

ASSEMBLY BILL

No. 660

Introduced by Assembly Member Mathis

February 24, 2015

An act to add Section 322.5 to the Unemployment Insurance Code, relating to identity theft.

LEGISLATIVE COUNSEL'S DIGEST

AB 660, as introduced, Mathis. Identity theft: unemployment insurance base wage file.

(1) Existing law requires employers to send the Employment Development Department specified information regarding their employees, including wage information and social security numbers. The department maintains a file of wage records of employees for the purpose of computing earnings in a base period to establish amounts for unemployment benefits. Existing law provides that information obtained in the administration of the Unemployment Insurance Code is confidential, for the exclusive use of the Director of Employment Development in the discharge of his or her duties, and not open to the public. Existing law permits the director to use the information for certain purposes, including providing information to law enforcement agencies upon request, and permits reimbursement of direct costs incurred. Existing law provides that a person who knowingly accesses, uses, or discloses this confidential information without authorization is guilty of a misdemeanor.

This bill would require the department to review, at least once each year, the information in its unemployment insurance base wage file, to identify if multiple names are associated with a single social security number. The bill would require the department, when it discovers

multiple names associated with a single social security number to inform the appropriate law enforcement official of this fact, along with relevant supporting information, as a potential misuse of a social security number. The bill would require the department to establish a reasonable threshold for the number of names associated with a single social security number that would trigger further investigation by the department or referral to law enforcement. By expanding the crime of unauthorized use or disclosure of this information, this bill would impose a state-mandated local program.

(2) 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 no reimbursement is required by this act for a specified reason.

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 322.5 is added to the Unemployment
2 Insurance Code, to read:

3 322.5. The department shall review, at least once each year,
4 the information in its unemployment insurance base wage file, to
5 identify instances in which multiple names are associated with a
6 single social security number. When the department discovers as
7 part of this review, or in the course of any other investigation or
8 circumstance, multiple names associated with a single social
9 security number, it shall inform the appropriate law enforcement
10 official of this fact, along with relevant supporting information,
11 as a potential misuse of a social security number. The department
12 shall establish a reasonable threshold for the number of names
13 associated with a single social security number for purposes of
14 triggering further investigation by the department or referral to
15 law enforcement.

16 SEC. 2. No reimbursement is required by this act pursuant to
17 Section 6 of Article XIII B of the California Constitution because
18 the only costs that may be incurred by a local agency or school
19 district will be incurred because this act creates a new crime or
20 infraction, eliminates a crime or infraction, or changes the penalty
21 for a crime or infraction, within the meaning of Section 17556 of

- 1 the Government Code, or changes the definition of a crime within
- 2 the meaning of Section 6 of Article XIII B of the California
- 3 Constitution.

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