

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 12-192—sSB 237

*Higher Education and Employment Advancement Committee
Labor and Public Employees Committee*

**AN ACT CONCERNING THE SHARING OF INFORMATION BETWEEN
THE LABOR DEPARTMENT AND THE BOARD OF REGENTS FOR
HIGHER EDUCATION.**

SUMMARY: This act allows the unemployment compensation administrator (i.e., the labor commissioner) to disclose certain employment information that identifies individual employees or employers to the president of the Board of Regents for Higher Education (BOR) for use in his official duties to the extent necessary to evaluate programs at higher education institutions governed by BOR.

By law, employers must keep accurate employment records. These records, which contain information that the administrator prescribes, must be open for his inspection. Existing law generally prohibits the administrator from publishing the information or opening it to public inspection if it will reveal an employee's or employer's identity. However, existing law permits disclosure with the identifying information to (1) regional workforce development boards administering certain state and federal programs and (2) nonpublic entities under contract with the Department of Labor (DOL) to administer grants related to unemployment.

By law, these boards and entities must enter into a written confidentiality agreement with DOL before accessing the information. The act extends this requirement to the BOR president when the administrator discloses information to him. Thus, he must agree to:

1. state the purpose for and intended use of the information and affirm that the information will be used only for permitted purposes;
2. store the information in a physically secure location;
3. store and process any electronic information in a format that prevents unauthorized access;
4. establish safeguards to ensure that only authorized individuals can access information stored in computers;
5. enter into a written agreement, approved by the labor commissioner, with any authorized agent that contains the safeguards included in the agreement with DOL;
6. instruct all people with access to the information about the legal sanctions for unauthorized disclosure and require each employee and agent authorized to review the disclosed information to sign an acknowledgement that they have been advised of the sanctions;
7. prohibit redisclosing the information, except as permitted in writing by the labor commissioner;
8. dispose of the information and any copies after it has served its purpose either by returning it to the administrator or verifying to him that the

OLR PUBLIC ACT SUMMARY

information has been destroyed;

9. permit audits and on-site inspections by DOL; and
10. reimburse DOL for the costs of providing the information and conducting the audits.

By law, employees or agents violating these provisions may be fined up to \$200, imprisoned for up to six months, or both. They are also barred from any further access to confidential information.

EFFECTIVE DATE: July 1, 2012

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