

BILL ANALYSIS

Senate Research Center

S.B. 1619
By: Lucio
Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

On September 27, 2006, the United States Department of Labor published final rules on confidentiality and disclosure of state unemployment compensation (UC) information. These comprehensive rules set out minimum requirements for confidentiality but make clear that states may adopt more stringent confidentiality provisions than those imposed by the final regulations. The final rules became effective on October 27, 2006; however, states have up to two years to enact necessary conforming state laws to implement changes required or permitted by these federal regulations.

The state must adopt conforming state law in order to receive the federal grant. S.B. 1619 conforms state law to the newly issued federal UC confidentiality regulations.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 (Section 301.081, Labor Code) and SECTION 2 (Section 301.085, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 301.081(c) and (d), Labor Code, as follows:

(c) Prohibits employment information obtained or otherwise secured under this section from being published and provides that it is not open to public inspection, other than to a public employee in the performance of public duties, except as the Texas Workforce Commission (TWC) considers necessary for the proper administration of this title or as provided by TWC rule and consistent with federal law.

(d) Deletes existing text making this subsection applicable specifically to an employee or member of TWC. Provides that an offense under this subsection is a Class A misdemeanor. Deletes existing text specifying the punishment for a violation under this subsection.

SECTION 2. Amends Subchapter F, Chapter 301, Labor Code, by adding Section 301.085, as follows:

Sec. 301.085. UNEMPLOYMENT COMPENSATION INFORMATION; OFFENSE; PENALTY. (a) Defines "unemployment compensation information."

(b) Requires TWC, consistent with federal law, to adopt and enforce reasonable rules governing the confidentiality, custody, use, preservation and disclosure of unemployment compensation information. Requires the rules to include safeguards to protect the confidentiality of identifying information regarding any individual or any past or present employer or employing unit contained in unemployment compensation information, including any information that foreseeably could be combined with other publicly available information to reveal identifying information regarding the individual, employer, or employing unit, as applicable.

(c) Provides that unemployment compensation information is not public information for purposes of Chapter 552 (Public Information), Government Code.

(d) Provides that, unless permitted by this subchapter or TWC rule, a person commits an offense if the person solicits, discloses, receives, or uses, or authorizes, permits, participates in, or acquiesces in another person's use of, unemployment compensation information that reveals identifying information or particulars regarding certain entities.

(e) Provides that an offense under Subsection (d) is a Class A misdemeanor.

SECTION 3. Makes application of Section 301.081(d), Labor Code, as amended by this Act, prospective.

SECTION 4. Effective date: September 1, 2007.