

BILL ANALYSIS

Senate Research Center

S.B. 1619
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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. As proposed, 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 (Sections 301.085 and 301.086, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 301.081, Labor Code, as follows:

Sec. 301.081. EMPLOYEE RECORDS OF EMPLOYING UNIT; OFFENSE; PENALTY. (a) Makes no changes to this subsection.

(b) Makes no changes to this subsection.

(c) Prohibits employment information thus obtained or otherwise secured 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. Deletes existing text specifying the punishment for a violation under this subsection.

SECTION 2. Amends Subchapter F, Chapter 301, Labor Code, by adding Sections 301.085 and 301.086, as follows:

Sec. 301.085. DISCLOSURE AND CONFIDENTIALITY OF INFORMATION. (a) Defines "unemployment compensation information."

(b) Requires TWC, consistent with federal law, to establish and enforce reasonable rules governing the confidentiality, custody, use, preservation and disclosure of unemployment compensation information.

(c) Requires TWC, by rule, in establishing rules under Subsection (b), to include safeguards which protect the confidentiality of identifying information or particulars about any individual or any past or present employer or employing unit

contained in unemployment compensation information, including any information which could foreseeably be combined with other publicly available information to reveal identifying information or particulars about any individual or past or present employer or employing unit.

(d) Provides that unemployment compensation information is not subject to the provisions of Chapter 552 (Public Information), Government Code.

Sec. 301.086. DISCLOSURE OF CERTAIN INFORMATION PROHIBITED; OFFENSE; PENALTY. (a) Provides that, except as permitted under this subchapter and TWC rule, it is an offense for a person to solicit, disclose, receive, or make use of, or to authorize, permit, participate in, or acquiesce in the use of unemployment compensation information revealing identifying information or particulars regarding certain entities.

(b) Provides that an offense under this section is a Class A misdemeanor.

SECTION 3. Effective date: upon passage or September 1, 2007.