

HB

117

Call Janet in
P.O. Phillips

Plants

HB 117

Data Processing

Dave Riccio
4816
2220 Sec.

\$ note
Friday

call Janice Gates

STATE OF ALASKA

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

BOX 1149 - JUNEAU 99911

February 13, 1979

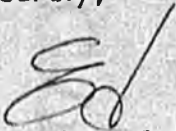
Representative Charles Parr
Pouch V
State Capitol
Juneau, AK 99811


Dear Representative ~~Parr~~:

Attached is a copy of a memo regarding the use of social security numbers under federal Employment Security law.

Since you have proposed a bill on this subject, I thought you would be interested in this memo.

Sincerely,


Edmund N. Orbeck
Commissioner

Attachment

U. S. DEPARTMENT OF LABOR
EMPLOYMENT AND TRAINING ADMINISTRATION
NORTHWEST REGION

Orbeck
July
Souby

RECEIVED
FEB 09 1979

February 7, 1979

RM 1145 FEDERAL OFFICE BLDG
909 1ST AVENUE
SEATTLE, WA 98174

Reply to
Attn of: U(UNI 7-2)

ORBEC/CIC/AIC



To: Designated Employment Security Agency

- | | | |
|------------|---|-------------------|
| Alaska | - | A. G. Zillic |
| Idaho | - | Glenn W. Nichols |
| Oregon | - | Raymond P. Thorne |
| Washington | - | Eugene Wiegman |

Subject: Use of Social Security Numbers for UI Purposes

We are advised that General Administration Letter 8-79 which discusses certain aspects of the Privacy Act of 1974 as it relates to voluntary vs. mandatory disclosure of Social Security Numbers does not relate to State agency UI operations, but rather, only to employment service operations.

At the present time the interpretation is that release of Social Security Account numbers for unemployment insurance claims operation purposes is a mandatory requirement. A further clarification dealing with application of Privacy Act to UI operations will be developed soon.

Please call this office (442-7421) if you have any questions concerning UI involvement.

ROBERT E. JOHNSON
Associate Regional Administrator, UI

STATE OF ALASKA
THE LEGISLATURE

POUCH Y, STATE CAPITOL
JUNEAU, ALASKA 99811
465-3800

LEGISLATIVE AFFAIRS AGENCY

INTER-AGENCY ROUTING SLIP

TO Rockey #5878

REMARKS:

Billy brought this up
to inquire about delivery
of final - thought you
may need it back for
your files.

FROM jeanie DATE 2/1

LAA 25

HB 117 file

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

December 7, 1978

SUBJECT: Work Order #5878: Control of the Use of Social Security Account Numbers

TO: Representative Charlie Parr

FROM: Donna Spragg Pegues 
Co-Revisor of Statutes

As you know, your request for this bill asked for a redraft of House Bill No. 491 introduced into the Tenth Session. When the bill came across my desk routinely as Revisor, it occurred to me that some technical changes could improve the bill.

With this memorandum I am sending the revised bill. Should you disagree with the editing and reorganization, please let me know.

DSP:jdm

Enclosure

STATE OF ALASKA
THE LEGISLATURE

POUCH Y, STATE CAPITOL
JUNEAU, ALASKA 9981
465-3800

LEGISLATIVE AFFAIRS AGENCY

INTER-AGENCY ROUTING SLIP

TO Representative Parr

REMARKS:

Attached is a draft of one of your prefile requests. Please advise if any changes are required and whether or not you wish to have this one formally prefiled.

FROM Jim Baldwin DATE 12/12/78

LA-L 30

STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

April 5, 1977

SUBJECT: Survey of Use of Social Security Account Number in State Forms
(W.O. #3499)

TO : The Honorable Charlie Parr
Chairman, House HESS

FROM : Deborah Behr 
Research Analyst

Earlier this session, you requested a survey on the use of social security account numbers on state forms. The enclosed report is the result of that survey. The survey was done in two major stages: (1) collection of forms and (2) requesting of information on use of social security account number. Forms were collected from the Department of Administration, Division of General Services and Supply, which controls state form production. Also, specific agencies, departments, and offices were contacted to obtain information. After the forms were collected, questionnaires were forwarded to each agency asking specific questions with regard to use of social security account number, such as the reasons for including it and the legal citations requiring that agency to request the number.

The Department of Administration estimates that there are over 6,500 forms in use statewide, excluding the University of Alaska. Forms, such as the personnel application form, which are used throughout the state, were included only in the counts relating to the department that originated the form. If an agency, such as University of Alaska, had its own personnel form, that form was counted and included with that particular agency total.

As of this date, all agencies, except for the University of Alaska, have responded to my questionnaire. The University returned its forms later than other agencies. My questionnaire therefore was mailed later to the University than to other agencies. The University was requested to respond to the questionnaire by April 6, 1977.

In addition to the report, I have also included notebooks containing the forms and agencies' responses. These forms are grouped by agency in which the form is used. Also, I have included a brown notebook containing the laws cited by Departments which require them to request social security account numbers.

If you have any questions regarding this study, please do not hesitate to contact me at 465-4917.

DB:cm

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 31, 1977

SUBJECT: Use of Social Security Account Numbers as an Identifier on
State Forms (W.O. 3499)

TO: The Honorable Charles Parr
Chairman
House HESS

FROM: Deborah Behr (DB)
Research Analyst

I recently received the delayed reply from the University of Alaska regarding the use of social security account numbers on its forms. I have revised the memorandum that I forwarded to you earlier this session to reflect the receipt of this material. Basically the University appears to use the social security account number as a key identifier for many of the University's computer programming systems.

This completes the study. If you have further requests for information on this topic, please do not hesitate to contact me at 465-4917.

DB:mo
Attachments

Survey of Use of Social Security Account Numbers on State Forms

EXTENT OF USE

At present the State of Alaska uses approximately 500 forms (excluding University of Alaska) to administer its many programs and its personnel and fiscal operations. Of those forms, 13% or 832 request social security account number from persons applying for services or assistance. The University of Alaska utilizes an additional 50 forms, which ask for an individual's social security account number. Only 15% of all the forms requesting social security account numbers are computerized at this time.

The Department of Labor, Military Affairs, and Administration use 60% of all forms requesting social security account numbers. The Department of Labor utilizes social security numbers as its primary identifier on its Unemployment Compensation forms and Workmen's Compensation files. The military serial number was recently changed to be the same as the individual's social security account number, and the Department of Military Affairs utilizes the military serial number on many of its forms. The Department of Administration's statewide personnel, payroll, and retirement systems use social security account numbers as a key identifier.

IMPACT ON PUBLIC

The 13% of state forms which request social security account numbers are generally those in heavy use by the general public. They range in scope from application for a driver's license to an application for a hairdresser's license. At any given time, the average citizen probably has at least 3 cards on his possession for which he was requested to release his social security account number. They may include:

- (1) Driver's License
- (2) Voter Registration Card
- (3) Hunting and Fishing License
- (4) State Employee Identification Card
- (5) University of Alaska Student Identification Card

LEGAL REQUIREMENTS

In response to a questionnaire forwarded to the agencies that requested social security account numbers on some of their forms, the agencies cited laws and regulations to justify their request. Most of these citations were related in some way to federal government requirements. For example, income tax, social security retirement, and certain public assistance laws were often cited. Only rarely were state laws or regulations cited and those were with regard to contractor's licensing and labor assistance programs.

JUSTIFICATION FOR USE

Although most agencies could not cite a specific law or regulation requiring the use of social security account numbers, many stressed the

importance of the number as a positive method of verifying identification. The Department of Revenue's reply, for example, noted "the use of numbers has a greater degree of accuracy as handwriting or printing often leads to misspelled names." The Office of Elections stated that it requests social security account numbers "in order that we may identify the various people with the same name or initials." A few departments stressed that they would not deny a person services or assistance if he refused to supply his social security number.

Some agencies requested social security account numbers from their clients in order to comply with a request from another department, agency, or office. For example, the Department of Health and Social Services uses the social security account number on its public assistance fraud form in order to request information from Department of Labor, whose system uses social security account numbers as identifiers. Other departments, such as Public Safety which have unique personnel or payroll forms, use social security account numbers quite frequently so that their personnel information is comparable with data collected by Department of Administration.

OTHER ISSUES

Recently the Office of the Ombudsman has become involved in several complaints concerning the requirement that a social security account number be supplied when applying for certain state services, such as a driver's license or University of Alaska library card. The Department of Public Safety, in particular, has responded to these complaints by posting signs in their offices stating that an applicant may refuse to release his number and will not be denied a license because of this action.

Also, a bill has been introduced in the Senate on this topic--SB 283. That bill states that no person shall be required to release his social security account number in order to obtain state services or assistance. An exemption is provided for programs that are required to ask for the number as a condition of their federal-state plan. The bill is currently in Senate Judiciary Committee.

SURVEY OF FORMS EMPLOYING SOCIAL SECURITY ACCOUNT NUMBERS
CURRENTLY IN USE IN ALASKA PROGRAMS

Department or Office	Total Number of Forms Using SSN	Number of Forms Computerized	Reasons for Use of Social Security Account Number			Law/Regulation Cited	Number of Forms Under Cite	Types of Forms Using Social Security Account Number
			Positive Verification of ID	Required By Other Agency	Other			
<u>OFFICE OF GOVERNOR</u>	22	13	20	2	0	None	1	See separate division detail.
Governor's Office	1	0	1	0	0	None	0	Personnel/payroll
Commercial Fisheries Entry Commission	14	13	14	0	0	None	0	Application and program forms.
Human Rights Commission	3	0	2	1	0	None	0	Complaint forms; (Note: These forms are under revision and social security numbers will be removed.)
Alaska Police Standards ¹ Council	3	0	3	0	0	None	0	Personnel/payroll; program forms
Alaska Historical Commission	1	0	0	1	0	Grant: IRS Reg.	1	Grant application including personal services.
<u>OFFICE OF LT. GOVERNOR</u>	3	1	3	0	0	None	0	Election forms.
<u>DEPARTMENT OF ADMINISTRATION</u>	95	28	90	4	1	IRS Reg.; FICA Reg.; Treasury Dept. Reg.	16	Personnel/payroll; retirement (teachers', PERS, Social Security); pioneer benefits; insurance; finance; deferred compensation; data processing; housing.
<u>DEPARTMENT OF LAW</u>	3	0	2	1	0	Payroll: 26 USC §6109(d) Child Support Enforcement: Title IV-D; Social Security Act	2	Payroll; testimony form; directions for service form.

Department or Office	Total Number of Forms Using SSN	Number of Forms Computerized	Reasons for Use of Social Security Account Number			Law/Regulation Cited	Number of Forms Under Cite	Types of Forms Using Social Security Account Number
			Positive Verification of ID	Required By Other Agency	Other			
<u>DEPARTMENT OF REVENUE</u> ²	57	17	50	4	3	Tax forms: 26 USC §6109(d)	31	Personnel/payroll; individual and corporate tax forms; fishing, hunting trapping license; fur dealer license; taxidermy license; business license; liquor license; coin operated equipment distributor's patent; cannery license, contractor's license.
<u>DEPARTMENT OF EDUCATION</u>	22	12	21	1	0	Personnel/Payroll: Social Security Act	1	Student loan; teacher certification; vocational rehabilitation.
<u>DEPARTMENT OF HEALTH & SOCIAL SERVICES</u> ³	61	7	18	39	4	Title IV-A; Title IV-D; 45 CFR 206(a)(v)(A) 45 CFR 232.10 45 CFR 250.71 45 CFR 302.70 45 CFR 302.71	11	Personnel/payroll; catastrophic illness form; public assistance forms; fraud complaint form; API forms; alcoholism forms; child support enforcement; state medical ID card; corrections booking and parole form; Harborview personnel forms; mental health referral forms; nursing family folder; social services forms; violent crimes compensation form.
<u>DEPARTMENT OF LABOR</u> ⁴	257	26	241	1	15	8 AAC 85.020 8 AAC 85.040 8 AAC 85.030	16	Employment service forms; unemployment insurance forms; wage and hour forms; workmen's compensation forms; personnel/payroll; fisherman's fund forms; occupational safety and health forms.
<u>DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT</u> ⁵	39	0	37	2	0	AS 08.16.021(1) (contractor)	2	Occupational licensing; AK Transportation Commission; uniform form for securities; broker dealer.

Department or Office	Total Number of Forms Using SSN	Number of Forms Computerized	Reasons for Use of Social Security Account Number			Law/Regulation Cited	Number of Forms Under Cite	Types of Forms Using Social Security Account Number
			Positive Verification of ID	Required By Other Agency	Other			
<u>DEPARTMENT OF MILITARY AFFAIRS</u>	157	0	157	0	0	Army Reg. 600-2; Air Forces Reg. Disaster Office Reg.	157	Army now requires use of social security number as military serial number. Serial number is requested on most program forms.
<u>DEPARTMENT OF NATURAL RESOURCES</u>	4	0	0	3	1	Veteran's preference: AS 38.05.067 AS 38.05.035(A)(4) 11 AAC 54.250(B)	1	Personnel/payroll; employee insurance; veteran's preference for land. (Note: Veteran's military serial number is now social security number. See Department of Military Affairs for law citation.)
<u>DEPARTMENT OF FISH & GAME</u>	6	1	3	2	1	None	0	Personnel; cannery ticket; hunting, trapping, sport fish ID card; pilot house/trip ticket book; commercial fishing gear and/or vessel license transfer form.
<u>DEPARTMENT OF PUBLIC SAFETY</u>	58	10	28	26	4	For payroll functions: IRS Reg. Social Security Reg.	3	Personnel/payroll; security guard licensing; background investigations; state trooper forms, wanted persons report, press reports; service requests; motor vehicle form; driver's record and licensing; pilot training; state ID card; fish and game protection forms; aircraft form.
<u>DEPARTMENT OF PUBLIC WORKS</u>	18	1	14	4	0	None	0	Personnel/payroll; marine transportation; aviation.
<u>DEPARTMENT OF HIGHWAYS</u>	8	3	8	0	0	None	0	Personnel/payroll
<u>DEPARTMENT OF ENVIRONMENTAL CONSERVATION</u>	0	0	0	0	0	Not applicable	0	None

Department of Office	Total Number of Forms Using SSN	Number of Forms Computerized	Reasons for Use of Social Security Account Number			Law/Regulation Cited	Number of Forms Under Cite	Types of Forms Using Social Security Account Number
			Positive Verification of ID	Required By Other Agency	Other			
<u>DEPARTMENT OF COMMUNITY REGIONAL AFFAIRS</u> 6	15	1	0	11	4	None	0	Payroll/personnel; senior citizen's tax exemption program; day care program; farm use program; expense reports; manpower (CETA) (Note: Five forms used by the department contain social security number at request of Research Division, Legislative Affairs Agency. The request was made in conjunction with data matrix project.)
<u>LEGISLATURE</u>	2	0	1	1	0	Personnel/payroll: Social Security Act	1	Personnel/payroll
<u>COURT SYSTEM</u>	5	0	1	3	1	None	0	Personnel; child support application form; cash appearance bond form; report of coroner call form; inability to afford counsel form.
<u>UNIVERSITY OF ALASKA</u>	43	16	7	6	30	Personnel/payroll: IRS REG; Cooperative Extension: Federal Civil Service Req	7	Admissions; accounts services; general ledger; business office correspondence study; personnel/payroll; rural education; travel reimbursement; physical plant; cooperative extension activity report; housing forms; ID card.
<u>TOTAL</u>	875	136	701	110	64		249	

FOOTNOTES

1. The Alaska Police Standards Council notes that its regulations (6 AAC 70.010(d)) permit the council to request necessary information to evaluate merits of applications.
2. The Department of Revenue cited AS 16.05.360 as justification for requiring social security number on its fish and game license forms. That statute permits the commissioner to request any reasonable information, but does not specifically itemize the requirement of social security numbers.
3. The Department of Health and Social Services cited statutes that require them to cooperate with federal government in public assistance programs (AS 47.05.010(11), AS 47.25.330(3)). These statutes do not specifically require the use of social security numbers on public assistance forms. Many federal programs, though, require the use of social security numbers for ID and tracking purposes. "Cooperating" with the federal government therefore might be seen as a requirement for requesting social security numbers from clients.

The Department of Health and Social Services also cited statutory mandate (AS 47.37.040(9)) to "make available relevant statistical information including number of persons treated" in alcoholism programs. The department cited this reference as documentation of allowing them to collect information including social security number, but not a strict requirement of the inclusion of that data item.

The Department of Health and Social Services cited AS 47.10.010, AS 47.10.030, and Children's Rules, Rule 10, as documentation that the Division of Social Services is responsible for certain child custody matters that require the use of social security numbers in order to locate missing parents.

4. The Department of Labor has also cited laws (AS 23.30.100, AS 23.30.155, AS 23.35.050) which permit, but do not require, the use of social security numbers for certain Workmen's Compensation and Fisherman's Fund forms.
5. The Department of Commerce and Economic Development has cited AS 08.64.190 to support use of social security numbers in licensing physicians. That statute gives the licensing board the authority to require "other information" on its application which the board considers "necessary" in order to evaluate the candidate.
6. The Department of Community and Regional Affairs cited AS 29.53.035 to support its use of social security numbers in its form use assessment application. That statute gives the state assessor the authority to prescribe forms which include such information which may be reasonably required to determine the entitlement of the application.

BLANK ADVERT

members' files

LA21 2465 14.56 JA01 0041 14.56 02/23/79

TO: REP. PARR

FROM: CHARLES P. SMITH 515 CRAIG AVE FBKS., AK 99701 452-5754

RE: HOUSE BILL 117

MESSAGE: THE NEWLY REWRITTEN BILL LOOKS FINE. MAY I SUGGEST THAT
LINES 13, 14 & 15 HAVE DELETIONS AND INSERTIONS OF:
"BY USE OF THE SOCIAL SECURITY ACCOUNT NUMBER WHICH IS
IN DANGER OF BECOMING A UNIVERSAL IDENTIFIER IN MODERN SOCIETY."
THE INTENT CREDITS THE UNIVERSAL IDENTIFIER AS A "FAIT ACCOMPLI"
WHICH IT IS NOT. WHO REWROTE HB117, WHO HAD NEW INPUT?

FBKS LIO/AW/EOM

HB 491

10th Legie

HOUSE BILL NO. 117

"An Act relating to the use of social security account numbers by state agencies; and providing for an effective date."

The Department of Health and Social Services administers a few programs in which the use of the social security account number is required by federal law. The Aid to Families with Dependent Children program, administered by the Department's Division of Public Assistance, carries the federal requirement for a social security account number as an absolute condition of eligibility (45 CFR 232.10).

The Supplemental Security Income program, administered by the Social Security Administration, also requires the use of social security account numbers. State administered adult public assistance programs necessarily interface with SSA/SSI programs as the state programs are supplemental to SSI benefits in many cases. The use of the social security account number aids in data exchange with the Social Security Administration in verifying gross monthly income for determinations of maximum allowable payments under the state program.

The Medicaid program also carries a federal requirement relating to the utilization of the social security account number. State institutions for the mentally disabled must use the social security account numbers in all third party billings (45 CFR 206.10). Likewise, providers seeking reimbursement under the Medicaid program are required to furnish social security account numbers in accordance with IRS requirements (45 CFR 250.71). Other state/federal programs using social security numbers are Bendex (Beneficiary Data Exchange), Foodstamps, PCIS (Patient Care Information System).

Most Department of Health and Social Services data systems that relate to an individual collect social security numbers as an additional client identifier. The social security account number is not mandated nor is it the only reference number utilized, but it is relied upon occasionally in situations when case number identifiers are inaccurate or when files for individuals with the same name cause confusion. Social security account numbers often prove particularly valuable in interactions with other agencies such as the Department of Labor or the Bureau of Indian Affairs. Naturally as the Alaskan population increases and caseload records become more substantial, record-keepers may need as many cross-identifiers for computer-check purposes as possible to assure the accuracy of records. The social security account number, while not the prime identifier, may well serve a function in such instances. A common identifier is the most cost effective and efficient means of doing record keeping on a computer.

The Division of Administrative Services within the Department utilizes the social security account number of employment records, payroll forms, and other personnel action records. The language in 44.67.010 relating to state employee accounts appears to exempt only payroll files from the prohibition in House Bill 117, thus creating the need for an expensive and time-consuming restructuring of state personnel records.

House Bill 117 permits the use of social security account numbers when mandated by federal ruling (sec. 44.67.010 (b)). As cited above, the Department also utilizes account numbers in other programs when necessary to facilitate client identification and to assist in accurate supplemental payment determinations. The Department would have an interest in continuing such utilization when merited by identification needs.

Recommended by: Lloyd Pukis Date 2/26/79
Lloyd Pukis, EDP Supervisor
Office of Information Systems

Approved by: Helén D. Beirne Date 3/12/79
Helén D. Beirne, Commissioner
Department of Health and Social Services

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 117
 Title "An Act relating to the use of Social Security Account Numbers...."
 Requested by Rocky Plotnic for Charlie Parr House Fin. Date March 12, 1979

II. FISCAL DETAIL

Agency Affected Department of Administration
 Program Category Affected Gen. Government
 Budget Request Unit(s) Affected Division of Data Processing (and others)

EXPENDITURES (Thousands of Dollars) (@ EST 15% growth + inflation)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL		4125.7	1550.8	1783.4	2050.9	2358.5
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND		4125.7	1550.8	1783.4	2050.9	2358.5
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See Attached Impact Statement

IV. DATE March 12, 1979 PREPARED BY George Crowder
 AGENCY Department of Administration
 Original: Legislative Finance PHONE 465-2220
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Position Paper and Statement of Impact for House Bill 117

"An Act relating to the use of social security account numbers by State agencies; and providing for an effective date."

This paper provides an estimate of the cost and manpower required to:

1. Convert existing systems using SSN which have no legal basis for using SSN.
2. Design and implement a new unique identifier and/or key for all systems included in paragraph 1.
3. Develop a system(s) to perform file maintenance and audit the quality of the new unique identifier and keys.

This paper outlines an approach for the implementation of the bill.

This statement does not consider impact on the University of Alaska, the Alaska Justice Information System (AJIS) and its related subsystems, i.e. processing for the Court System, or any cost of converting historical data.

The characteristics of the approach are described in the assumptions section of Appendix C.

The estimates for the approach are based on those assumptions and apply only to the systems as indicated in Appendix B.

The costs shown are only for data processing and the related manual effort required to accomplish the conversion and to maintain a new system of "unique identifiers".

There are a number other costs which are not shown, but which are believed to be significant. These are:

1. There would be a loss of audit trail between State programs which could lead to duplicate services or charges to a client or a State program.
2. The ability to maintain exact and unduplicated counts of individuals serviced would be impaired.
3. The ability to identify returning clients or customers would be impaired.
4. State programs would not be able to maintain a usable continuous historical record of a clients transactions.
5. The ability to correct invalid data between programs would be impaired. This could lead to conflicting information being maintained about an individual with no real way of identifying the situation.

There is one characteristic of the social security number which can not be duplicated by any other data element that is common among citizens. This characteristic is that fact that SSN is unique and unchanging for each person. No other data element uniquely identifies an individual and is invariant through that individual's life-time.

The estimated cost of the conversion and five years (at 15% growth-inflation) maintenance are projected below:

	Dollars
Conversion	4,125,679
Maint. Yr = 1	1,348,562
" Yr = 2	1,550,846
" Yr = 3	1,783,473
" Yr = 4	2,050,994
" Yr = 5	2,358,643

It is our belief that the scenario reflects the intent of the bill and as such represents the best cost estimate. If you consider those items excluded from our study, then the costs could easily be doubled.

A proposed statement of policy to implement that intent is shown in Appendix A.

MEMORANDUM

TO: All Information System Users

DATE: March, 1979

FILE NO:

TELEPHONE NO:

FROM: Commissioner, W. R. Hudson
Department of Administration

SUBJECT: Policy on The Use of Social
Security Numbers (SSN) In
Information Systems (Manual
or Automated).

Case 1: New Systems Design

Definition: New System - any system for which no design currently exists and which no data is currently being collected.

If no specific legislation exists to permit SSN usage by that aspect of the program or agency then any new information system shall not utilize, collect or key upon social security numbers in its design.

Case 2: Existing System Upgrades or Changes

If the existing system does not currently utilize, collect or key upon a social security number then (Case 1) shall apply to any system up-grade (subject to mandates of law).

If the existing system does currently utilize, collect, or key upon a social security number then the system shall be converted so as to not collect or utilize social security numbers. This policy is subject to mandates of law and user/owner approval authority.

Sample

Appendix B

LIST OF COMPUTER SYSTEMS USING SOCIAL SECURITY NUMBERS

System	Name	No. of Programs	Use of SSN	Legal Authority
01A*	Voter Registration	55	Key	No
02A	Employment Information System	130	Key	Yes
02B*	Program Budget in Alaska (Project Ledgers)	20	Key	?
02D*	Certification Reporting System	13	Key	?
02F*	Vacancy Analysis	5	Key	?
02G*	Warrant Reconciliation	6	Data	?
02H*	Position Control	17	Data	?
02I*	Collective Bargaining	45	Key	?
02P*	Public Employees Retirement System	87	Key	No
02R*	Alaska Longevity Bonus	11	Key	No
02T*	Teachers Retirement System	51	Key	No
02U*	Deferred Compensation	7	Key	?
02V*	Leave Accounting	25	Key	?
02W*	Equal Employment Opportunity	17	Key	?
03B*	Limited Entry	30	Key	No
04B	Income Tax	15	Key	Yes
05B*	Education Staff Accounting	20	Key	No
05G*	Vocational Rehabilitation (Statistical)	21	Key	No
05H*	Post Secondary Education	7	Key	No
05I*	Post Secondary Education	60	Key	No
05J*	Vocational Rehabilitation (New)	33	Key	No
06A	Public Assistance	54	Key	Yes
06C	Public Assistance	5	Data	Yes
06D	Nursing	2	Data	Yes
06E	Health and Social Services	1	Data	Yes
06G	Health and Social Services	2	Data	Yes
06L	Foodstamps	45	Data	Yes
06M	Medicaid	243	Data	Yes
06Q	Display Management System	31	Data	Yes
06S	Social Services	123	Data	Yes
06V	Vital Statistics	10	Data	Yes
06Y	Family and Children Services	14	Key	Yes
11W	Sport Licensing	4	Data	Yes
12E*	Drivers License	3	Data	No
12P*	Points System	9	Data	No
12Q*	Fish and Game Protection	4	Data	No
14A*	Leave Accounting	35	Key	?
25R*	Fiscal Operations	406	Key	?
21A*	Senior Citizens Proposal	6	Data	?
33A*	Legislative Audit	20	Key	?

* System included in cost calculations. This system currently does not have legal authority or Federal mandate to use Social Security Number.

B cont.

SUMMARY

<u>Social Security Number used for:</u>		<u>Data Only</u>	<u>Key</u>	<u>Total</u>
All Systems	# Systems	16	24	40
Using Social Security Numbers	# Programs (computer)	511	1181	1692
Those With Uncertain Legal Authority	# Systems	6	20	26
	# Programs (computer)	45	968	1013

IMPACT STATEMENTConversion of State Information Systems Using
Social Security Numbers

A. Assumptions:

1. Each system would create and maintain its own unique identifier.
2. Each system (Department) would maintain its own staff for controlling and assigning a "unique identifier" known as a Unique Identification Code (UIC).
3. Each of the UIC's would be composed of system specific components and would vary in length from system to system.
4. Major forms redesign and new mastering/printing of forms by state forms analyst and commercial forms agency would be required.
5. Reporting and other non-key usages of SSN would be replaced by the new UIC.
6. Key usages of SSN would be converted to that systems specific UIC.
7. Manual kept records currently ordered by SSN would be resorted and sequenced by name, UIC, or other convenient field.
8. All computer files would on a onetime basis be converted to UIC, the record length adjusted, and the files reblocked. The master and all subsidiary file, which need to be, would be resequenced by UIC.
9. All inter-system interfaces utilizing SSN would be discontinued or matches would be made by generic/manual comparisons.
10. All systems must have a way of identifying multiple or duplicate UIC and a way of removing (deletion) or changing UIC's without loss of audit trail.
11. Each system averages 3.5 computer files per system (this is low).
12. There are 10 forms/system on the average.
13. Current personnel knowledgeable in the system would be utilized to perform the conversion.

B. Cost Estimates (Parameters)
(Based on Assumptions)

1. System Analysis

- | | | |
|----|-----------------------------|----------------|
| a. | Review of System (Overview) | 1 week/system |
| b. | Documentation update | 8 weeks/system |
| c. | Forms identification | 1 week/system |
| d. | Conversion sizing | 1 week/system |

2. System Design

- a. Forms redesign 3 days/form
- b. File conversion program design 1 week/file
- c. Design new data entry procedures 1 day/form
- d. Design new manual procedure to utilize UIC in lieu of SSN 6 weeks/system
- e. Design UIC coding structure 3 weeks/system
- f. Design UIC maintenance system 4 weeks/system
- g. Design UIC unduplication audit system 3 weeks/system

3. Programming

- a. File conversion program 10 day/file
- b. Application program conversion 5 day/program
- c. Development of new key maintenance system and cross reference programs 30 day/system
- d. Computer time 10 tests * 15 min/test

4. Installation/Conversion

- a. Training of staff
 - I. General Staff 1 hour/staff member
 - II. UIC Maintenance staff 2 day/system
(Approximately 5 person staff/system)
- b. File conversion
 - I. Manual 5 min/record
 - II. Computer Files 1/6000 hour/record
(Tape)

5. Maintenance

- a. A system wide UIC assignment and verification unit 1-4 employees (2.0 ave)
- b. Software and computer processing time 20 min/day
- c. Data Processing support/system 1/6 man/year

COST RATES

DP staff \$30.00/hr (rate set for FY80 by Internal Audit)
 Computer time \$120.00/hr (est.)

Appendix D

COST OF CONVERSION (FY 80 Costs)

(All Systems)

<u>Item</u>	<u>Unit Rate</u>	<u># of Units</u>	<u>Total Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1.a	1 week/system	26	26	1125.00	29,250.00
1.b	8 weeks/system	26	208	"	234,000.00
1.c	1 week/system	26	26	"	29,250.00
1.d	1 week/system	26	26	"	29,250.00
					<u>321,750.00</u>
2.a	3 days/form	26(10)	780	225.00	175,500.00
2.b	1 week/file	26(3.5)	91	1125.00	102,375.00
2.c	1 day/form	26(10)	260	225.00	58,500.00
2.d	6 weeks/system	26	156	1125.00	175,500.00
2.e	3 weeks/system	26	78	"	87,750.00
2.f	4 weeks/system	26	104	"	117,000.00
2.g	3 weeks/system	26	78	"	87,750.00
					<u>804,375.00</u>
3.a	10 days/files	26(3.5)	910	225.00	204,750.00
3.b	5 days/program	1013	5065	"	1,139,625.00
3.c	30 days/system	26	780	"	175,500.00
3.d	(5* 15 min)/program	1013	75,975	2.00	151,950.00
					<u>1,671,825.00</u>
4.a.i	1 hour/staff member	26	104	20.00	2,080.00
4.a.ii	2 days/staff member	5	10	225.00	2,250.00
4.b.i	5 min/record	26	3,900,000	.33	1,287,000.00
4.b.ii	1/6000 hours/record	26	303.33	127.00	36,399.60
					<u>1,327,729.60</u>

TOTAL CONVERSION 4,125,679

YEARLY MAINTENANCE
(FY 80 Costs)

Ongoing Yearly Maintenance

5.a	20 man-year/system	26	52.0	6.5 (250) (10.00)	845,000.00
5.b	20 min/day/system	26	520.	2.00 (250)	260,000.00
5.c	1/6 man-year/system	26	4.33	56250	<u>243,562.25</u>
					1,348,562.25

Computer credit information now available to local firms

Local businesses seeking information on new customers seeking to open credit accounts can now find out, just by dialing the phone, whether or not those new customers are good credit risks.

This new service is now available through the Anchorage Credit Bureau.

According to Tony Pfister, the new owner-operator of ACB, the Bureau is able to provide the information because of recent automation, and a tie-in with TRW Corporation, the

Women, Alcohol to be discussed

Women and alcoholism will be discussed by Claire Swan, volunteer at the Drug and Alcohol Abuse Center in Soldotna, when Cook Inlet Homemakers meet Thursday in the basement of the Church of the New Covenant.

The afternoon will begin with an Irish potluck at 12:15. Anyone interested is welcome to attend. Information may be obtained by calling 283-7086.

The Pittsburgh Steelers, the 1979 Super Bowl champions, had a plus figure of nine in turnovers during the regular 1978 season.

nation's leading credit reporting agency.

Whether the person seeking credit is from Juneau, Fairbanks or Baton Rouge, Louisiana, chances are TRW has his credit history.

A \$3.5 billion corporation, TRW maintains more than 77 million different credit histories in three different computers which are tied into terminals nationwide.

Many national firms provide TRW with credit information on their customers, including, Household Finance, Beneficial Finance, a J. C. Penny, Sears, Montgomery Ward, Nerlands, Nordstrom and Klopfensteins.

State firms include the National Bank of Alaska, the Alaska Bank Card Center, Alaska National Bank of the North, Alaska Mutual Savings Bank, United Bank of Alaska, Alaska Pacific Bank, Peoples Bank and Trust, Security National Bank, and United Bank of Alaska. A number of credit unions around the state have also chosen to subscribe.

Pfister said that information in the computer is updated every 30 days and noted that at the present time, efforts were being made to gather derogatory information from courts of record around the state.

Pfister soon hopes to have information on all cash

judgements, tax liens and bankruptcies filed in the state entered in the data banks.

Besides providing subscribers information on people asking to open new credit accounts, the system can aid in tracking down people who "skipped" on bad debts.

If a person with a bad credit history and numerous unpaid debts, walks into a TRW served business to ask for credit, his name and address are noted and then reported to his creditors, if those creditors are TRW subscribers.

"This can aid tremendously in collections," said Pfister.

The cost of the service is \$3.25 to \$4.00 for each credit history requested, dependent of course, upon whether or not the firm requesting the history is a subscriber.

Teletypes, with direct access to the computer are available to firms who need large amounts of credit information on a monthly basis, while those who need it infrequently can simply call and have it mailed to them or read over the phone.

At the present time ACB is looking for someone to gather the information contained in the public records at the Kenai Courthouse and to update that information on a monthly basis.



This handsome group of 13, visited Kenai last week as they met the editorial staff. What newspapers are all about.



De Lars

St. Patrick's Day

SALE SALE ENDS MARCH 17TH ANYTHING GREEN OR FASHIONS WITH GREEN COLOR FOR

Cooper La pay visit

Twenty-four students from Cooper Landing School visited Kenai, the Courthouse, the police station, the jail, and The Peninsula Clarion to learn about society.

At the Courthouse the students toured the building.

Charles H. Smith
515 Camp Ave
99701

@ MR117
Mary Jenkins

HB 117 file



Foster F. Diebold
President

UNIVERSITY OF ALASKA
FAIRBANKS, ALASKA 99701

March 27, 1979

The Honorable Charles H. Parr
Chairman, House Judiciary Committee
Pouch V
Juneau, Alaska 99811

Dear Representative Parr:

On behalf of the University, I wish to comment on House Bill No. 117, "An Act relating to the use of social security account numbers by state agencies; and providing for an effective date".

Because student, as well as employee/employer, records are central to efficient administration of the University, I feel the following points are important for your consideration.

STUDENT RECORDS

At present, all University student records are indexed by social security number. Current program plans and budget are based on continuation of such a system.

PAYROLL RECORDS

Payroll records are, by federal law, maintained via social security number.

INSURANCE

If unemployment insurance claims were not kept via social security number, it would become virtually impossible to match amounts billed to us with former employee identification.

STUDENT AND EMPLOYEE ACCOUNTS RECEIVABLE

Presently, student and employee accounts receivable are maintained by social security number. However, the new receivable system, scheduled for implementation in January 1981, will not utilize social security numbers.

UNIVERSITY OF ALASKA

The Honorable Charles H. Parr
March 27, 1979


Page Two

RETIREMENT RECORDS

Social security numbers are needed for federal reporting purposes at the time a payment of benefits is made to a participant in the retirement system. However, House Bill No. 117 would require that internally, we cease using social security numbers in our retirement system.

In conclusion: Many of the University systems would have to be drastically changed if intent of House Bill No. 117 were to be implemented. In light of this fact, it is recommended that the University of Alaska be excluded from this bill. An alternative recommendation would be that wording be included to provide that the University develop a time-line and budget for conversion to new record-keeping systems with specifics on these items to be presented by the beginning of the next legislative session.

Sincerely,


Foster F. Diebold
President

FFD/bkd

cc: Sponsors, HB 117