

CHAPTER 127

CONSUMER AND COMMERCIAL TRANSACTIONS

HOUSE BILL 14-1141

BY REPRESENTATIVE(S) Coram, Swalm, Fields, Fischer, Lebsock, Rosenthal, Schafer;
 also SENATOR(S) Roberts, Aguilar, Cadman, Crowder, Grantham, Heath, Herpin, Hodge, Jahn, Kefalas, Kerr, King, Lambert,
 Lundberg, Newell, Nicholson, Rivera, Scheffel, Steadman, Todd, Ulibarri, Zenzinger.

AN ACT

**CONCERNING THE CONFIDENTIALITY OF SOCIAL SECURITY NUMBERS UNDER STATUTES PROTECTING
 THE PRIVACY OF INDIVIDUALS.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 8-2-128 as follows:

8-2-128. Prohibitions of employer - requiring social security number - exceptions. (1) (a) AN ENTITY WITH A BOARD OF DIRECTORS, INCLUDING ANY ADVISORY BOARD, SHALL NOT REQUIRE A MEMBER OF THE BOARD OF DIRECTORS WHO IS NOT PAID FOR SERVING ON THE BOARD, EXCEPT FOR OCCASIONAL REIMBURSEMENT OF INCIDENTAL EXPENSES OF SERVING ON THE BOARD, TO DISCLOSE THE MEMBER'S SOCIAL SECURITY NUMBER TO THE ENTITY IN ORDER TO SERVE AS A MEMBER OF THE BOARD.

(b) NOTWITHSTANDING PARAGRAPH (a) OF THIS SUBSECTION (1), A CURRENT OR PROSPECTIVE BOARD MEMBER MAY BE REQUIRED TO DISCLOSE HIS OR HER SOCIAL SECURITY NUMBER:

(I) TO AN ENTITY THAT IS REQUIRED BY LAW, RULE, OR A GOVERNMENT OR ACCREDITATION ORGANIZATION'S RECOMMENDED PROGRAM OF LEGAL COMPLIANCE TO REQUIRE A MEMBER OF ITS BOARD OF DIRECTORS TO PROVIDE A SOCIAL SECURITY NUMBER TO USE TO CHECK ANY GOVERNMENTAL BACKGROUND CHECK DATABASE OR TO REIMBURSE A MEMBER FOR EXPENSES INCURRED IN THE ACTUAL PERFORMANCE OF HIS OR HER DUTIES;

(II) IF THE BOARD MEMBER WOULD DIRECTLY SERVE A CLIENTELE THAT INCLUDES MINORS, THE ELDERLY, VICTIMS OF ABUSE, PERSONS WITH DEVELOPMENTAL

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

DISABILITIES, OR OTHER VULNERABLE INDIVIDUALS AND THAT HAS AN ESTABLISHED POLICY OF USING A PROFESSIONAL EMPLOYMENT SCREENING SERVICE TO CONDUCT BACKGROUND CHECKS, UTILIZING SOCIAL SECURITY NUMBERS, TO SCREEN ITS PERSONNEL, BOARD MEMBERS, OR VOLUNTEERS; OR

(III) IF THE BOARD MEMBER WOULD BE AUTHORIZED TO SIGN CHECKS OR ENGAGE IN OTHER TRANSACTIONS INVOLVING THE ENTITY'S ASSETS OR ACCOUNTS, AND THE FINANCIAL INSTITUTION HOLDING THOSE ASSETS OR ACCOUNTS REQUIRES A SOCIAL SECURITY NUMBER TO VERIFY THE IDENTITY OF PERSONS SO AUTHORIZED.

(c) AN ENTITY THAT REQUIRES AN INDIVIDUAL TO PROVIDE HIS OR HER SOCIAL SECURITY NUMBER FOR ONE OF THE REASONS LISTED IN PARAGRAPH (b) OF THIS SUBSECTION (1) SHALL STATE THE REASON AND SPECIFY WHAT USES WILL BE MADE OF THE INDIVIDUAL'S SOCIAL SECURITY NUMBER.

(2) IT IS UNLAWFUL FOR THE STATE OR ANY LOCAL GOVERNMENT TO DENY AN INDIVIDUAL ANY RIGHT, BENEFIT, OR PRIVILEGE PROVIDED BY LAW THAT WOULD VIOLATE THE FEDERAL "PRIVACY ACT OF 1974", PUB.L. 93-579, SEC. 7, BECAUSE OF THE INDIVIDUAL'S REFUSAL TO DISCLOSE HIS OR HER SOCIAL SECURITY NUMBER UNLESS FEDERAL LAW, STATE LAW OR RULE, OR A RULE, ORDER, OR DIRECTIVE OF A COURT REQUIRES SUCH DISCLOSURE. THE STATE OR ANY LOCAL GOVERNMENT THAT REQUESTS AN INDIVIDUAL TO DISCLOSE HIS OR HER SOCIAL SECURITY NUMBER WHEN THE DISCLOSURE IS NOT REQUIRED BY FEDERAL OR STATE LAW SHALL INFORM THE INDIVIDUAL WHETHER THAT DISCLOSURE IS MANDATORY OR VOLUNTARY, BY WHAT STATUTORY OR OTHER AUTHORITY THE SOCIAL SECURITY NUMBER IS SOLICITED, AND WHAT USES WILL BE MADE OF THE INDIVIDUAL'S SOCIAL SECURITY NUMBER.

SECTION 2. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to acts occurring on or after the applicable effective date of this act.

Approved: April 18, 2014