



February 9, 2007

## SENATE BILL No. 412

DIGEST OF SB 412 (Updated February 8, 2007 10:48 am - DI 106)

**Citations Affected:** IC 4-1.

**Synopsis:** Social Security number disclosures. Allows a state agency to disclose a Social Security number of an individual to: (1) a person that a state, local, or federal agency has contracted with to perform the duties and responsibilities of the state, local, or federal agency; or (2) a person that the state agency has entered into a contract with if the disclosure is necessary to perform the contract and the contract contains adequate safeguards against disclosure. Allows an individual to provide consent to a state agency to release the individual's Social Security number: (1) by electronic transmission; and (2) by providing the consent to a person other than the state agency if the consent expressly authorizes the state agency to release the Social Security number. Allows a state agency to release an individual's Social Security number to a private attorney if: (1) the state agency has contracted the attorney creating an attorney-client relationship with the state agency; and (2) the disclosure is necessary for the private attorney to provide legal representation to the state agency.

**Effective:** July 1, 2007.

**Hershman, Dillon**

January 11, 2007, read first time and referred to Committee on Judiciary.  
February 8, 2007, amended, reported favorably — Do Pass.

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SB 412—LS 7649/DI 87+



February 9, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

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## SENATE BILL No. 412

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A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 4-1-10-4, AS ADDED BY P.L.91-2005, SECTION  
2 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
3 2007]: Sec. 4. **(a)** Unless prohibited by state law, federal law, or court  
4 order, the following apply:
- 5 (1) A state agency may disclose the Social Security number of an  
6 individual to:
- 7 **(A)** a state, local, or federal agency; **or**  
8 **(B)** a person that a state agency, local agency, or federal  
9 agency has contracted with to perform the agency's duties  
10 and responsibilities.
- 11 (2) A state law enforcement agency may, for purposes of  
12 furthering an investigation, disclose the Social Security number  
13 of an individual to any individual, state, local, or federal agency,  
14 or other legal entity.
- 15 **(3)** A state agency may disclose the Social Security number of  
16 an individual to a person that the state agency contracts with  
17 to provide goods to the state agency if:

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(A) the disclosure is necessary for the contractor to perform the contractor's duties and responsibilities under the contract; and

(B) the contract includes adequate safeguards, including any safeguards required by state or federal law, to:

(i) prevent the unauthorized release of the Social Security numbers; and

(ii) require the notification of affected individuals in the event the Social Security number of an individual is improperly disclosed.

(b) A state agency's disclosure of the Social Security number of an individual in compliance with subsection (a) does not violate IC 5-14-3-4(a)(12).

SECTION 2. IC 4-1-10-5, AS AMENDED BY P.L.29-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) A state agency may disclose the Social Security number of an individual if any of the following apply:

(1) The disclosure of the Social Security number is expressly required by state law, federal law, or a court order.

(2) The individual expressly consents in writing, **including by electronic transmission**, to the disclosure of the individual's Social Security number. **The individual may provide the consent:**

(A) directly to the state agency; or

(B) to a person other than the state agency, if the consent expressly authorizes the state agency to disclose the individual's Social Security number.

(3) The disclosure of the Social Security number is:

(A) made to comply with:

(i) the USA Patriot Act of 2001 (P.L. 107-56); or

(ii) Presidential Executive Order 13224; or

(B) to a commercial entity for the permissible uses set forth in the:

(i) Drivers Privacy Protection Act (18 U.S.C. 2721 et seq.);

(ii) Fair Credit Reporting Act (15 U.S.C. 1681 et seq.); or

(iii) Financial Modernization Act of 1999 (15 U.S.C. 6801 et seq.);

(iv) Family Education Rights and Privacy Act (20 U.S.C. 1232g); or

(v) Health Insurance Portability and Accountability Act (42 U.S.C. 201 et seq.).

(4) The disclosure of the Social Security number is for the

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1 purpose of administration of a state agency employee's or the state  
 2 agency employee's dependent's health benefits.  
 3 (5) The disclosure of the Social Security number is for the  
 4 purpose of administration of:  
 5 (A) a pension fund administered by the board of trustees of the  
 6 public employees' retirement fund;  
 7 (B) the Indiana state teachers' retirement fund;  
 8 (C) a deferred compensation plan or defined contribution plan  
 9 established under IC 5-10-1.1; or  
 10 (D) a pension plan established by the state police department  
 11 under IC 10-12.  
 12 **(6) The disclosure of the Social Security number is:**  
 13 **(A) to a private attorney that the state agency has**  
 14 **contracted with creating an attorney-client relationship**  
 15 **with the state agency to represent the interests of the state**  
 16 **agency; and**  
 17 **(B) necessary for the private attorney to provide legal**  
 18 **representation to the state agency.**  
 19 (b) A state agency's disclosure of the Social Security number of an  
 20 individual in compliance with subsection (a) does not violate  
 21 IC 5-14-3-4(a)(12).  
 22 **(c) This section may not be construed to permit a state agency**  
 23 **to disclose any information in violation of any federal law.**

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SENATE MOTION

Madam President: I move that Senator Dillon be added as second author of Senate Bill 412.

HERSHMAN

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COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill No. 412, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 4, delete "requires" and insert "**includes**".

Page 2, line 5, after "to" insert ":

**(i)**".

Page 2, line 6, delete "." and insert "; **and**

**(ii) require the notification of affected individuals in the event the Social Security number of an individual is improperly disclosed.**".

and when so amended that said bill do pass.

(Reference is to SB 412 as introduced.)

BRAY, Chairperson

Committee Vote: Yeas 7, Nays 0.

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