



March 23, 1999

# ENGROSSED HOUSE BILL No. 1936

DIGEST OF HB1936 (Updated March 3, 1999 5:43 pm - DI 84)

**Citations Affected:** IC 22-4.

**Synopsis:** Access to wage and employment information. Allows the department of workforce development working through Access Indiana to contract with a private entity to allow the private entity to provide secure electronic access to employment and wage information regarding employees. Requires a creditor to have a written consent from the employee before obtaining the information. Requires the private entity that contracts with Access Indiana for the information from the department of workforce development to pay the costs of implementing and administering the program.

**Effective:** July 1, 1999.

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(SENATE SPONSORS —KENLEY, LANANE)

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January 27, 1999, read first time and referred to Committee on Financial Institutions.  
February 15, 1999, amended, reported — Do Pass.  
March 1, 1999, read second time, amended, ordered engrossed.  
March 2, 1999, engrossed.  
March 3, 1999, read third time, passed. Yeas 72, nays 24.  
SENATE ACTION  
March 8, 1999, read first time and referred to Committee on Planning and Economic Development.  
March 22, 1999, reported favorably — Do Pass.

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EH 1936—LS 7601/DI 94+



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March 23, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

## ENGROSSED HOUSE BILL No. 1936

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 22-4-19-6.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 1999]: **Sec. 6.5. (a) The department may make available through  
4 the enhanced electronic access system established by the intelenet  
5 commission under IC 5-21 secure electronic access for creditors to  
6 employer provided information on the amount of wages paid by an  
7 employer to an employee.**  
8 (b) The enhanced electronic access system established by the  
9 intelenet commission under IC 5-21 may enter into a contract with  
10 one (1) or more private entities to allow private entities to provide  
11 secure electronic access to employer provided information held by  
12 the department on the amount of wages paid by an employer to an  
13 employee.  
14 (c) A creditor may obtain wage report information from a  
15 private entity if the creditor first obtains written consent from the  
16 employee whose information the creditor seeks to obtain.  
17 (d) Written consent from the employee must include the

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**following:**

- (1) A statement that the written consent is the authorization for the creditor to obtain information on the employee's employment and wage history.**
- (2) A statement that the information is obtained solely for the purpose of reviewing a specific application for credit.**
- (3) Notification that state agency files containing employment and wage history will be accessed to provide the information.**
- (4) A listing of all parties that will receive the information obtained.**

**(e) Information under this section may only be released to a creditor for the purpose of satisfying the standard underwriting requirements of the creditor or a client of the creditor for one (1) credit transaction per employee written consent.**

**(f) The costs of implementing and administering the release of information must be paid by the private entity or entities that contract with the enhanced electronic access system established by the intelenet commission under IC 5-21.**

**(g) For employee information under this section, a private entity that enters a contract with the enhanced electronic access system established by the intelenet commission under IC 5-21 for release of employee information must comply with:**

- (1) the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.);**
- (2) all state and federal privacy laws; and**
- (3) the rules regarding the release of information adopted by the United States Department of Labor.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1936, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 6, delete "in" and insert ".".

Page 1, delete line 7.

Page 1, delete lines 13 through 16.

Page 1, line 17, delete "(2)" and insert "(1)".

Page 2, line 2, delete "for the past sixteen (16)" and insert ".".

Page 2, delete line 3.

Page 2, line 4, delete "(3)" and insert "(2)".

Page 2, line 6, delete "(4)" and insert "(3)".

Page 2, line 8, delete "(5)" and insert "(4)".

Page 2, delete lines 23 through 36.

and when so amended that said bill do pass.

(Reference is to HB 1936 as introduced.)

BODIKER, Chair

Committee Vote: yeas 11, nays 0.

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## HOUSE MOTION

Mr. Speaker: I move that House Bill 1936 be amended to read as follows:

Page 1, line 3, delete "contract with one (1) or" and insert "**make available through the enhanced electronic access system established by the intelenet commission under IC 5-21**".

Page 1, line 4, delete "more private entities to allow a private entity to provide".

Page 1, between lines 6 and 7, begin a new paragraph and insert:

**"(b) The enhanced electronic access system established by the intelenet commission under IC 5-21 may enter into a contract with one (1) or more private entities to allow private entities to provide secure electronic access to employer provided information held by the department on the amount of wages paid by an employer to an employee."**

Page 1, line 7, delete "(b)" and insert "(c)".

Page 1, line 10, delete "(c)" and insert "(d)".

Page 1, line 15, delete "The" and insert "**A statement that the**".

Page 2, line 4, delete "(d)" and insert "(e)".

Page 2, line 8, delete "(e)" and insert "(f)".

Page 2, line 10, delete "department" and insert "**enhanced electronic access system established by the intelenet commission under IC 5-21**".

Page 2, line 11, delete "(f) A contract entered with" and insert "**(g) For employee information under this section,**".

Page 2, line 11, after "entity" insert "**that enters a contract with the enhanced electronic access system established by the intelenet commission under IC 5-21**".

(Reference is to HB 1936 as printed February 16, 1999.)

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SENATE MOTION

Mr. President: I move that Senator Lanane be added as second sponsor of Engrossed House Bill 1936.

KENLEY

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COMMITTEE REPORT

Mr. President: The Senate Committee on Planning and Economic Development, to which was referred House Bill No. 1936, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to House Bill 1936 as reprinted March 2, 1999.)

LUBBERS, Chairperson

Committee Vote: Yeas 7, Nays 2.

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