

SENATE BILL REPORT

SB 5969

As Reported By Senate Committee On:
Labor, Commerce & Financial Institutions, February 7, 2002

Title: An act relating to information provided by former or current employers to prospective employers.

Brief Description: Limiting liability for information provided by former or current employers to prospective employers.

Sponsors: Senators Johnson, Rasmussen, Long, T. Sheldon, Zarelli, Rossi, Haugen, Jacobsen, McCaslin, Winsley and Stevens.

Brief History:

Committee Activity: Labor, Commerce & Financial Institutions: 2/4/02, 2/7/02 [DPS, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 5969 be substituted therefor, and the substitute bill do pass.

Signed by Senators Benton, Deccio, Franklin, Hochstatter, Honeyford, Rasmussen and West.

Minority Report: Do not pass.

Signed by Senators Prentice, Chair; Keiser, Vice Chair; Fairley, Gardner and Regala.

Staff: Matthew Adams (786-7784)

Background: Job applicants often seek recommendations from former employers. There is concern that employers are becoming discouraged from disclosing job reference information. Employers sometimes choose not to make statements about former employees to avoid litigation or retaliation.

Summary of Substitute Bill: Liability protections are established for employers who provide work-related information about an employee to a prospective employer or employment agency.

When disclosing information about an employee's job performance or conduct, the former employer is presumed to be acting in good faith and is immune from civil liability. This good-faith presumption may only be rebutted by clear and convincing evidence that the employer's disclosure was knowingly false or deliberately misleading.

An employee must receive any job reference information that was disclosed by the employer. The employer must provide this information within five business days from the date of disclosure.

Substitute Bill Compared to Original Bill: The substitute bill allows an employee to receive any job reference information that was disclosed by the employer. The employer must provide this information within five business days from the date of disclosure.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Small business does not have the resources to inquire about every prospective employee. Fears of litigation exist, even among sophisticated businesses that often go to court because they have a difficult time complying with the law. There is no free flow of information between employers. The public, employers, and workers do not benefit from a "bad" hire.

Testimony Against: Nothing in this bill provides an employee with the right to receive information disclosed by the former employer. If information about a prospective employee is disclosed, then the employee should be mailed notice about the reference and an opportunity to contest any inaccurate information.

Testified: PRO: Mark Johnson, NFIB; Sue Hahn, NFIB/Cascade Diesel & Truck Repair; Gary Smith, IBA; Clif Finch, AWB; CON: Harold Abbe, AWPPW; Robby Stern, WSLC.