## House Bill 3481

Sponsored by Representative GOMBERG; Representatives DEMBROW, FREDERICK, GALLEGOS, REARDON, TOMEI, WITT, Senator ROBLAN

## **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Requires Commissioner of Bureau of Labor and Industries to disclose data and information commissioner uses to determine prevailing rate of wage. Prohibits commissioner from disclosing information that would personally identify individual or entity that provides data or information.

Permits Employment Department to disclose data and information that department supplies to commissioner. Prohibits department from disclosing information that would personally identify individual or entity that provides data or information.

Becomes operative January 1, 2014.

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Declares emergency, effective on passage.

## A BILL FOR AN ACT

Relating to disclosures of information used to determine a prevailing rate of wage; creating new provisions; amending ORS 279C.815, 657.665 and 657.734; and declaring an emergency.

## Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 279C.815 is amended to read:

279C.815. (1) As used in this section, "person" means an employer, a labor organization or an official representative of an employee or employer association.

(2)(a) The Commissioner of the Bureau of Labor and Industries at least once each year shall determine the prevailing rate of wage for workers in each trade or occupation in each locality described in ORS 279C.800 by means of an independent wage survey and shall make this information available at least twice each year. The commissioner may amend the rate at any time.

- (b) If the data derived only from the survey described in paragraph (a) of this subsection appear to the commissioner to be insufficient to determine the prevailing rate of wage, the commissioner shall consider additional information such as collective bargaining agreements, other independent wage surveys and the prevailing rates of wage determined by appropriate federal agencies or agencies of adjoining states. If there is not a majority in the same trade or occupation paid at the same rate, the average rate of hourly wage, including all fringe benefits, paid in the locality to workers in the same trade or occupation is the prevailing rate. If the wage a contractor or subcontractor pays to workers on a **project for** public works is based on a period of time other than an hour, the **commissioner shall determine the** hourly wage [must be] mathematically [determined] by the number of hours worked in that period of time.
- (3) A person [shall] **may** make reports and returns to the Bureau of Labor and Industries that the commissioner requires to determine the prevailing rates of wage, using forms the bureau provides and within the time the commissioner prescribes. The person or an authorized representative of the person shall certify to the accuracy of the reports and returns.
- [(4) Notwithstanding ORS 192.410 to 192.505, reports and returns or other information provided to the commissioner under this section are confidential and not available for inspection by the public.]

- [(5)] (4) The commissioner may enter into a contract with a public or private party to obtain data and information the commissioner needs to determine the prevailing rate of wage. The contract may provide for the manner and extent of the market review of affected trades and occupations and for other requirements regarding timelines of reports, accuracy of data and information and supervision and review as the commissioner prescribes.
- (5)(a) The commissioner shall obtain from any public or private party with which the commissioner enters into a contract under subsection (4) of this section copies of all survey forms, documents or records used for data entry or in collecting or compiling data or information the commissioner uses to determine the prevailing rate of wage.
- (b) Except as provided in paragraph (c) of this subsection, any survey form, document or record used for data entry and any other data or information the commissioner receives or uses under this section for the purpose of determining the prevailing rate of wage is a public record that is not exempt from disclosure. The commissioner shall disclose the data or information in accordance with the procedures set forth in ORS 192.410 to 192.505.
- (c) In disclosing data and information under paragraph (b) of this subsection, the commissioner may not disclose, and shall take affirmative measures to prevent disclosures of, names, addresses, registration numbers, taxpayer identification numbers, other identification numbers or other information that could personally identify an individual or entity that provided data or information under this section.

SECTION 2. ORS 657.665 is amended to read:

- 657.665. (1) Except as provided in subsections (2) to (4) of this section, all information in the records of the Employment Department pertaining to the administration of the unemployment insurance, employment service and labor market information programs:
- (a) Is confidential and for the exclusive use and information of the Director of the Employment Department in administering the unemployment insurance, employment service and labor market information programs in Oregon.
- (b) May not be used in any court action or in any proceeding pending in the court unless the director or the state is a party to the action or proceeding or unless the proceeding concerns the establishment, enforcement or modification of a support obligation and support services are being provided by the Division of Child Support or the district attorney pursuant to ORS 25.080.
  - (c) Is exempt from disclosure under ORS 192.410 to 192.505.
  - (2) The Employment Department shall disclose information:
- (a) To any claimant or legal representative, at a hearing before an administrative law judge, to the extent necessary for the proper presentation of an unemployment insurance claim.
- (b) Upon request to the United States Secretary of Labor. The Employment Department shall disclose the information in a form and containing the information that the United States Secretary of Labor may require. The information disclosed is confidential and may not be used for any other purpose.
- (c) Pursuant to section 303(a)(7) of the Social Security Act, upon request to any agency of the United States charged with the administration of public works or assistance through public employment. Under this paragraph, the Employment Department shall disclose the name, address, ordinary occupation and employment status of each recipient of unemployment insurance benefits and a statement of the recipient's right to further benefits under this chapter. The information disclosed is confidential and may not be used for any other purpose.
  - (d) Pursuant to section 303(c)(1) of the Social Security Act, to the Railroad Retirement Board.

- Under this paragraph, the Employment Department shall disclose unemployment insurance records. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the board.
- (e) Pursuant to section 303(d) of the Social Security Act, upon request to officers and employees of the United States Department of Agriculture and to officers or employees of any state Supplemental Nutrition Assistance Program agency for the purpose of determining an individual's eligibility for or the amount of supplemental nutrition assistance. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the United States Department of Agriculture.
- (f) Pursuant to section 303(e)(1) and (2)(A)(ii) of the Social Security Act, to state or local child support enforcement agencies enforcing child support obligations under Title IV-D of the Social Security Act for the purposes of establishing child support obligations, locating individuals owing child support obligations and collecting child support obligations from those individuals. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the child support enforcement agency.
- (g) Pursuant to sections 303(f) and 1137 of the Social Security Act, to agencies participating in the income and eligibility verification system for the purpose of verifying an individual's eligibility for benefits, or the amount of benefits, under unemployment insurance, temporary assistance for needy families, Medicaid, the Supplemental Nutrition Assistance Program, Supplemental Security Income, child support enforcement or Social Security programs. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the requesting agency.
- (h) Pursuant to section 303(h) of the Social Security Act and section 3304(a)(16)(B) of the Federal Unemployment Tax Act, to the United States Department of Health and Human Services National Directory of New Hires. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the United States Department of Health and Human Services.
- (i) Pursuant to section 303(i) of the Social Security Act, to officers and employees of the United States Department of Housing and Urban Development and to representatives of a public housing agency for the purpose of determining an individual's eligibility for benefits, or the amount of benefits, under a housing assistance program of the United States Department of Housing and Urban Development. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the United States Department of Housing and Urban Development or the public housing agency.
- (j) Pursuant to regulations of the United States Secretary of Health and Human Services issued under section 3304(a)(16)(A) of the Federal Unemployment Tax Act, and except as required by section 303 of the Social Security Act, to the state, a political subdivision or a federally recognized Indian tribe that has signed an agreement with the Department of Human Services to administer Part A of Title IV of the Social Security Act for the purpose of determining an individual's eligibility for assistance, or the amount of assistance, under a program funded under Part A of Title IV of the Social Security Act. The information disclosed is confidential and may not be used for any other purpose.
- (k) Upon request, to the United States Attorney's Office. Under this paragraph, the Employment Department may disclose an individual's employment and wage information in response to a federal grand jury subpoena or for the purpose of collecting civil and criminal judgments, including

restitution and special assessment fees. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the United States Attorney's Office.

- (3) The Employment Department may disclose information secured from employing units:
- (a) To agencies of this state, federal agencies and local government agencies to the extent necessary to properly carry out governmental planning, performance measurement, program analysis, socioeconomic analysis and policy analysis functions performed under applicable law. The information disclosed is confidential and may not be disclosed by the agencies in any manner that would identify individuals, claimants, employees or employing units. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the agency requesting the information.
- (b) As part of a geographic information system. Points on a map may be used to represent economic data, including the location, employment size class and industrial classification of businesses in Oregon. Information presented as part of a geographic information system may not give specific details regarding a business's address, actual employment or proprietary information. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the party requesting the information.
  - (c) In accordance with ORS 657.673.

- (4) The Employment Department may:
- (a) Disclose information to public employees in the performance of their duties under state or federal laws relating to the payment of unemployment insurance benefits, the provision of employment services and the provision of labor market information.
- (b) At the discretion of the Director of the Employment Department and subject to an interagency agreement, disclose information to public officials in the performance of their official duties administering or enforcing laws within their authority and to the agents or contractors of public officials. The public official shall agree to assume responsibility for misuse of the information by the official's agent or contractor.
- (c) Disclose information pursuant to an informed consent, received from an employer or claimant, to disclose the information.
- (d) Disclose information to partners under the federal Workforce Investment Act of 1998 for the purpose of administering state workforce programs under the Act. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the requesting partner.
- (e) Disclose the names and addresses of employing units to the Bureau of Labor and Industries for the purpose of disseminating information to employing units. The names and addresses disclosed are confidential and may not be used for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the bureau.
- (f)(A) Disclose information to the Commissioner of the Bureau of Labor and Industries for the purpose of performing duties under ORS 279C.800 to 279C.870, 658.005 to 658.245 or 658.405 to 658.503 or ORS chapter 652, 653 or 659A. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be used for any other purpose. If the information disclosed under this [paragraph] subparagraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the bureau.

- (B) Except as provided in this subparagraph, disclose to any person any survey form, document or record used for data entry and any other data or information the department collects or compiles on behalf of the commissioner that the commissioner requires or uses to determine the prevailing rate of wage under ORS 279C.815. In disclosing data and information under this subparagraph, the department may not disclose, and shall take affirmative measures to prevent disclosures of, names, addresses, registration numbers, taxpayer identification numbers, other identification numbers or other information that could personally identify an individual or entity that provided information to the department under this subparagraph.
- (g) Disclose information required under ORS 657.660 (3) and (4) to the Public Employees Retirement System for the purpose of determining the eligibility of members of the retirement system for disability retirement allowances under ORS chapter 238. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the Public Employees Retirement System.
- (h) Disclose to the Oregon Business Development Commission information required by the commission in performing its duty under ORS 285A.050 to verify changes in employment levels following direct employer participation in Oregon Business Development Department programs or indirect participation through municipalities under ORS 285B.410 to 285B.482. The information disclosed to the commission may include an employer's employment level, total subject wages payroll and whole hours worked. The information disclosed is confidential and may not be used for any other purpose. The commission may not disclose the information in any manner that would identify an employing unit or employee except to the extent necessary to carry out the commission's duty under ORS 285A.050. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the commission.
- (i) Disclose information to the Department of Revenue for the purpose of performing its duties under ORS 293.250 or under the revenue and tax laws of this state. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Revenue in any manner that would identify an employing unit or employee except to the extent necessary to carry out the department's duties under ORS 293.250 or in auditing or reviewing any report or return required or permitted to be filed under the revenue and tax laws administered by the department. The Department of Revenue may not disclose any information received to any private collection agency or for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Revenue.
- (j) Disclose information to the Department of Consumer and Business Services for the purpose of performing its duties under ORS chapters 654 and 656. The information disclosed may include the name, address, number of employees and industrial classification code of an employer and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Consumer and Business Services in any manner that would identify an employing unit or employee except to the extent necessary to carry out the department's duties under ORS chapters 654 and 656, including administrative hearings and court proceedings in which the Department of Consumer and Business Services is a party. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Consumer and Business Services.

- (k) Disclose information to the Construction Contractors Board for the purpose of performing its duties under ORS chapter 701. The information disclosed to the board may include the names and addresses of employers and status of their compliance with this chapter. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the board.
- (L) Disclose information to the State Fire Marshal to assist the State Fire Marshal in carrying out duties under ORS 453.307 to 453.414. The information disclosed may include the name, address, telephone number and industrial classification code of an employer. The information disclosed is confidential and may not be disclosed by the State Fire Marshal in any manner that would identify an employing unit except to the extent necessary to carry out duties under ORS 453.307 to 453.414. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the office of the State Fire Marshal.
- (m) Disclose information to the Oregon Student Access Commission for the purpose of performing the commission's duties under ORS chapter 348 and Title IV of the Higher Education Act of 1965. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the commission in any manner that would identify an employing unit or employee except to the extent necessary to carry out the commission's duties under ORS chapter 348 or Title IV of the Higher Education Act of 1965. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the commission.
- (n) Disclose information to the Department of Transportation to assist the Department of Transportation in carrying out the duties of the Department of Transportation relating to collection of delinquent and liquidated debts, including taxes, under ORS 184.610 to 184.666, 184.670 to 184.733 and 805.263, ORS chapter 319 and the Oregon Vehicle Code. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Transportation in any manner that would identify an employing unit or employee except to the extent necessary to carry out the Department of Transportation's duties relating to collection of delinquent and liquidated debts or in auditing or reviewing any report or return required or permitted to be filed under the revenue and tax laws administered by the Department of Transportation. The Department of Transportation may not disclose any information received to any private collection agency or for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Transportation.
- (o) Disclose information to the Department of Human Services and the Oregon Health Authority to assist the Department of Human Services and the Oregon Health Authority in the collection of debts that the Department of Human Services and the Oregon Health Authority are authorized by law to collect. The information disclosed may include the names, addresses and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Human Services or the Oregon Health Authority in a manner that would identify an employing unit or employee except to the extent necessary for the collection of debts as described in this paragraph. The Department of Human Services and the Oregon Health Authority may not disclose information received under this paragraph to a private collection agency or use the infor-

mation for a purpose other than the collection of debts as described in this paragraph. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Human Services or the Oregon Health Authority.

- (p) Disclose to the Alcohol and Drug Policy Commission information required by the commission in evaluating and measuring the performance of alcohol and drug prevention and treatment programs under ORS 430.242 or the impact of the programs on employment. The information disclosed to the commission may include total subject wages payroll and whole hours worked. The information disclosed under this paragraph is confidential and may not be used for any other purpose. The commission may not disclose the information in any manner that would identify an employing unit or employee except to the extent necessary to carry out the commission's duties under ORS 430.242. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the commission.
- (q) Disclose to any person establishment level information secured pursuant to this chapter from federal, state and local government employing units. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the party requesting the information.
- (r) Disclose to any person the industrial classification code assigned to an employing unit. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the party requesting the information.
- (5) Any officer appointed by or any employee of the Director of the Employment Department who discloses confidential information, except with the authority of the director, pursuant to rules or as otherwise required by law, may be disqualified from holding any appointment or employment with the Employment Department.
- (6) Any person or any officer or employee of an entity to whom information is disclosed by the Employment Department under this section who divulges or uses the information for any purpose other than that specified in the provision of law or agreement authorizing the use or disclosure may be disqualified from performing any service under contract or disqualified from holding any appointment or employment with the state agency that engaged or employed that person, officer or employee. The Employment Department may immediately cancel or modify any information sharing agreement with an entity when a person or an officer or employee of that entity discloses confidential information, other than as specified in law or agreement.

SECTION 3. ORS 657.734 is amended to read:

657.734. (1) As used in this section:

- (a) "Public body" has the meaning given that term in ORS 192.410.
- (b) "System participant" means:

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- (A) Mandatory partners under the federal Workforce Investment Act of 1998 (enacted as P.L. 105-220 and codified as 29 U.S.C. 2801 et seq.) and other one-stop system partners, which may include public bodies and private organizations; and
- (B) Public bodies and private organizations that have been approved by the Director of the Employment Department, in consultation with the Education and Workforce Policy Advisor, to participate in the Performance Reporting Information System.
- (2) There is established the Performance Reporting Information System for the purpose of collecting, analyzing and sharing statistical and demographic data for the development and reporting of workforce system performance measures.

- (3) The Performance Reporting Information System is intended to share the data described in subsection (2) of this section, by agreement, with all system participants.
- (4) The Director of the Employment Department shall administer and, in consultation with the Education and Workforce Policy Advisor, oversee the development of the Performance Reporting Information System. System participants shall be designated as participants in the system by rule of the Employment Department, in consultation with the Education and Workforce Policy Advisor. A system participant shall enter into an interagency or other applicable agreement with the director that:
  - (a) Establishes protocols for the collection and sharing of data in the system;
  - (b) Establishes safeguards for protecting the confidentiality of data in the system;
- (c) Includes provisions regarding informed consent for sharing information obtained from individuals; and
  - (d) Provides for the sharing of costs for developing and maintaining the system.
- (5)(a) All individual record information in the Performance Reporting Information System is confidential and may not be disclosed as a public record under the provisions of ORS 192.410 to 192.505. As administrator of the system, the director may view all data or individual record information in the system. System participants may not allow public access to information received from the system that identifies a particular individual unless required by law. System participants shall limit the disclosure of, or refuse to disclose, aggregate or summary level information when a small number of aggregated records or some other factor creates a reasonable risk that the identity of individuals may be discovered or disclosed.
- (b) System participants shall provide information in a format that encodes identifying data, including the client's Social Security number, using a formula unique to the system participant. In disclosing Social Security numbers to the system, system participants shall comply with any state and federal laws that govern the collection and use of Social Security numbers by the system participant and any additional requirements specified by the director, in consultation with the Education and Workforce Policy Advisor, that are included in the agreement entered into under subsection (4) of this section.
- (6) The information in the Performance Reporting Information System is not a public record for purposes of ORS 192.410 to 192.505. For purposes of ORS 192.410 to 192.505, the information submitted to the system and the information received from the system is a public record, and the custodian of such information is the system participant that submits or receives the information. If the system participant receiving the information is not a public body, the department shall keep a copy of the system information sent to that system participant and shall be the custodian of that copy for purposes of ORS 192.410 to 192.505. As custodian, the department shall limit the disclosure of, or refuse to disclose, aggregate or summary level information when a small number of aggregated records or some other factor creates a reasonable risk that the identity of individuals may be discovered or disclosed. The department shall refer all other requests for disclosure of system information to the public body that is the custodian of the information.
- (7) The department may charge a reasonable fee under ORS 192.440 for the disclosure of reports containing only aggregate data to individuals, public bodies or private organizations.
- (8) If a system participant prepares or acquires a record that is confidential under federal or state law, including ORS 192.502 (2), the system participant does not violate state confidentiality laws by providing the information described in this section to the Performance Reporting Information System. Notwithstanding the provisions of ORS [279C.815 (4),] 279C.850 (3), 657.665 and 660.339,

- the Bureau of Labor and Industries, the Department of Community Colleges and Workforce Development and the Employment Department are authorized to provide information to the system.
- (9) Any individual who, without proper authority, discloses confidential information under this section may be disqualified from holding any appointment or employment with the State of Oregon. The department shall adopt by rule procedures to prevent disclosure of confidential information submitted to the Performance Reporting Information System.
- SECTION 4. (1) The amendments to ORS 279C.815, 657.665 and 657.734 by sections 1 to 3 of this 2013 Act become operative on January 1, 2014.
- (2) The Commissioner of the Bureau of Labor and Industries or the Director of the Employment Department may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the commissioner or the director to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the commissioner or the director by the amendments to ORS 279C.815, 657.665 and 657.734 by sections 1 to 3 of this 2013 Act.

<u>SECTION 5.</u> This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.

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