AMENDED IN ASSEMBLY APRIL 16, 2007

AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1168

Introduced by Assembly Member Jones
(Coauthors: Assembly Members DeVore, Huffman, Karnette,
Portantino, and Salas)
(Coauthor: Senator Romero)

February 23, 2007

An act to add Sections 1798.88 and 1798.89 to the Civil Code, to ~~amend Section 9521 of, and 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.

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 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 ~~60 days after the effective date of these provisions~~ *May 1, 2008*, and, on or before July 1, ~~2009~~ *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.

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 1798.89 is added to the Civil Code, to
2 read:

3 1798.89. Unless otherwise required to do so by state or federal
4 law, no person, entity, or government agency shall present for
5 recording or filing with a county recorder a document that is
6 required by any provision of law to be open to the public if that
7 record displays more than the last four digits of a social security
8 number.

9 ~~SEC. 2. Section 9521 of the Commercial Code is amended to~~
10 ~~read:~~

11 ~~9521. (a) A filing office that accepts written records may not~~
12 ~~refuse to accept a written initial financing statement in the~~
13 ~~following form and format, except for a reason set forth in~~
14 ~~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
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
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) Alt 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
ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATION ID #, if any <input type="checkbox"/> NONE

12. ADDITIONAL SECURED PARTY'S or ASSIGNOR S/PS 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 timber to be cut or as-extracted collateral, or is filed as a fixture filing.

14. Description of real estate:

16. Additional collateral description:

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 Trust or Trustee acting with respect to property held in trust or Decedent's Estate

18. Check only if applicable and check only one box:
 Debtor is a TRANSMITTING UTILITY
 Filed in connection with a Manufactured Home Transaction — effective 30 years
 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, except~~
- 3 ~~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 REAL ESTATE RECORDS: <input type="checkbox"/>
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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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ADDL 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
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13. Use this space for additional information

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1 ~~SEC. 3.~~

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

4 9526.5. (a) For purposes of this section, the following terms
5 have the following meanings:

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

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

13 (3) “Truncate” means to redact at least the first five digits of a
14 social security number.

15 (4) “Truncated social security number” means a social security
16 number that displays no more than the last four digits of the
17 number.

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

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

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

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

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

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

37 (3) Nothing in this article shall be construed to restrict, delay,
38 or modify access to any official filing, or modify any existing
39 agreements regarding access to any official filing, prior to the

1 creation and availability of a public filing version of that official
2 filing.

3 (f) A filing office shall be deemed to be in compliance with the
4 requirements of this section and shall not be liable for failure to
5 truncate a social security number if he or she uses due diligence
6 to locate social security numbers in official records and truncate
7 the social security numbers in the public filing version of those
8 official filings. The use of an automated program with a high rate
9 of accuracy shall be deemed to be due diligence.

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

22 (h) *The Secretary of State shall not produce or make available*
23 *financing statements in the form and format described in Section*
24 *9521 that provide a space identified for the disclosure of the social*
25 *security number of an individual.*

26 (i) *The Secretary of State shall produce and make available*
27 *financing statements in the form and format described in Section*
28 *9521, except that the financing statements shall not provide a space*
29 *identified for the disclosure of the social security number of an*
30 *individual.*

31 ~~(h)~~

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

34 ~~SEC. 4.~~

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

37 66018.55. (a) As used in this section “college and university”
38 shall include all institutions of public higher education and all
39 independent institutions of higher education.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39 (A) Research purposes.

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

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

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

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

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

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

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

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

23 (f) The task force shall commence meetings no later than ~~60~~
24 ~~days after the effective date of this section~~ *May 1, 2008*.

25 (g) (1) On or before July 1, ~~2009~~ *2010*, the task force shall
26 submit a final report of its findings and recommendations to the
27 Office of Privacy Protection, and to the Assembly Committee on
28 Judiciary and the Senate Committee on Judiciary.

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

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

36 ~~SEC. 5.~~

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

39 6254.27. Nothing in this chapter shall be construed to require
40 the disclosure by a county recorder of any “official record” if a

1 “public record” version of that record is available pursuant to
2 Article 3.5 (commencing with Section 27300) of Chapter 6 of Part
3 3 of Division 2 of Title 3.

4 ~~SEC. 6.~~

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

7 6254.28. Nothing in this chapter shall be construed to require
8 the disclosure by a filing office of any “official record” if a “public
9 record” version of that record is available pursuant to Section
10 9526.5 of the Commercial Code.

11 ~~SEC. 7.~~

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

14 6254.29. (a) It is the intent of the Legislature that, in order to
15 protect against the risk of identity theft, local agencies shall redact
16 social security numbers from records before disclosing them to
17 the public pursuant to this chapter.

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

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

22 ~~SEC. 8.~~

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

25 15705. Notwithstanding any other provision of law, unless
26 prohibited by federal law, the Franchise Tax Board shall truncate
27 social security numbers on lien abstracts and any other records
28 created by the board that are disclosable under Chapter 3.5
29 (commencing with Section 6250) of Division 7 of Title 1 before
30 disclosing the record to the public. For purposes of this section,
31 “truncate” means to redact the first five digits of a social security
32 number.

33 ~~SEC. 9.~~

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

1 Article 3.5. Social Security Number Truncation Program

2

3 27300. As used in this article, the following terms have the
4 following meanings:

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

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

13 (c) “Truncate” means to redact the first five digits of a social
14 security number.

15 (d) “Truncated social security number” means a social security
16 number that displays only the last four digits of the number.

17 27301. The county recorder of each county shall establish a
18 social security number truncation program in order to create a
19 public record version of each official record. The program shall
20 include both of the following components, which the recorder shall
21 implement concurrently:

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

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

36 (c) Nothing in this article shall be construed to restrict, delay,
37 or modify access to any official record, or modify any existing
38 agreements regarding access to any official record, prior to the
39 creation and availability of a public record version of that official
40 record. A county recorder shall not charge any new fee or increase

1 any existing fees in order to fund the social security number
2 truncation program pursuant to this article, except as provided in
3 subdivision (d) of Section 27361.

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

15 27302. (a) A county recorder shall be deemed to be in
16 compliance with the requirements of Section 27301 and shall not
17 be liable for failure to truncate a social security number if he or
18 she uses due diligence to locate social security numbers in official
19 records and truncate social security numbers in the public record
20 version of those official records. The use of an automated program
21 with a high rate of accuracy shall be deemed to be due diligence.

22 (b) In the event that a county recorder fails to truncate a social
23 security number contained in a public record, any person may
24 request that the county recorder truncate the social security number
25 contained in that record. Notwithstanding that a county recorder
26 may be deemed to be in compliance with Section 27301 pursuant
27 to subdivision (a), a county recorder that receives a request that
28 identifies the exact location of an untruncated social security
29 number within a specifically identified public record, shall truncate
30 that number within 10 business days of receiving the request. The
31 public record with the truncated social security number shall
32 replace the record with the untruncated number.

33 27303. When a public record version of an official record
34 exists, both of the following shall apply:

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

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

4 27304. (a) Each county may use funds generated by fees
5 authorized by subdivision (d) of Section 27361 to implement a
6 social security number truncation program required by this article.

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

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

18 27305. (a) To assist the Legislature in monitoring the progress
19 of each county recorder’s social security number truncation
20 program, the County Recorders Association of California, no later
21 than January 1, 2009, and annually thereafter, shall submit to the
22 chairpersons of the Assembly Committee on Judiciary and of the
23 Senate Committee on Judiciary, and to the Office of Privacy
24 Protection, or any successor agency, a report on the progress each
25 county recorder has made in complying with this article.

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

31 27307. A county recorder is authorized to take all actions
32 required by this article notwithstanding subdivision (d) of Section
33 27203 or any other provision of law.

34 ~~SEC. 10.~~

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

37 27361. (a) The fee for recording and indexing every
38 instrument, paper, or notice required or permitted by law to be
39 recorded is four dollars (\$4) for recording the first page and three

1 dollars (\$3) for each additional page, except the recorder may
2 charge additional fees as follows:

3 (1) If the printing on printed forms is spaced more than nine
4 lines per vertical inch or more than 22 characters and spaces per
5 inch measured horizontally for not less than three inches in one
6 sentence, the recorder shall charge one dollar (\$1) extra for each
7 page or sheet on which printing appears excepting, however, the
8 extra charge shall not apply to printed words which are directive
9 or explanatory in nature for completion of the form or on vital
10 statistics forms. Fees collected under this paragraph are not subject
11 to subdivision (b) or (c).

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

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

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

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

36 (2) A county recorder shall not charge the fee described in
37 paragraph (1) after December 31, 2017, unless the county recorder
38 has received reauthorization by the county's board of supervisors.
39 A county recorder shall not seek reauthorization of the fee by the
40 board before June 1, 2017, or after December 31, 2017. In

1 determining the additional period of authorization, the board shall
2 consider the review described in paragraph (4) of this subdivision.

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

10 (4) A county board of supervisors that authorizes the fee
11 described in this subdivision shall require the county auditor to
12 conduct two reviews to verify that the funds generated by this fee
13 are used only for the purpose of the program, as described in Article
14 3.5 (commencing with Section 27300) and for conducting these
15 reviews. The reviews shall state the progress of the county recorder
16 in truncating recorded documents pursuant to subdivision (a) of
17 Section 27301, and shall estimate any ongoing costs to the county
18 recorder of complying with subdivisions (a) and (b) of Section
19 27301. The board shall require that the first review be completed
20 not before June 1, 2012, or after December 31, 2013, and that the
21 second review be completed not before June 1, 2017, or after
22 December 31, 2017. The reviews shall adhere to generally accepted
23 accounting standards, and the review results shall be made available
24 to the public.

25 ~~SEC. 11. The Legislature finds and declares that Sections 7~~
26 ~~and 9 of this act impose a limitation on the public's right of access~~

27 *SEC. 10. The Legislature finds and declares that Sections 2,*
28 *4, 5, and 8 of this act impose a limitation on the public's right of*
29 *access to the meetings of public bodies or the writings of public*
30 *officials and agencies within the meaning of Section 3 of Article*
31 *I of the California Constitution. Pursuant to that constitutional*
32 *provision, the Legislature makes the following findings to*
33 *demonstrate the interest protected by this limitation and the need*
34 *for protecting that interest:*

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

1 ~~SEC. 12.~~

2 *SEC. 11.* No reimbursement is required by this act pursuant to
3 Section 6 of Article XIII B of the California Constitution because
4 a local agency or school district has the authority to levy service
5 charges, fees, or assessments sufficient to pay for the program or
6 level of service mandated by this act, within the meaning of Section
7 17556 of the Government Code.

8 However, if the Commission on State Mandates determines that
9 this act contains other costs mandated by the state, reimbursement
10 to local agencies and school districts for those costs shall be made
11 pursuant to Part 7 (commencing with Section 17500) of Division
12 4 of Title 2 of the Government Code.