

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

S

D

SENATE BILL 42  
State and Local Government Committee Substitute Adopted 2/27/13  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S42-PCS25164-TM-71

Short Title: Confidentiality of UC Information.

(Public)

Sponsors:

Referred to:

February 4, 2013

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THE CONFIDENTIALITY OF UNEMPLOYMENT  
3 COMPENSATION RECORDS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 96-4(x) reads as rewritten:

6 "(x) Confidentiality of Records, Reports, and Information Obtained from Claimants,  
7 Employers, and Units of Government. – ~~Disclosure~~ For purposes of this Chapter, the term  
8 "confidential information" means any unemployment compensation information in the records  
9 of the Division of Employment Security that pertains to the administration of the Employment  
10 Security Law that is required to be kept confidential under 20 C.F.R. Part 603, including claim  
11 information and any information that reveals the name or any identifying particular about any  
12 individual or any past or present employer or employing unit, or that could foreseeably be  
13 combined with other publicly available information to reveal any such particulars.

14 Confidential information is exempt from the public records disclosure requirements of  
15 Chapter 132 of the General Statutes. Confidential information may be disclosed only as  
16 permitted in this subsection. Any disclosure and redisclosure of confidential information shall  
17 must be consistent with 20 C.F.R. Part 603 and any written guidance promulgated and issued  
18 by the U.S. Department of Labor consistent with this regulation and any successor regulation.  
19 To the extent a disclosure or redisclosure of confidential information is permitted or required  
20 by this federal regulation, the Department's authority to disclose or redisclosure the information  
21 includes the following:

- 22 (1) Confidentiality of Information Contained in Records and Reports. – (i)  
23 Except as hereinafter otherwise provided, it shall be unlawful for any person  
24 to obtain, disclose, or use, or to authorize or permit the use of any  
25 information which is obtained from an employer, individual, or unit of  
26 government pursuant to the administration of this Chapter or G.S. 108A-29.  
27 (ii) Any claimant or employer or their legal representatives shall be supplied  
28 with information from the records of the Division to the extent necessary for  
29 the proper presentation of claims or defenses in any proceeding under this  
30 Chapter. Notwithstanding any other provision of law, any claimant may be  
31 supplied, subject to restrictions as the Division may by regulation prescribe,  
32 with any information contained in his payment record or on his most recent  
33 monetary determination, and any individual, as well as any interested  
34 employer, may be supplied with information as to the individual's potential  
35 benefit rights from claim records. (iii) Subject to restrictions as the Secretary



\* S 4 2 - P C S 2 5 1 6 4 - T M - 7 1 \*

1 may by regulation provide, information from the records of the Division may  
2 be made available to any agency or public official for any purpose for which  
3 disclosure is required by statute or regulation. (iv) The Division may, in its  
4 sole discretion, permit the use of information in its possession by public  
5 officials in the performance of their public duties. (v) The Division shall  
6 release the payment and the amount of unemployment compensation  
7 benefits upon receipt of a subpoena in a proceeding involving child support.  
8 (vi) The Division shall furnish to the State Controller any information the  
9 State Controller needs to prepare and publish a comprehensive annual  
10 financial report of the State or to track debtors of the State. (vii) The  
11 Secretary may disclose or authorize redisclosure of any confidential  
12 information to an individual, agency, or entity, public or private, consistent  
13 with the requirements enumerated in 20 C.F.R. Part 603 or any successor  
14 regulation and any written guidance promulgated and issued by the U.S.  
15 Department of Labor consistent with 20 C.F.R. Part 603. (viii) The Division  
16 may disclose final decisions and the records of the hearings that led to those  
17 decisions only after the expiration of the appeal rights as provided under  
18 G.S. 96-15.

19 .....

20 **SECTION 2.** G.S. 132-1.1 is amended by adding a new subsection to read:

21 "(h) Employment Security Information. – Confidential information obtained, compiled,  
22 or maintained by the Division of Employment Security may not be disclosed except as  
23 provided in G.S. 96-4. As used in this subsection, the term "confidential information" has the  
24 same meaning as in G.S. 96-4(x)."

25 **SECTION 3.** The Department of Commerce, Division of Employment Security,  
26 shall immediately take any action necessary to implement this act. On or before September 1,  
27 2014, the Division of Employment Security shall report to the Joint Legislative Oversight  
28 Committee on Unemployment Insurance on the status of the implementation of this act.

29 **SECTION 4.** This act is effective when it becomes law.