

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
_____ Recommendations of Boards, Commissions & Committees (Green)
_____ Other Business (Pink)

TO: President and Village Board of Trustees

FROM: David A. Hulseberg, Village Manager *DAH*

DATE: January 25, 2011 (COW)(B of T): February 3, 2011

TITLE: Approval of an Identity Protection Policy

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

The Village of Lombard is required to implement a written Identity Protection Policy by June 1, 2011. The attached Identity Protection Policy drafted by the Village Attorney meets all guidelines for the current version of Public Act 96-0874.

This policy was reviewed by the Finance Committee at their meeting on January 24, 2011. The Finance Committee voted to recommend approval of the policy by the Village Board of Trustees at their February 3, 2011 meeting.

Staff requests the Village Board of Trustees approve the proposed policy.

FISCAL IMPACT:

N/A

REVIEW (as needed):

Village Attorney XX _____	Date _____
Finance Director XX <i>Timothy Sexton</i>	Date <u>1/25/11</u>
Village Manager XX <i>David A. Hulseberg</i>	Date <u>1/25/11</u>

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 Noon, Wednesday, prior to the Board Agenda distribution.



To: Trustee Zachary Wilson, Chairperson
Finance Committee

From: Timothy Sexton, Director of Finance

Date: January 15, 2011

Subject: **Identity Protection Policy**

The Village of Lombard is required to implement a written Identity Protection Policy by June 1, 2011 in order to comply with Public Act 96-0874. The Identity Protection Act established new regulations on how units of state and local government, including municipalities, use an individual's social security number.

The attached Identity Protection Policy drafted by the Village Attorney meets all guidelines for the current version of the Act. This policy has been reviewed by the Finance Department and will be disseminated to Village staff following Board approval.

Staff is requesting the Finance Committee's approval of this proposed policy and recommendation to the Village Board of Trustees for their consideration at the February 3, 2011 meeting.

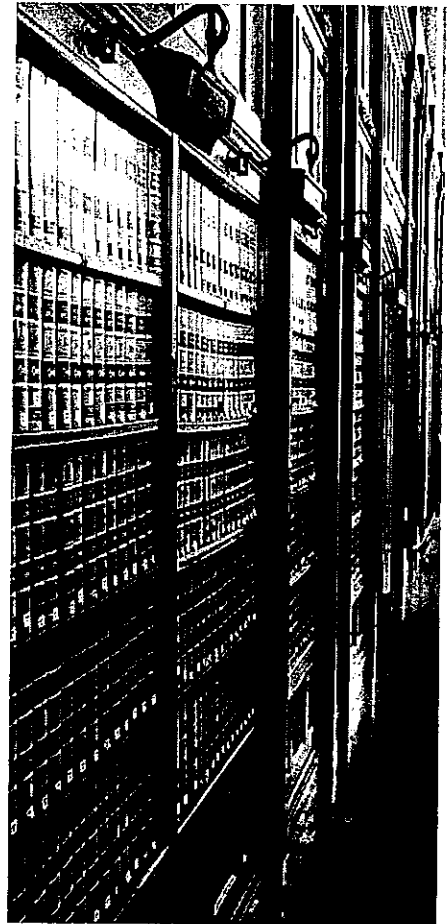
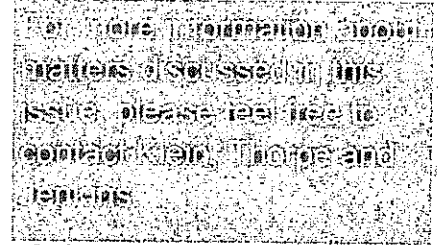
Identity Theft & Social Security Numbers - New Obligations for Municipalities

In January of 2010, Governor Quinn signed into law the Identity Protection Act, 5 ILCS 179/1 *et seq.* ("Act"), establishing new regulations on how units of state and local government, including municipalities, use an individual's social security number ("SSN"). Under the Act, beginning on July 1, 2010, no municipality shall: (1) publicly display an individual's SSN; (2) print an individual's SSN on any card needed to access municipal services; (3) require an individual to transmit a SSN over the internet unless the connection is secure or the SSN is encrypted; (4) collect, use or disclose a SSN unless required to do so by law or the SSN is necessary for the performance of a municipality's duties and the need and purpose of collection is documented prior to collection; (5) require a SSN to access a website; or (6) subject to certain exceptions, print a SSN on any materials to be mailed through the U.S. Mail or similar service. However, it should be noted that a SSN may be mailed where inclusion on a mailed document is required by law, or as part of an application or enrollment process, as long as the material is sent in an envelope rendering the SSN invisible unless unsealed. Also, the Act prohibits municipalities from embedding or encoding a SSN on a document or card where printing the SSN is prohibited by the Act. An intentional violation of the Act is a Class B misdemeanor. Of course, the Act's above-referenced prohibitions are subject to numerous and detailed exceptions that can be viewed in the text of the Act by following this link:

<http://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=096-0874&GA=96>

Significantly, the Act further requires that municipalities adopt an identity-protection policy ("Policy") by June 1, 2011, which must then be implemented within twelve (12) months of adoption. The Policy must: (1) identify the Act; (2) require that all municipal employees with access to SSNs be trained in SSN confidentiality protection; (3) restrict access to SSNs to those employees required to have such access; (4) require that where SSNs are permissibly requested from an individual, that they be provided in a way allowing for easy redaction; and (5) require that a statement of purpose be provided when collecting a SSN. A copy of the Policy must be filed with the corporate authorities within thirty (30) days of adoption. All municipal employees must be advised of the existence of the Policy and a copy of the Policy be made available for review. Not surprisingly, the Act is an exempt mandate.

Finally, the Act is an express limitation on home rule authority. However, both home rule and non-home rule municipalities are authorized to regulate the use of SSNs, so long as the regulation is no less restrictive than the Act.

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RESOLUTION NO. _____

**A RESOLUTION APPROVING AN
IDENTITY PROTECTION POLICY**

WHEREAS, Public Act 96-0874 of the State of Illinois, requires that rules regarding the collection, use, disclosure and protection of individuals' social security numbers be promulgated by covered entities; and

WHEREAS, those rules become effective June 1, 2011, and require municipalities to adopt and implement an identity protection policy; and

WHEREAS, the Corporate Authorities of the Village of Lombard have considered an Identity Protection Policy, a copy of which is attached hereto and made a part hereof as Exhibit "1" (the "Policy"), and have determined that said Policy is in the best interest of the Village of Lombard and its residents and complies with the aforementioned federal rules;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: The recitals as set forth above are incorporated herein by reference and made a part hereof as material and operative provisions of this Resolution.

SECTION 2: The Policy attached hereto as Exhibit "1" and made part hereof is hereby adopted and approved.

SECTION 3: Effective June 1, 2011, the Village of Lombard and all its officers and employees are subject to the provisions of the attached Policy and shall follow and abide by the provisions thereof.

SECTION 4: The Village Clerk shall cause a copy of this Resolution and the attached Policy to be delivered to each officer and employee of the Village who is subject to the provisions of the Policy.

SECTION 5: This Resolution shall be in full force and effect from and after its adoption and approval as provided by law.

ADOPTED this ____ day of _____, 2011, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

William J. Mueller, Village President

ATTEST:

Brigitte O'Brien, Village Clerk

Exhibit "1"

**VILLAGE OF LOMBARD
IDENTITY PROTECTION POLICY**

(see attached)

**Village of Lombard Policy
with Regard to the Collection, Use, Disclosure and
Protection of Individuals' Social Security Numbers**

This Village of Lombard Policy with Regard to the Collection, Use, Disclosure and Protection of Individuals' Social Security Numbers is intended to comply with Public Act 96-0874 of the State of Illinois, cited as the Identity Protection Act.

1. Definitions:
 - A. "Policy" means this Village of Lombard Policy with Regard to the Collection, Use, Disclosure and Protection of Individuals' Social Security Numbers.
 - B. "Act" means the Identity Protection Act created by Public Act 96-0874.
 - C. "Village" means the Village of Lombard, DuPage County, Illinois.
2. Prohibited Activities:
 - A. No officer or employee of the Village shall do any of the following:
 - (1) Intentionally communicate or otherwise intentionally make available to the general public, in any manner, an individual's social security number.
 - (2) Print an individual's social security number on any card required for the individual to access products or services provided by the Village.
 - (3) Require an individual to transmit his or her social security number over the Internet, unless the connection is secure or the social security number is encrypted.
 - (4) Print an individual's social security number on any materials that are mailed to the individual, through the U.S. Postal Service, any private mail service, electronic mail or any similar method of delivery, unless State or federal law requires the social security number to be on the document to be mailed. Notwithstanding any provision in this subsection to the contrary, social security numbers may be included in applications and forms sent by mail, including, but not limited to, any material mailed in connection with the administration of the Unemployment Insurance Act, any material mailed in connection with any tax administered by the Illinois Department of Revenue, and documents sent as part of an

application or enrollment process or to establish, amend or terminate an account, contract or policy or to confirm the accuracy of the social security number. A social security number that may permissibly be mailed under this subsection may not be printed, in whole or in part, on a postcard or other mailer that does not require an envelope, or be visible on an envelope without the envelope having been opened.

- B. Except as otherwise provided in this Policy, no officer or employee of the Village shall do any of the following:
- (1) Collect, use or disclose a social security number from an individual, unless:
 - (i) required to do so under State or federal law, rules or regulations, or the collection, use or disclosure of the social security number is otherwise necessary for the performance of that officer's or employee's duties and responsibilities;
 - (ii) the need and purpose for the social security number is documented before collection of the social security number; and
 - (iii) the social security number collected is relevant to the documented need and purpose.
 - (2) Require an individual to use his or her social security number to access an Internet website.
 - (3) Use the social security number of an individual for any purpose other than the purpose for which it was collected.
- C. The prohibitions in subsection B. above do not apply in the following circumstances:
- (1) The disclosure of social security numbers to agents, employees, contractors or subcontractors of the Village, or disclosure to another governmental entity or its agents, employees, contractors or subcontractors, if disclosure is necessary in order for the Village to perform its duties and responsibilities; and, if disclosing to a contractor or subcontractor, prior to such disclosure, the officer or employee of the Village must first receive from the contractor or subcontractor a copy of the contractor's or subcontractor's policy that sets forth how the requirements imposed under this Policy on the Village, to protect an individual's social security number, will be achieved.

- (2) The disclosure of social security numbers pursuant to a court order, warrant or subpoena.
- (3) The collection, use or disclosure of social security numbers in order to ensure the safety of:
 - (i) Village employees;
 - (ii) persons committed to correctional facilities, local jails and other law-enforcement facilities or retention centers;
 - (iii) wards of the State; and
 - (iv) all persons working in or visiting a Village facility.
- (4) The collection, use or disclosure of social security numbers for internal verification or administrative purposes.
- (5) The collection or use of social security numbers to investigate or prevent fraud, to conduct background checks, to collect a debt, to obtain a credit report from a consumer reporting agency under the federal Fair Credit Reporting Act, to undertake any permissible purpose that is enumerated under the federal Gramm Leach Bliley Act, or to locate a missing person, a lost relative or a person who is due a benefit, such as a pension benefit or an unclaimed property benefit.

D. Any previously adopted standards of the Village, for the collection, use or disclosure of social security numbers, that are stricter than the standards under this Policy with respect to the protection of those social security numbers, shall, in the event of any conflict with the provisions of this Policy, control.

3. Public Inspection and Copying of Documents:

Notwithstanding any other provision of this Policy to the contrary, all officers and employees of the Village must comply with the provisions of any other State law with respect to allowing the public inspection and copying of information or documents containing all or any portion of an individual's social security number. All officers and employees of the Village must redact social security numbers from the information or documents before allowing the public inspection or copying of the information or documents, as such information is exempt from disclosure under the Freedom of Information Act, pursuant to 5 ILCS 140/7(1)(b) as "private information," as defined by 5 ILCS 140/2(c-5).

4. Applicability:

- A. This Policy does not apply to the collection, use or disclosure of a social security number as required by State or federal law, rule or regulation.
- B. This Policy does not apply to documents that are required to be open to the public under any State or federal law, rule or regulation, applicable case law, Supreme Court Rule or the Constitution of the State of Illinois.

5. Compliance with Federal Law:

If a federal law takes effect requiring any federal agency to establish a national unique patient health identifier program, the Village's compliance with said program shall not be deemed a violation of this Policy or the Act.

6. Embedded Social Security Numbers:

No officer or employee of the Village may encode or embed a social security number in or on a card or document, including, but not limited to, using a bar code, chip, magnetic strip, RFID technology or other technology, in place of removing the social security number as required by this Policy.

7. Identity-Protection Requirements:

- A. All officers and employees of the Village, identified as having access to social security numbers in the course of performing their duties, shall receive training in regard to protecting the confidentiality of social security numbers. Said training shall include instructions on the proper handling of information that contains social security numbers from the time of collection through the destruction of the information.
- B. Only officers and employees of the Village who are required to use or handle information or documents that contain social security numbers shall have access to such information or documents.
- C. Social security numbers requested from an individual shall be provided in a manner that makes the social security number easily redacted if required to be released as part of a public records request.
- D. When collecting a social security number, or upon request by the individual providing the social security number, a statement of the purpose or purposes for which the Village is collecting and using the social security number shall be provided.

- E. A written copy of this Policy, and any amendments thereto, shall be filed with the Village Board within thirty (30) days after approval of this Policy or any amendments thereto.
 - F. The Village Manager shall make sure that all officers and employees of the Village are aware of the existence of this Policy, and shall make a copy of this Policy available to each officer and employee. If the Village amends this Policy, then the Village Manager shall advise all officers and employees of the Village of the existence of the amended Policy, and shall make a copy of the amended Policy available to each officer and employee of the Village.
 - G. The Village shall make this Policy available to any member of the public, upon request.
8. Violation:
- Any person who intentionally violates the prohibitions in Section 10 of the Act (which are set forth in Sections 2.A. and 2.B. of this Policy) shall, pursuant to the Act, be guilty of a Class B misdemeanor.
9. This Policy does not supersede any more restrictive law, rule or regulation regarding the collection, use or disclosure of social security numbers.