
HOUSE BILL 2565

State of Washington 58th Legislature 2004 Regular Session

By Representatives Hudgins, McCoy, Kenney, Conway, Wood, Chase,
Moeller, Simpson, G., Morrell and Santos

Read first time 01/16/2004. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to consumer reports procured for employment
2 purposes; and amending RCW 19.182.020.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.182.020 and 1993 c 476 s 4 are each amended to read
5 as follows:

6 (1) A consumer reporting agency may furnish a consumer report only
7 under the following circumstances:

8 (a) In response to the order of a court having jurisdiction to
9 issue the order;

10 (b) In accordance with the written instructions of the consumer to
11 whom it relates; or

12 (c) To a person that the agency has reason to believe:

13 (i) Intends to use the information in connection with a credit
14 transaction involving the consumer on whom the information is to be
15 furnished and involving the extension of credit to, or review or
16 collection of an account of, the consumer;

17 (ii) Intends to use the information for employment purposes;

18 (iii) Intends to use the information in connection with the
19 underwriting of insurance involving the consumer;

1 (iv) Intends to use the information in connection with a
2 determination of the consumer's eligibility for a license or other
3 benefit granted by a governmental instrumentality required by law to
4 consider an applicant's financial responsibility or status; or

5 (v) Otherwise has a legitimate business need for the information in
6 connection with a business transaction involving the consumer.

7 (2)(a) A person may not procure a consumer report, or cause a
8 consumer report to be procured, for employment purposes with respect to
9 any consumer who is not an employee at the time the report is procured
10 or caused to be procured unless:

11 (i)(A) A clear and conspicuous disclosure has been made in writing
12 to the consumer before the report is procured or caused to be procured
13 that a consumer report may be obtained for purposes of considering the
14 consumer for employment. The disclosure may be contained in a written
15 statement contained in employment application materials; or

16 ~~((+ii+))~~ (B) The consumer authorizes the procurement of the report;
17 and

18 (ii) Upon receipt, the person immediately furnishes the consumer
19 report, or causes the consumer report to be furnished, to the consumer
20 to whom the report relates.

21 (b) A person may not procure a consumer report, or cause a consumer
22 report to be procured, for employment purposes with respect to any
23 employee unless:

24 (i) The employee has received, at any time after the person became
25 an employee, written notice that consumer reports may be used for
26 employment purposes. A written statement that consumer reports may be
27 used for employment purposes that is contained in employee guidelines
28 or manuals available to employees or included in written materials
29 provided to employees constitutes written notice for purposes of this
30 subsection; and

31 (ii) Upon receipt, the person immediately furnishes the consumer
32 report, or causes the consumer report to be furnished, to the consumer
33 to whom the report relates. This subsection (2)(b) does not apply with
34 respect to a consumer report of an employee who the employer has
35 reasonable cause to believe has engaged in specific activity that
36 constitutes a violation of law.

37 (c) In using a consumer report for employment purposes, before
38 taking any adverse action based in whole or part on the report, a

1 person shall provide to the consumer to whom the report relates: (i)
2 The name, address, and telephone number of the consumer reporting
3 agency providing the report; (ii) a description of the consumer's
4 rights under this chapter pertaining to consumer reports obtained for
5 employment purposes; and (iii) a reasonable opportunity to respond to
6 any information in the report that is disputed by the consumer.

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