

FINAL BILL REPORT

SHB 1455

C 80 L 21
Synopsis as Enacted

Brief Description: Concerning the use of social security numbers by the department of labor and industries and the employment security department.

Sponsors: House Committee on Labor & Workplace Standards (originally sponsored by Representatives Mosbrucker, Boehnke, Young, Sutherland and Jacobsen).

House Committee on Labor & Workplace Standards
Senate Committee on Labor, Commerce & Tribal Affairs

Background:

For purposes of the unemployment insurance system, administered by the Employment Security Department (ESD), employers must report certain information about their employees, including Social Security numbers (SSNs), to the ESD. The ESD uses SSNs to, among other things, verify a person's employment and verify that unemployment insurance benefits are being charged to the appropriate employer.

The Department of Labor and Industries (L&I) also requires SSNs for certain purposes related to workers' compensation and prevailing wage requirements. For example, contractors on public works projects must provide certified payroll records to the L&I that include employee SSNs, as part of the L&I verification and investigation process into potential prevailing wage law violations.

Generally, both federal and state laws prohibit commercial entities and state and local governments from disclosing the full SSNs of individuals, unless otherwise allowed by law. An individual's SSN is also one of the pieces of information exempt from disclosure under the Public Records Act.

Summary:

The ESD and the L&I must examine their practices of disclosing individuals' full SSNs in

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agency correspondences with nongovernmental third parties. If disclosure of an individual's full SSN is not required to comply with federal or state law, the agency must:

- institute procedures to replace the use of full SSNs with other forms of personal identifiers in its correspondence with nongovernmental third parties; and
- by July 1, 2023, cease disclosing full SSNs in its correspondence with nongovernmental third parties.

"Correspondence" refers to written communications and electronic mail and excludes financial transactions or communications sent through secured or encrypted methods.

"Nongovernmental third party" does not include subdivisions, agencies, and instrumentalities of government. The term also does not include private persons or organizations contracting with the ESD to assist in the operation and management of the ESD.

Votes on Final Passage:

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| House | 96 | 0 |
| Senate | 48 | 1 |

Effective: July 25, 2021