

By Senators Meek, Dawson-White, Cowin and Scott

36-1435-99

1                                   A bill to be entitled  
2           An act relating to unemployment compensation;  
3           creating 443.1716, F.S.; requiring the  
4           Department of Labor and Employment Security to  
5           contract with consumer-reporting agencies to  
6           provide creditors with secured electronic  
7           access to employer-provided information  
8           relating to the quarterly wages reports;  
9           providing conditions; requiring consent from  
10          the credit applicant; prescribing information  
11          that must be included in the written consent;  
12          limiting use of the information released;  
13          requiring the department to establish minimum  
14          audit, security, net worth, and liability  
15          insurance standards and other requirements it  
16          considers necessary; providing that any  
17          revenues generated from a contract with a  
18          consumer reporting agency must be used to pay  
19          the entire cost of providing access to the  
20          information; providing that any additional  
21          revenues generated must be paid into the  
22          department's trust fund for the administration  
23          of the unemployment compensation system;  
24          providing restrictions on the release of  
25          information under the act; defining the term  
26          "consumer-reporting" agency; providing an  
27          effective date.

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29 Be It Enacted by the Legislature of the State of Florida:  
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1           Section 1. Section 443.1716, Florida Statutes, is  
2 created to read:

3           443.1716 Authorized electronic access to employer  
4 information.--

5           (1) Notwithstanding any other provisions of this  
6 chapter, the Department of Labor and Employment Security shall  
7 contract with one or more consumer-reporting agencies to  
8 provide creditors with secured electronic access to  
9 employer-provided information relating to the quarterly wages  
10 report submitted in accordance with the state's unemployment  
11 compensation law. Such access is subject to s. 119.07(1) and  
12 s. 24(a) of Art. I of the State Constitution and the federal  
13 Fair Credit Reporting Act (15 U.S.C. s. 1681a), and is limited  
14 to the wage reports for the preceding 16 calendar quarters.

15           (2) Qualified creditors must obtain written consent  
16 from the credit applicant. Any such written consent from the  
17 credit applicant must be signed and must include the  
18 following:

19           (a) Specific notice that the individual's wage and  
20 employment history information will be released to an approved  
21 consumer reporting agency;

22           (b) Notice that such release is made for the sole  
23 purpose of reviewing a specific application for credit made by  
24 the individual;

25           (c) Notice that the files of the Department of Labor  
26 and Employment Security containing wage and employment history  
27 information submitted by the individual or his or her  
28 employers may be accessed; and

29           (d) A listing of the parties authorized to receive the  
30 released information.

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1           (3) The information released under this section may be  
2 used only to support a single consumer credit transaction for  
3 a subscriber to satisfy standard financial underwriting  
4 requirements or other requirements imposed upon the subscriber  
5 and to satisfy the subscriber's obligations under applicable  
6 state or federal Fair Credit Reporting laws and rules  
7 governing this section.

8           (4) The Department of Labor and Employment Security  
9 shall establish minimum audit, security, net-worth, and  
10 liability-insurance standards, technical requirements, and any  
11 other terms and conditions considered necessary in the  
12 discretion of the state agency to safeguard the  
13 confidentiality of the information released under this section  
14 and to otherwise serve the public interest. The Department of  
15 Labor and Employment Security shall also include, in  
16 coordination with any necessary state agencies, necessary  
17 audit procedures to ensure that these rules are followed.

18           (5) In contracting with one or more consumer-reporting  
19 agencies under this section, any revenues generated by such  
20 contract must be used to pay the entire cost of providing  
21 access to the information. Further, in accordance with federal  
22 regulations, any additional revenues generated by the  
23 department or the state under this section must be paid into  
24 the department's trust fund for the administration of the  
25 unemployment compensation system.

26           (6) The department may not provide wage and employment  
27 history information to any consumer-reporting agency before  
28 the consumer-reporting agency or agencies under contract with  
29 the department pay all development and other startup costs  
30 incurred by the state in connection with the design,

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1 installation, and administration of technological systems and  
2 procedures for the electronic-access program.

3 (7) The release of any information under this section  
4 must be for a purpose authorized by and in the manner  
5 permitted by the United States Department of Labor and any  
6 subsequent rules or regulations adopted by that department.

7 (8) As used in this section, the term  
8 "consumer-reporting agency" has the same meaning as that set  
9 forth in the Federal Fair Credit Reporting Act, 15 U.S.C. s.  
10 1681a.

11 Section 2. This act shall take effect July 1, 1999.

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14 SENATE SUMMARY

15 Requires the Department of Labor and Employment Security  
16 to contract with consumer-reporting agencies to provide  
17 creditors with secured electronic access to  
18 employer-provided information relating to the quarterly  
19 wages reports submitted pursuant to the unemployment  
20 compensation law. Specifies conditions. Requires consent  
21 from the credit applicant. Prescribes information that  
22 must be included in the written consent and limits the  
23 use of the information released. Requires the department  
24 to establish minimum audit, security, net-worth, and  
25 liability-insurance standards and other requirements it  
26 considers necessary. Provides that any revenues generated  
27 from a contract with a consumer-reporting agency must be  
28 used to pay the entire cost of providing access to the  
29 information. Provides that any additional revenues  
30 generated must be paid into the department's trust fund  
31 for the administration of the unemployment compensation  
system. Provides restrictions on the release of  
information under the act. Defines the term  
"consumer-reporting agency."