



County of Madera

Review of the Social Security Number Truncation Program

Review Period January 29, 2008 through June 30, 2013

Prepared by Madera County Auditor-Controller
December 31, 2013

County of Madera

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 29, 2008 with Resolution No. 2008-016.

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 \$8,000 per year. The cost to implement the program back to 1980 was unknown at the time but estimated to be around \$103,000. Documents recorded from 1980 to 2008 were stored using microfilm. While all data is in a digitized form, some data must be indexed before it is redacted. ACS Enterprises Solutions provides the software needed to redact the social security numbers.

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

All electronic records in the system from January 1998 to present have been redacted. Installation of the Mentis Knowledge redaction software component in June 2011 allowed all records to be automatically redacted going forward. The Clerk-Recorder is implementing the next phase of the conversion, the redaction of records from 1980 through August 1990. The next phase of the conversion will be for documents from September 1990 through December 1997. The completion of this second phase will signify the completion of the mandated project.

Fiscal Analysis:

Redaction Fees were collected beginning on March 1, 2008. The total amount collected through 6-30-2013 was \$172,628. 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:	\$12,714
FY 2008/09:	\$33,739
FY 2009/10:	\$32,393
FY 2010/11:	\$29,992
FY 2011/12:	\$29,615
FY 2012/13:	\$34,175

Expenditures to implement the program through 6-30-2013 have totaled \$126,975. \$115,549 of the total was redaction software, license agreements, film and updates/maintenance to said software. \$11,426 of the total was for a server to hold the redacted software and related information.

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Estimated Ongoing Costs:

The estimated ongoing costs of complying with the program include the remaining portion of 1980 through July 1990 (which should be accomplished in-house), the second phase of redaction for records for 1990 through 1997 (which will be provided by an outside vendor) and the annual software maintenance and support agreement for the current redaction software component. The estimated cost for the remaining redaction process is \$17,250. The annual software maintenance and support cost is \$7,960.