

SB 254 STAFF MEASURE SUMMARY

Senate Committee On General Government and Accountability

Prepared By: C Ross, LPRO Analyst

Meeting Dates: 3/8

WHAT THE MEASURE DOES:

Requires financial institutions to use the Department of Revenue's (DOR') data match system once per quarter to identify delinquent debtors' accounts. Requires DOR to pay financial institutions as specified, and permits reimbursement to be sought from debtors with specified notice. Provides exceptions for certain institutions and immunity from liability for institutions complying in good faith. Prohibits DOR from acting on delinquent child support obligations enforced by the Department of Justice (DOJ). Permits agreements internal to DOJ and between DOJ and DOR concerning such information, as specified. Prohibits disclosure of transmitted information to delinquent debtor, and other unauthorized use or disclosure of transmitted information, as specified. Authorizes DOR to impose civil penalty of up to \$1,000 against noncompliant financial institutions in certain circumstances; up to \$2,500 for prohibited disclosures to delinquent debtors; and up to \$1,000 for other unauthorized disclosures; to be credited to General Fund. Creates class C felony for unauthorized use or disclosure of transmitted information by a state officer or employee. Directs dismissal of such officer or employee and prohibits them from public office for five years. Authorizes DOR rulemaking in consultation with banking, credit union, and Department of Consumer and Business Services representatives. Becomes operative July 1, 2018. Declares emergency, effective on passage.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

[-1 amendment] Removes emergency clause.

BACKGROUND: