



County of Mono

Review of the Social Security Number Truncation Program

Review Period January 15, 2008 through June 30, 2012

**Prepared by Mono County Department of Finance
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County of Mono

Program Review of the Social Security Truncation Program

Background:

AB 1168 was signed into law by the Governor on October 13, 2007. The law is intended to protect against identity theft by requiring local agencies to redact social security numbers from records prior to disclosing them to the public. The law authorized the County to establish an additional \$1 fee for the first page of each recorded document to fund implementation of the program.

County Recorders were required to establish a social security number truncation program in order to create a public record version of every official record that contains a social security number. The public record version is an exact copy of the official record but with any social security number showing no more than the last four digits. The provisions apply to all documents recorded since 1980.

The Board of Supervisors authorized the fee on January 15, 2008 with Resolution No. 08-03.

Authorization of the fee requires that the County Auditor conduct two reviews to verify the funds generated by the fee are used only for the purpose of the program and to conduct reviews. The first review must be completed between June 1, 2012 and December 31, 2013. The second review must be completed between June 1, 2017 and December 31, 2017. The reviews must state the progress of the County Recorder in truncating recorded documents pursuant to subdivision (a) of Government Code Section 27301, estimate any ongoing costs of complying with subdivisions (a) and (b) of Government Code Section 27301, and be available to the public.

The fee will sunset after December 31, 2017, unless it has been reauthorized by the Board. If outside funding is obtained to implement the program, the fee may be charged until the debt is repaid.

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Initial Analysis and Estimates:

The original estimated cost of a module for the County's recording system to redact social security numbers prospectively was \$2,995. The cost to implement the program back to 1980 was unknown at the time but was thought to be quite labor intensive. Documents recorded since July of 2000 were stored digitally using halFILE software, and documents recorded prior to July of 2000 were stored on microfiche. Digital copies of all the microfiche documents were needed. The halFILE software was capable of scanning all documents and creating public copies with social security numbers redacted.

Progress of County Recorder in Truncating Recorded Documents pursuant to subdivision (a) of GC Section 27301:

All electronic records in the halFILE system from 2000 to present have been redacted. Installation of the halFILE redaction software component in January 2009 allowed all records to be automatically redacted going forward. The Clerk-Recorder is implementing the conversion in two phases: Phase 1 was the microfilm conversion and redaction for records from 1990-2000. Phase 1 was completed in fiscal year 2009-10. Phase 2 is for the microfilm conversion and redaction of records from 1980-1989. Phase 2 is approximately 2/3 completed. The completion of Phase 2 will signify the completion of the mandated project.

Fiscal Analysis:

Redaction Fees were collected beginning in FY 2007-08. The total amount collected through 6-30-2012 was \$28,252. The fees have been used solely to fund the social security number truncation program. The following is the amount of fees received per fiscal year:

FY 2007/08: \$2,624
FY 2008/09: \$5,647
FY 2009/10: \$6,243
FY 2010/11: \$6,929
FY 2011/12: \$6,809

Expenditures to implement the program through 6-30-2012 have totaled \$71,135.69. \$5,156.74 of the total was for the new redaction software component designed for in-house redacting going forward. \$60,776.41 of the total was for converting microfilm to digital images and then redacting the social security numbers. \$5,202.54 of the total was for redacting information that already existed in the halFILE system.

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Estimated Ongoing Costs:

The estimated ongoing costs of complying with the program include the remaining portion of Phase 2 which is the microfilm conversion to digital images and redaction of records for 1980-1989, and the annual software maintenance and support agreement for the current redaction software component. The estimated remaining cost for Phase 2 is \$12,827. The annual software maintenance and support cost is \$578.18.