



State of California  
Business, Transportation And Housing Agency  
**DEPARTMENT OF CORPORATIONS**  
Business Services and Consumer and Investor Protection

[www.corp.ca.gov](http://www.corp.ca.gov)

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**Edmund G. Brown Jr.**  
*Governor*

**Jan Lynn Owen**  
*California Corporations Commissioner*

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**DATE: September 4, 2012**

**RELEASE No. 2-G (Revised)**

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**PRIVACY PROTECTION FOR PERSONAL INFORMATION  
INCLUDING SOCIAL SECURITY NUMBERS**

Superseding previous versions of Release 2-G concerning disclosure of social security numbers, this release provides the privacy policy of the Department of Corporations ("Department").

Government Code Section 11019.9 requires the Department to maintain a privacy policy, as specified, adhering to the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code).

In accordance with Government Code Section 11019.9, a copy of the Department's Notice of Privacy Policy is attached to this release.

This Notice of Privacy Policy sets forth the Department's internal guidelines for protecting the privacy of personal information, including social security numbers, submitted to the Department.

Questions concerning this document can be directed to the Department's Office of Legislation and Policy at (916) 322-3553.

JAN LYNN OWEN  
California Corporations Commissioner

By \_\_\_\_\_  
COLLEEN E. MONAHAN  
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**DEPARTMENT OF CORPORATIONS**

*Business Services and Consumer and Investor Protection*



NOTICE OF PRIVACY POLICY AS REQUIRED BY  
GOVERNMENT CODE SECTION 11019.9

The California Department of Corporations (“Department”) is committed to providing businesses and the public with a financial services marketplace that is transparent, cost-effective, and efficient. At the same time, the Department is committed to protecting the privacy rights of individuals pursuant to the California Constitution, the California Information Practices Act of 1977 (Civil Code Section 1798 et seq.), the Federal Privacy Act of 1974 (5 U.S.C.S. 552a), and other applicable state and federal laws pertaining to information privacy.

As required by **Government Code Section 11019.9**, the Department adheres to the following statutory and internal principles for protecting the privacy of personal information:

**(a) Personally identifiable information is only obtained through lawful means.**

The Corporations Code<sup>1</sup> and the Financial Code<sup>2</sup> authorize the Department to gather and maintain information regarding: persons filing documents with the Department (e.g., applications for licenses); persons associated with an applicant or licensee (e.g., officer or director of an applicant for licensure); or persons involved in other matters brought before the Department (e.g., examinations, investigations or court actions to enforce the law). Unless otherwise specified, submission of personal information is required to enable the Department to perform its responsibilities under the law. For example, the Department needs an applicant’s name, address and telephone number, among other things, to properly identify a person before issuing a license. On its Internet sites, the Department obtains information only from those who provide it voluntarily through e-mail, forms, surveys, or other documents.

With two exceptions, discussed below, the Department has elected to treat disclosures of social security numbers as voluntary when solicited on any form or other document received under its laws and programs. Individual social security numbers furnished to the Department will become a part of the Department’s records related to the individual, if the individual is an applicant for a license, a licensee or associated with the entity regulated by the Department. Individual social security numbers will be held confidential pursuant to Government Code Section 6254(d)(4), a provision of the California Public Records Act.

<sup>1</sup> See, e.g., Corporations Code Sections 25211, 25231, 25531, 25610, 28102, 31111, 31401 and 31502.

<sup>2</sup> See, e.g., Financial Code Sections 12201, 12204, 12216, 12220, 12300, 17201, 17209, 17209.1, 17213.5, 17400, 22101, 22102, 23005, 23008, 23010, 23015, 30200 and 50130.

Exceptions:

Pursuant to Family Code Section 17520(d), persons applying for issuance or renewal of any license or other authorization to engage in a business, occupation, or profession under any of the laws administered by the Department, must provide their social security numbers to the Department. The Department uses this information to match their names to the names on the list provided by the Department of Child Support Services, and to respond to requests for information made by child support agencies.

Under Business and Professions Code Section 494.5(d), applicants, e.g., individuals and business entities, must provide their social security numbers or federal taxpayer identification numbers when applying for issuance or renewal of any license or other authorization to engage in a business, occupation or profession under any of the laws administered by the Department. The Department uses this information to match the information to the names on the lists of tax delinquencies provided by the State Board of Equalization and the Franchise Tax Board.

**(b) The purposes for which personally identifiable data are collected are specified at or prior to the time of collection, and any subsequent use is limited to the fulfillment of purposes not inconsistent with those purposes previously specified.**

The Department collects only personal information relevant and necessary to accomplish a lawful purpose of the Department. For instance, the Department may use personal information provided by an individual to investigate that individual's background and qualifications prior to issuing a license. Notices required by the Information Practices Act (Civil Code Section 1798.17) are also made available at or prior to the receipt of applications.

Regarding social security numbers, the Department may use disclosed individual numbers to conduct a background investigation of the individual by the California Department of Justice or by other federal, state or local law enforcement agencies. The social security number is used to match the information to the names on lists provided by the Department of Child Support Services, the State Board of Equalization and the Franchise Tax Board, and may also be used to respond to requests for this number made by child support agencies, as discussed above.

**(c) Personal data shall not be disclosed, made available, or otherwise used for purposes other than those specified, except with the consent of the subject of the data, or as authorized by law or regulation.**

Under the Information Practices Act, personal information may be disclosed to others under certain circumstances. For example, this information may be disclosed to another agency where the transfer is necessary for the transferee agency to perform its constitutional or statutory duties; or to law enforcement agencies; or to other governmental entities if the disclosure is required or permitted under state or federal law. (See Civil Code Section 1798.24.)

The California Public Records Act requires disclosure of public records that are subject to public inspection and are not deemed confidential. (See Government Code Section 6250 et seq., and Title 10, California Code of Regulations, Section 250.9 et seq.) Prior to disclosing any personal information under this law, the Department determines whether the information should be disclosed or maintained in confidence.

Consistent with the foregoing, if individual social security numbers are contained in a licensee's public record of the Department, the Department (upon a request for public inspection of the records) records these numbers in the confidential portion of the licensing file, and blocks out the numbers prior to allowing public inspection of the record.

**(d) Personal data collected is relevant to the purpose for which it is collected.**

The Department uses personal information collected or maintained in the course of the Department's business only for the intended purpose for which it was collected, and for purposes consistent with (and necessary to carry out) the original purpose.

**(e) The general means by which personal data is protected against loss, unauthorized access, use, modification, or disclosure shall be posted, unless that disclosure of general means would compromise legitimate state department or state agency objectives or law enforcement purposes.**

The Department takes reasonable precautions to protect the personal information of individuals collected or maintained by the Department against loss, unauthorized access, and illegal use or disclosure. Personal information is stored in secure locations. Department staff is updated on internal procedures for the release of information, and access to personal information is limited to those staff whose work requires it. This privacy policy is posted on the Department's website at [www.corp.ca.gov](http://www.corp.ca.gov).

**(f) The Department has designated a position responsible for this privacy policy.**

For further information concerning these internal policies and procedures, contact the Department's Office of Legislation and Policy at (916) 322-3553.