

# HOUSE BILL No. 1936

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 22-4-19-6.5.

**Synopsis:** Access to wage and employment information. Allows the department of workforce development 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 the department of workforce development to pay the costs of implementing and administering the program.

**Effective:** July 1, 1999.

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January 27, 1999, read first time and referred to Committee on Financial Institutions.

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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 a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

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## 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 contract with one (1) or**
- 4 **more private entities to allow a private entity to provide secure**
- 5 **electronic access for creditors to employer provided information**
- 6 **on the amount of wages paid by an employer to an employee in**
- 7 **each of the past sixteen (16) quarters.**
- 8 (b) A creditor may obtain wage report information from a
- 9 private entity if the creditor first obtains written consent from the
- 10 employee whose information the creditor seeks to obtain.
- 11 (c) Written consent from the employee must include the
- 12 following:
- 13 (1) A notification to the employee that the written consent
- 14 allows the creditor to obtain information on the employee's
- 15 employment and wage history for the past sixteen (16)
- 16 quarters.
- 17 (2) A statement that the written consent is the authorization



- 1 for the creditor to obtain information on the employee's  
2 employment and wage history for the past sixteen (16)  
3 quarters.
- 4 (3) The information is obtained solely for the purpose of  
5 reviewing a specific application for credit.
- 6 (4) Notification that state agency files containing employment  
7 and wage history will be accessed to provide the information.
- 8 (5) A listing of all parties that will receive the information  
9 obtained.
- 10 (d) Information under this section may only be released to a  
11 creditor for the purpose of satisfying the standard underwriting  
12 requirements of the creditor or a client of the creditor for one (1)  
13 credit transaction per employee written consent.
- 14 (e) The costs of implementing and administering the release of  
15 information must be paid by the private entity or entities that  
16 contract with the department.
- 17 (f) A contract entered with a private entity for release of  
18 employee information must comply with:
- 19 (1) the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.);  
20 (2) all state and federal privacy laws; and  
21 (3) the rules regarding the release of information adopted by  
22 the United States Department of Labor.
- 23 (g) The department shall adopt rules and standards regarding:
- 24 (1) the minimum audit requirements for a private entity that  
25 has contracted with the department;  
26 (2) security measures for department and employee  
27 information;  
28 (3) the requirements for net worth and insurance liability  
29 coverage of a private entity that would like to enter a contract  
30 with the department;  
31 (4) technological specifications that must be met by a private  
32 entity that would like to enter a contract with the department;  
33 and  
34 (5) any matter or issue the department determines necessary  
35 to safeguard the confidentiality of the information and to best  
36 serve the public interest.

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