

## HOUSE BILL NO. 603

INTRODUCED BY J. KARJALA

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT STATE AGENCIES ARE NOT REQUIRED TO COMPLY WITH FEDERAL ADMINISTRATIVE SUBPOENAS; AMENDING SECTION 39-51-603, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**NEW SECTION. Section 1. Protection of personal information -- no requirement to comply with federal administrative subpoena.** A state agency is not required to comply with an administrative subpoena issued by a federal law enforcement officer or agency that seeks personal information.

**Section 2.** Section 39-51-603, MCA, is amended to read:

**"39-51-603. Employing unit to keep records and make reports -- confidentiality -- rules.** (1) Each employing unit shall keep true and accurate work records containing the information that the department may prescribe. Those records must be open to inspection and audit and may be copied by the department or its authorized representative at any reasonable time and as often as may be necessary. An employing unit that maintains its records outside Montana shall furnish a copy of those records to the department at the employing unit's expense or shall pay the department for the costs associated with conducting the audit outside Montana.

(2) The department and the presiding officer of any appeal tribunal may require from any employing unit any sworn or unsworn reports with respect to persons employed by it that the department considers necessary for the effective administration of this chapter.

(3) (a) Information obtained from any individual under this chapter must, except to the individual claimant to the extent necessary for the proper presentation of a claim, be held confidential and may not be published or be open to public inspection, except to public employees in the performance of their public duties, in any manner revealing the individual's or employing unit's identity, but any claimant or the claimant's legal representative at a hearing before the board or appeal tribunal must be supplied with information from the records to the extent necessary for the proper presentation of the claim.

(b) An employee or member of the department or a state or local government employee who receives

1 an administrative subpoena issued by a federal law enforcement officer or agency that seeks information that is  
2 confidential under this section is not required to comply with the subpoena.

3 (4) In order to prevent the misuse of personal and other sensitive information collected by the department  
4 in the administration of the unemployment insurance laws, the department shall adopt rules providing for  
5 confidentiality of unemployment insurance information, including the circumstances and conditions under which  
6 information may be disclosed to appropriate persons and government agencies. The rules must be consistent  
7 with federal requirements regarding confidentiality and disclosure of unemployment insurance information.

8 (5) (a) Any employee or member of the department or any other state or local government employee who  
9 violates any provision of this section shall be fined not less than \$20 or more than \$200 or shall be imprisoned  
10 for not longer than 90 days, or both.

11 (b) Any person other than those described in subsection (5)(a) who receives information from the  
12 department may use the disclosed information only for purposes authorized by law. A person who violates the  
13 provisions of this subsection (5)(b) is subject to the penalties provided for in subsection (5)(a)."

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15 **NEW SECTION. Section 3. Codification instruction.** [Section 1] is intended to be codified as an  
16 integral part of Title 2, chapter 6, part 15, and the provisions of Title 2, chapter 6, part 15, apply to [section 1].

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18 **NEW SECTION. Section 4. Effective date.** [This act] is effective on passage and approval.

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