

SENATE BILL REPORT

EHB 1647

As Reported By Senate Committee On:
Labor, Commerce & Trade, February 22, 1996

Title: An act relating to the authority of the employment security department to share data.

Brief Description: Expanding the authority of the employment security department to share data.

Sponsors: Representatives Goldsmith, Romero and Lisk; by request of Employment Security Department.

Brief History:

Committee Activity: Labor, Commerce & Trade: 3/30/95, 3/31/95 [DP, DNP]; 2/22/96 [DPA].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass as amended.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; A. Anderson, Deccio, Franklin, Fraser, McDonald, Newhouse and Wojahn.

Staff: Jonathan Seib (786-7427)

Background: With certain exceptions, the Employment Security Department is obligated to keep records regarding individuals and employers confidential. Government agencies, however, are given access to all private and confidential information of the department under a process established in statute. That process requires the requesting agency, before the information is released, to serve a copy of the application for information on the individual or employing unit whose records are sought.

In certain situations, the department is also authorized to release such information to private parties with whom it contracts for assistance in the operation and management of the department. In such instances, the contracting party is bound by the same rules of privacy and confidentiality as Employment Security Department employees. Unsanctioned release of private information subjects the contracting party to a civil penalty of \$500.

The Labor Market and Economic Analysis Division in the Employment Security Department is directed by statute to gather and disseminate labor market information. Generally, this labor market information is not identified to specific individuals or employers.

Summary of Amended Bill: Government agencies are authorized to access employer information possessed by the Employment Security Department for the purposes of the Labor Market and Economic Analysis Division. Access is limited to only those individuals conducting authorized statistical analysis, research, and evaluation studies. In such cases, the agency is not required to serve a copy of the application for information on the individual

or employing unit whose records are sought. Misuse or release of this information to unauthorized parties is subject to the same penalty established for private parties contracting with the department.

The penalty for the unsanctioned release of employment security information by a private party with whom the department has contracted for assistance is increased from \$500 to \$5000.

Amended Bill Compared to Original Bill: In the amended bill, the information from the Employment Security Department to which other state agencies have access is limited to employer information possessed by the department for the purposes of the Labor Market and Economic Analysis Division. The engrossed bill authorized access to a broader range of information. Also, under the engrossed bill the information was to be acquired through a contract with the department. The amended bill uses another process established in statute, rather than through the existing statutory process, as in the amended bill.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect July 1, 1996.

Testimony For: The bill will make it easier for the Employment Security Department to meet the research needs of other state agencies while still protecting the privacy of employers and employees.

Testimony Against: None.

Testified: Gary Bodeutsch, Employment Security Department (pro).