RESOLUTION - ACTION REQUESTED 2017-831

MEETING: December 19, 2017

TO: The Board of Supervisors

FROM: Brent Joseph, Assessor-Recorder

RE: Reauthorize Social Security Number Truncation Fee of $1.00 Per Recorded Document

RECOMMENDATION AND JUSTIFICATION:
Adopt a resolution authorizing the continuation of the One Dollar fee ($1.00) for the ongoing operation of the Social Security Number Truncation Program. The original cost of the Truncation Program to help combat identity theft was paid for by a loan from the Recorder’s Modernization Fund. Collected fees have been used to make annual payments on the loan. There exists an outstanding loan balance of $6,017.93. Re-authorizing the Truncation Fee will allow for full repayment of the loan and for funds to be available to use for Extra Help to assist with truncating social security numbers on recorded documents back to the required 1980 time period. Staff has truncated social security numbers on documents recorded from 1993 to present.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The one dollar ($1.00) Social Security Number Truncation Fee was initially approved by the Board on January 22, 2008, pursuant to Resolution 08-38, to be used solely for the implementation and operation of a Social Security Number Truncation Program to protect against identity theft, which program was required to be established by the County Recorder pursuant to Government Code Section 27301. This fee will be discontinued on December 31, 2017, unless re-authorized by the Board of Supervisors.

In determining the additional period of authorization, the Board of Supervisors shall consider the review conducted by the County Auditor under Government Code Section 37361(d)(4), to verify that the funds generated by this fee are used solely for the purpose of the Social Security Number Truncation Program. The first review was conducted by the Auditor on November 15, 2013 and is included as an attachment to this item. The second review, dated December 6, 2017, is also attached with this item. The reviews confirm that the fees have been used solely for the purpose of the truncation program, as required by law. This request is for a five year extension starting January 1, 2018.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Alternative is to not re-authorize the Social Security Number Truncation Fee. The consequences are that the loan to the Recorder’s Modernization Fund would not be
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fully repaid and redacting of social security numbers on documents recorded between 1980 and 1993 would take much longer, estimates project a minimum of eight years, as funds would not be available to hire Extra Help to assist with the program.

FINANCIAL IMPACT:
For Fiscal year 2016-17, the Recorder's Office collected approximately $5,000 in Social Security Number Truncation Fees. It is anticipated that the current fiscal year will generate approximately the same dollar amount, assuming the fee is reauthorized. Not reauthorizing the fee will result in approximately $5,000 per year less revenue to offset the cost of operating the truncation program.

ATTACHMENTS:
TruncationReview_January2008_June2012 (PDF)
TruncationReview_July2012_June2017 (PDF)
Resolution - Extension of Truncation Fee (DOCX)

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Rosemarie Smallcombe, District I Supervisor
SECONDER: Merlin Jones, District II Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
MARIPOSA COUNTY RESOLUTION 17-831
AUTHORIZING THE CONTINUATION OF THE ONE DOLLAR FEE ($1.00) FOR THE ONGOING OPERATION OF THE SOCIAL SECURITY NUMBER TRUNCATION PROGRAM

WHEREAS, on January 22, 2008, pursuant to Government Code Section 27361(d)(1), the Mariposa County Board of Supervisors adopted Resolution No. 08-38, approving an additional recording fee of one dollar ($1.00) for recording the first page of every instrument, paper or notice required or permitted by law to be recorded to be used solely for the implementation and ongoing operation of a Social Security Number Truncation Program, which program was required to be established by the County Recorder pursuant to Government Code Section 27301; and

WHEREAS, pursuant to Government Code Section 27361(d)(2), the fee authorized by Resolution No. 08-38 will be discontinued after December 31, 2017, unless reauthorized by the Board of Supervisors; and

WHEREAS, the Recorder has a continuing need for collection of the fee to support the ongoing Social Security Number Truncation Program, and to repay the original loan from the Recorder’s Modernization Fund for the cost of the system; and

WHEREAS, pursuant to Government Code Section 27361(d)(2), in determining the additional period of authorization, the Board of Supervisors shall consider the review(s) conducted by the County Auditor under Government Code Section 27361(d)(4), and which the Board directed be done under Resolution No. 08-38, to verify that the funds generated by this fee are used solely for the purpose of the Social Security Number Truncation Program.

NOW, THEREFORE BE IT RESOLVED, that the Mariposa County Board of Supervisors, a political subdivision of the State of California does hereby authorize the County Recorder to continue collecting the one dollar ($1.00) Social Security Number Truncation Fee starting January 1, 2018 through December 31, 2023.

PASSED AND ADOPTED by the Board of Supervisors of the County of Mariposa, State of California this 19th day of December, 2017, by the following vote:

AYES:  SMALLCOMBE, JONES, LONG, CANN, MENETREY
NOES:  NONE
ABSENT:  NONE
ABSTAIN:  NONE

[Signature]
MARSHALL LONG
Board of Supervisors Chair

ATTEST:

[Signature]
RENÉ LaROCHE
Clerk of the Board

APPROVED AS TO FORM:

[Signature]
STEVEN W. DAHLEM
County Counsel