

CERTIFICATION OF ENROLLMENT

ENGROSSED HOUSE BILL 1647

Chapter 79, Laws of 1996

54th Legislature
1996 Regular Session

EMPLOYMENT SECURITY DATA SHARING

EFFECTIVE DATE: 7/1/96

Passed by the House March 2, 1996
Yeas 90 Nays 0

CLYDE BALLARD
**Speaker of the
House of Representatives**

Passed by the Senate February 28, 1996
Yeas 49 Nays 0

JOEL PRITCHARD
President of the Senate

Approved March 15, 1996

MIKE LOWRY
Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1647** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN
Chief Clerk

FILED

March 15, 1996 - 3:10 p.m.

**Secretary of State
State of Washington**

ENGROSSED HOUSE BILL 1647

AS AMENDED BY THE SENATE

Passed Legislature - 1996 Regular Session

State of Washington 54th Legislature 1995 Regular Session

By Representatives Goldsmith, Romero and Lisk; by request of Employment Security Department

Read first time 02/02/95. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to the authority of the employment security
2 department to share data; amending RCW 50.13.060 and 50.13.080;
3 creating a new section; and providing an effective date.

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

5 **Sec. 1.** RCW 50.13.060 and 1993 c 281 s 59 are each amended to read
6 as follows:

7 (1) Governmental agencies, including law enforcement agencies,
8 prosecuting agencies, and the executive branch, whether state, local,
9 or federal shall have access to information or records deemed private
10 and confidential under this chapter if the information or records are
11 needed by the agency for official purposes and:

12 (a) The agency submits an application in writing to the employment
13 security department for the records or information containing a
14 statement of the official purposes for which the information or records
15 are needed and specific identification of the records or information
16 sought from the department; and

17 (b) The director, commissioner, chief executive, or other official
18 of the agency has verified the need for the specific information in
19 writing either on the application or on a separate document; and

1 (c) The agency requesting access has served a copy of the
2 application for records or information on the individual or employing
3 unit whose records or information are sought and has provided the
4 department with proof of service. Service shall be made in a manner
5 which conforms to the civil rules for superior court. The requesting
6 agency shall include with the copy of the application a statement to
7 the effect that the individual or employing unit may contact the public
8 records officer of the employment security department to state any
9 objections to the release of the records or information. The
10 employment security department shall not act upon the application of
11 the requesting agency until at least five days after service on the
12 concerned individual or employing unit. The employment security
13 department shall consider any objections raised by the concerned
14 individual or employing unit in deciding whether the requesting agency
15 needs the information or records for official purposes.

16 (2) The requirements of subsections (1) and (~~((+7))~~) (8) of this
17 section shall not apply to the state legislative branch. The state
18 legislature shall have access to information or records deemed private
19 and confidential under this chapter, if the legislature or a
20 legislative committee finds that the information or records are
21 necessary and for official purposes. If the employment security
22 department does not make information or records available as provided
23 in this subsection, the legislature may exercise its authority granted
24 by chapter 44.16 RCW.

25 (3) In cases of emergency the governmental agency requesting access
26 shall not be required to formally comply with the provisions of
27 subsection (1) of this section at the time of the request if the
28 procedures required by subsection (1) of this section are complied with
29 by the requesting agency following the receipt of any records or
30 information deemed private and confidential under this chapter. An
31 emergency is defined as a situation in which irreparable harm or damage
32 could occur if records or information are not released immediately.

33 (4) The requirements of subsection (1)(c) of this section shall not
34 apply to governmental agencies where the procedures would frustrate the
35 investigation of possible violations of criminal laws.

36 (5) Governmental agencies shall have access to certain records or
37 information, limited to such items as names, addresses, social security
38 numbers, and general information about benefit entitlement or employer
39 information possessed by the department, for comparison purposes with

1 records or information possessed by the requesting agency to detect
2 improper or fraudulent claims, or to determine potential tax liability
3 or employer compliance with registration and licensing requirements.
4 In those cases the governmental agency shall not be required to comply
5 with subsection (1)(c) of this section, but the requirements of the
6 remainder of subsection (1) must be satisfied.

7 (6) Governmental agencies may have access to certain records and
8 information, limited to employer information possessed by the
9 department for purposes authorized in chapter 50.38 RCW. Access to
10 these records and information is limited to only those individuals
11 conducting authorized statistical analysis, research, and evaluation
12 studies. Only in cases consistent with the purposes of chapter 50.38
13 RCW are government agencies not required to comply with subsection
14 (1)(c) of this section, but the requirements of the remainder of
15 subsection (1) of this section must be satisfied. Information provided
16 by the department and held to be private and confidential under state
17 or federal laws shall not be misused or released to unauthorized
18 parties subject to the sanctions in RCW 50.13.080.

19 (7) Disclosure to governmental agencies of information or records
20 obtained by the employment security department from the federal
21 government shall be governed by any applicable federal law or any
22 agreement between the federal government and the employment security
23 department where so required by federal law. When federal law does not
24 apply to the records or information state law shall control.

25 ~~((+7))~~ (8) The disclosure of any records or information by a
26 governmental agency which has obtained the records or information under
27 this section is prohibited unless the disclosure is directly connected
28 to the official purpose for which the records or information were
29 obtained.

30 ~~((+8))~~ (9) In conducting periodic salary or fringe benefit studies
31 pursuant to law, the department of personnel shall have access to
32 records of the employment security department as may be required for
33 such studies. For such purposes, the requirements of subsection (1)(c)
34 of this section need not apply.

35 **Sec. 2.** RCW 50.13.080 and 1977 ex.s. c 153 s 8 are each amended to
36 read as follows:

37 (1) The employment security department shall have the right to
38 disclose information or records deemed private and confidential under

1 this chapter to any private person or organization when such disclosure
2 is necessary to permit private contracting parties to assist in the
3 operation and management of the department in instances where certain
4 departmental functions may be delegated to private parties to increase
5 the department's efficiency or quality of service to the public. The
6 private persons or organizations shall use the information or records
7 solely for the purpose for which the information was disclosed and
8 shall be bound by the same rules of privacy and confidentiality as
9 employment security department employees.

10 (2) Nothing in this section shall be construed as limiting or
11 restricting the effect of RCW 42.17.260(~~(+5)~~)(9).

12 (3) The misuse or unauthorized release of records or information
13 deemed private and confidential under this chapter by any private
14 person or organization to which access is permitted by this section
15 shall subject the person or organization to a civil penalty of five
16 (~~hundred~~) thousand dollars and other applicable sanctions under state
17 and federal law. Suit to enforce this section shall be brought by the
18 attorney general and the amount of any penalties collected shall be
19 paid into the employment security department administrative contingency
20 fund. The attorney general may recover reasonable attorneys' fees for
21 any action brought to enforce this section.

22 NEW SECTION. **Sec. 3.** If any part of this act is found to be in
23 conflict with federal requirements that are a prescribed condition to
24 the allocation of federal funds to the state or the eligibility of
25 employers in this state for federal unemployment tax credits, the
26 conflicting part of this act is hereby declared to be inoperative
27 solely to the extent of the conflict, and such finding or determination
28 shall not affect the operation of the remainder of this act. The rules
29 under this act shall meet federal requirements that are a necessary
30 condition to the receipt of federal funds by the state or the granting
31 of federal unemployment tax credits to employers in this state.

32 NEW SECTION. **Sec. 4.** This act shall take effect July 1, 1996.

Passed the House March 2, 1996.

Passed the Senate February 28, 1996.

Approved by the Governor March 15, 1996.

Filed in Office of Secretary of State March 15, 1996.