

By: Eltife

S.B. No. 1471

A BILL TO BE ENTITLED

AN ACT

relating to employment verification agreements between the Texas Workforce Commission and consumer reporting agencies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 301.081(c), Labor Code, is amended to read as follows:

(c) Except as the commission considers necessary for the proper administration of this title, employment [Employment] information [thus] obtained or otherwise secured under this section may not be published and is not open to public inspection, other than to:

(1) a public employee in the performance of public duties; or

(2) a consumer reporting agency in the manner provided by Section 301.0811~~[, except as the commission considers necessary for the proper administration of this title].~~

SECTION 2. Subchapter F, Chapter 301, Labor Code, is amended by adding Section 301.0811 to read as follows:

Sec. 301.0811. AGREEMENT WITH CONSUMER REPORTING AGENCY.

(a) Subject to the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.), as amended, the commission may enter into an agreement with one or more consumer reporting agencies under which the consumer reporting agency provides to private and governmental entities secure electronic access to employee wage information for

1 each of the preceding 16 or more quarters obtained by the commission
2 from employing units under Section 301.081.

3 (b) Before entering into an agreement with a consumer
4 reporting agency under this section, the commission by rule shall
5 establish minimum audit, security, net worth, and liability
6 insurance standards, technological requirements, and any other
7 standards or requirements the commission considers necessary to
8 safeguard the confidentiality of the employee wage information
9 provided to a credit reporting agency under this section or to
10 otherwise serve the public interest.

11 (c) An agreement entered into under this section must
12 provide that an employee's wage information may be released by the
13 credit reporting agency to a private or governmental entity only if
14 the entity has obtained from the employee a written consent or an
15 approved electronic equivalent that:

16 (1) informs the employee that:

17 (A) the employee's consent to the disclosure of
18 the employee's wage information is voluntary;

19 (B) the employee's refusal to consent to
20 disclosure of the employee's wage information may not be made the
21 basis for the denial of credit;

22 (C) if the employee grants consent, the
23 employee's wage and employment history will be released;

24 (D) the release of the employee's wage
25 information is being made for a specific transaction; and

26 (E) commission files containing wage and
27 employment history information regarding the employee submitted by

1 employers of the employee may be accessed;

2 (2) identifies the specific transaction for which the
3 release of the employee's wage information is being made; and

4 (3) includes the name of each person authorized to
5 receive released information regarding the employee.

6 (d) Information released by a credit reporting agency to a
7 private or governmental entity under an agreement with the
8 commission under this section may be used by the entity only to:

9 (1) verify the accuracy of the wage or employment
10 information previously provided by an employee in connection with
11 a single credit transaction or an employment transaction; and

12 (2) satisfy:

13 (A) obligations imposed on the entity by
14 applicable fair credit reporting laws; or

15 (B) standard underwriting or eligibility
16 requirements or other requirements imposed on the entity.

17 (e) The release of any information obtained by a credit
18 reporting agency under an agreement with the commission under this
19 section may be made only for a purpose and in a manner authorized by
20 the United States Department of Labor.

21 (f) Each consumer reporting agency that enters into an
22 agreement with the commission under this section shall pay a
23 proportionate share of all development and other start-up costs and
24 ongoing costs incurred by the commission in connection with
25 implementing systems and procedures for the purposes of this
26 section and a reasonable cost for the disclosure of employee wage
27 information under this section. The consumer reporting agency

1 shall make the payment in the amount and manner prescribed by the
2 commission.

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2007.