
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2019 - 2020 Regular Session

AB 499 (Mayes) - Personal information: social security numbers: state agencies

Version: July 31, 2020

Policy Vote: G.O. 16 - 0

Urgency: No

Mandate: No

Hearing Date: August 19, 2020

Consultant: Janelle Miyashiro

Bill Summary: AB 499 prohibits a state agency from sending any outgoing mail containing an individual's social security number (SSN) unless the number is truncated to its last four digits and requires agencies to follow reporting requirements and offer identity theft prevention services, as specified.

Fiscal Impact: Indeterminate, potentially significant costs for affected state agencies to comply with the reporting requirements of the bill and to offer identity theft mitigation services to individuals to whom it sent outgoing mail with that individual's SSN. Depending on the number of individuals that might qualify for identity theft mitigation services, and the services offered by the state agency that exposed those individuals' SSNs, the fiscal impact of the bill could total in the hundreds of thousands to millions of dollars.

Background: After widespread media coverage of the EDD's printing full SSNs on correspondence to millions of Californians in 2015, the EDD claimed it would begin to redact SSNs on 75 percent of all mailed documents. In March 2019, the California State Auditor reported that the EDD exposed approximately 300 people to possible identity theft by disclosing their personal identifying information in correspondence. The EDD claims it is required to use SSNs to determine eligibility and comply with federal law and that it is in the process of developing unique identifiers for claimants.

However, the EDD had not completed the transition as of March 2019. Ultimately, the State Auditor found that the EDD should take near-term measures to protect its claimants better, and made several recommendations to that effect.

Proposed Law: This bill:

- Beginning January 1, 2023, prohibits a state agency from sending any outgoing mail to an individual that contains the individual's SSN unless the number is truncated to its last four digits except when:
 - Federal law requires inclusion of the SSN.
 - The documents are mailed to a current or prospective state employee.
 - An individual erroneously mailed the document containing a SSN to a state agency and the document is being returned by the agency.
 - The State Controller is returning documents under the Unclaimed Property Law.

- Beginning September 1, 2021, requires each state agency that mails an individual's full or truncated SSN to report to the Legislature when and why it does so. Requires agencies not in compliance to submit a corrective action plan to the Legislature and provides that the report or corrective action plan is confidential and shall not be disclosed to the public. Sunsets this provision January 1, 2024.
- Requires agencies not in compliance to offer identity theft prevention and mitigation services for at least 12 months to an individual to whom it sent outgoing mail that contained the person's SSN, at no cost to the individual.

Related Legislation: SB 447 (DeSaulnier, 2012) would have prohibited a state agency from sending any communication to any individual that contains the full SSN of that individual unless required by federal law. SB 447 was vetoed.

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