

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Simitian Analyst: Darrine Distefano Bill Number: AB 2922

Related Bills: See Prior Analysis Telephone: 845-6458 Amended Date: June 26, 2002

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: State Agencies Provide to the Office of Privacy Protection a Description Of Their System of Records

- DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.
- AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as amended May 6, 2002.
- FURTHER AMENDMENTS NECESSARY.
- DEPARTMENT POSITION CHANGED TO _____.
- REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED May 6, 2002, STILL APPLIES.
- OTHER - See comments below.

SUMMARY

This bill would require each state agency to provide the Office of Privacy Protection (Office) with a description of its system of records. The Office would be required to use this information to create the State Personal Information Inventory.

SUMMARY OF AMENDMENTS

The June 26th amendments made the following changes to the bill:

- Requires the Office to develop the process and format for the reporting of categories of records that contain personal information by state agencies, instead of reporting only personal information.
- Adds several terms and definitions. These items are further discussed under THIS BILL below.
- Adds examples under categories of individuals, categories of records, and categories of sources of records. These items are further discussed under THIS BILL below.
- Requires each state agency to state whether the records that contain information about an individual are available for the public or are restricted and the nature of the restrictions.
- Requires each state agency to provide updates annually to the Office of either any specific changes to the descriptions of general categories of records contained in an agency's system of records or that no changes were made.

Board Position:

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Legislative Director

Date

Brian Putler

8/2/02

The June 26th amendments resolve two of the department's implementation considerations raised in the analysis dated May 6th. The remaining implementation considerations and departmental fiscal impacts are repeated below for convenience. The remainder of the department's analysis of the bill as amended on May 6, 2002, still applies.

POSITION

Pending.

THIS BILL

This bill would require each state agency to provide a description of the general categories or classes of personal information contained in its system of records to the Office by January 1, 2004.

This bill adds and defines the following terms:

- "Personal information" is defined as information about an individual contained in a record, including, but not limited to:
 - Name, address, telephone number, social security number, or other identifying information.
 - Education, financial, medical, or employment history.
 - Payroll and attendance records, retirement account information, disciplinary information, and other employment data.
 - Insurance information.
 - Real estate records.
 - Business, professional, or driver's license information.
 - Tax information.
 - Criminal history.
- "Record" is defined as any file or collection of information about an individual that contains an individual's name, identifying number, symbol, fingerprint, or other identification assigned to the individual that is maintained by a state agency with reference to a means of identification.

This bill uses the following examples under the description of general categories:

- Under categories of individuals on whom records are maintained: agency employees, taxpayers, and holders of driver's licenses.
- Under categories of records maintained in the system: payroll records, tax forms, and histories of vehicle code violations.
- Under categories of sources of records in the system: employee time cards, taxpayers' records, and law enforcement records.

IMPLEMENTATION CONSIDERATIONS

This bill uses the term "central catalogue." It is unclear if the "central catalogue" is a web site or paper document maintained by the Office where the public can review the information collected by state agencies. A definition or description of "central catalogue" would be helpful.

This bill requires the Office to post in the central catalogue a list of each agency's system of records. It is unclear whether the central catalogue will be on the Office's web site. If on the web site, additional information requests may be generated by individuals browsing the Internet. The department may require additional personnel resources to respond to these requests.

It is unclear if the term "location" means a central location or the various locations where the system can be accessed. FTB has several district and satellite offices throughout California and the United States. All of the systems are located at the central office in Sacramento; however, if the author's intent is to notify the public where the systems are accessed, further clarification is required.

It is unclear if the term "system of records" includes computer systems or paper systems or both.

The department would still need to redirect personnel from other projects in order to meet the January 1, 2004, deadline in order to provide the information this bill would require.

FISCAL IMPACT

Until the Office develops the process and format for the reporting of personal information, it is difficult to calculate the administrative costs for this bill. Preliminary implementation estimates anticipate costs of approximately **\$48,000 and .6 Personnel Years (PYs)** of redirected resources to comply with the request for a description of the department's system of records. It is anticipated that ongoing maintenance of the list could be handled during the department's annual system updates.

In addition, this bill would result in requests for information that could have significant customer service impacts on the department. It is estimated that increases in the number of IPA/PRA requests could range in costs of **\$84,000 to \$380,000, and 1 to 5 PYs.**

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