

# HOUSE BILL REPORT

## HB 1647

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**As Reported By House Committee On:**  
Commerce & Labor

**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:**

Commerce & Labor: 2/21/95, 2/27/95 [DP].

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### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass. Signed by 10 members: Representatives Lisk, Chairman; Hargrove, Vice Chairman; Thompson, Vice Chairman; Romero, Ranking Minority Member; Conway, Assistant Ranking Minority Member; Cairnes; Cody; Cole; Goldsmith and Horn.

**Minority Report:** Do not pass. Signed by 1 member: Representative Fuhrman.

**Staff:** Pam Madson (786-7166).

**Background:** With certain exceptions, the Employment Security Department is obligated to keep records regarding individuals and employers confidential. One of the exceptions to this requirement is when the department contracts with private individuals and organizations to assist with operation and management of department functions. 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.

**Summary of Bill:** The Employment Security Department may disclose private confidential information when it contracts with public or private entities to carry out department functions. The public or private contracting party is bound by the same

rules of privacy as the department employees. Any unsanctioned disclosure of private confidential information subjects both public and private contracting parties to a civil penalty of \$5,000 and other applicable sanctions under state and federal law.

**Appropriation:** None.

**Fiscal Note:** Requested on February 14, 1995.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** The primary focus of the bill is to allow access by government organizations to information currently allowed to private organizations. Employment Security has two types of confidential information, information about employers and employees and administrative records on unemployment beneficiaries and claimants. Public agency requests are primarily for individual wage information. The information is used by economists and researchers.

**Testimony Against:** None.

**Testified:** Gary Bodeutsch, Employment Security Department.