

SENATE BILL REPORT

HB 2208

As of February 21, 2018

Title: An act relating to authorizing criminal background investigations for current and prospective employees and contractors with access to federal tax information.

Brief Description: Authorizing criminal background investigations for current and prospective employees and contractors with access to federal tax information.

Sponsors: Representative Hudgins; by request of Office of Financial Management.

Brief History: Passed House: 2/13/18, 98-0.

Committee Activity: State Government, Tribal Relations & Elections: 2/21/18.

Brief Summary of Bill

- Requires criminal history checks and fingerprinting for all state employees and state contractors that may access federal tax information (FTI) as part of their duties.

SENATE COMMITTEE ON STATE GOVERNMENT, TRIBAL RELATIONS & ELECTIONS

Staff: Melissa Van Gorkom (786-7491)

Background: The Internal Revenue Service (IRS) requires state and local governmental agencies that access FTI to establish a personnel security program that ensures a background investigation is completed for any individual who will have authorized access to FTI. The IRS requires that certain safeguards are initiated by a state agency in order to protect FTI, including written policies that require criminal background checks of employees and prospective employees to identify any possible suitability issues and reinvestigation at least every ten years.

There are many jobs in the Washington State government that require some sort of criminal background check which, starting in 2017, includes current and prospective Department of Revenue employees and contractors who are or may be authorized to access FTI.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Office of Financial Management (OFM) provides statewide budget, policy, accounting, forecasting, labor relations, and human resources for the executive branch. OFM also ensures that state agencies comply with federal requirements related to the receipt of federal funds, cash management, and governmental accounting principles.

Summary of Bill: All current and future state employees or contractors with the state that may be authorized to access FTI must have a fingerprint-based state and federal criminal history record check through the Washington State Patrol and the Federal Bureau Investigation. The state agency must establish background check policies that will satisfy any specific background check standards established by the IRS. Information received by the state agency as a result of background checks may only be used for making, supporting, or defending decisions regarding the appointment, hiring, or retention of employees or contractors; or to comply with IRS requirements.

The cost of the background check must be paid by the agency for employees or prospective employees, but the agency may charge contractors for the cost of their background checks.

OFM must create model background investigation policy and may adopt administrative rules to implement this law.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: This bill is required in order for the state to comply with the federal law. If there are impacts to employees, OFM will bargain with them as the bill gets implemented.

Persons Testifying: PRO: Scott Merriman, Office of Financial Management.

Persons Signed In To Testify But Not Testifying: No one.