

2017 -- H 5743 SUBSTITUTE A

=====
LC001680/SUB A
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

—————
A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - STATE DEPARTMENTS'
COOPERATION

Introduced By: Representatives Casimiro, McNamara, Donovan, Regunberg, and
Marszalkowski

Date Introduced: March 01, 2017

Referred To: House Judiciary

(General Treasurer)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 28-42-38 of the General Laws in Chapter 28-42 entitled
2 "Employment Security - General Provisions" is hereby amended to read as follows:

3 **28-42-38. Records and reports -- Confidentiality of information.**

4 (a) Every employer and every employing unit employing any person in employment in
5 this state shall keep true and accurate employment records of all persons employed by him or her,
6 and of the weekly hours worked for him or her by each, and of the weekly wages paid by him or
7 her to each person; and every employer and employing unit shall keep records containing any
8 other information that the director may prescribe. Those records shall at all times be available
9 within this state and shall be open to inspection by the director, or his or her authorized
10 representatives, at any reasonable time and as often as the director shall deem necessary.

11 (b) The director may require from any employer, or employing unit, employing any
12 person in this state, any reports covering persons employed by him or her, on employment,
13 wages, hours, unemployment, and related matters which the director deems necessary to the
14 effective administration of chapters 42 -- 44 of this title.

15 (c) (1) Information obtained, or information contained in other records of the department
16 obtained from any individual pursuant to the administration of those chapters, shall be held
17 confidential by the director and shall not be published or be open to public inspection in any
18 manner revealing the individual's or employing unit's identity, but any claimant at a hearing

1 provided for in those chapters shall be supplied with information from those records of the extent
2 necessary for the proper presentation of his or her claim. Any department employee guilty of
3 violating this provision shall be subject to the penalties provided in chapters 42 -- 44 of this title;
4 provided, that nothing contained in this subsection shall be construed to prevent:

5 (i) The director, or any qualified attorney whom the director has designated to represent
6 him or her in any court of this state, or the attorney general from making any record, report, or
7 other information referred to in this section, available in any proceeding before any court of this
8 state in any action to which the director is a party;

9 (ii) The director from making any record, report, or other information referred to in this
10 section, available to any agency of this state or any agency of a political subdivision of this state
11 charged with the administration of public assistance within this state, or any of its political
12 subdivisions;

13 (iii) The director from making any record, report, or other information referred to in this
14 section, available to the railroad retirement board or to employees of the Internal Revenue Service
15 in the performance of their public duties, and the director shall furnish, at the expense of the
16 railroad retirement board or the Internal Revenue Service, copies of those records, reports, or
17 other information referred to in this section;

18 (iv) The director from making available, upon request and on a reimbursable basis, any
19 record, report, or other information referred to in this section to the federal Department of Health
20 and Human Services in accordance with the provisions of United States P.L. 100-485, Family
21 Support Act of 1988, or to the federal Department of Housing and Urban Development and to
22 authorized representatives of public housing agencies in accordance with the Stewart B.
23 McKinney Homeless Assistance Act, 42 U.S.C. § 11301 et seq.;

24 (v) The director from making available to the division of taxation, upon request of the tax
25 administrator, any record, report, or other information referred to in Title 28, Chapter 42 for the
26 purposes of compiling the annual unified economic development budget report and performing
27 the requirements under subsection 42-142-3(e); enforcing the provisions of Title 28, Chapter 42;
28 and/or performing any of its obligations under Title 44. The information received by the division
29 of taxation from the department of labor and training pursuant hereto pertaining to an individual
30 employer shall be held confidential and shall not be open to public inspection. Nothing herein
31 shall prohibit the disclosure of statistics and/or statistical data that do not disclose the identity of
32 individual employers and/or the contents of specific returns;

33 (vi) The director from making, and the director shall make, reports in the form and
34 containing any information that the federal Social Security Administration may, from time to

1 time, require, and complying with any provisions that the federal Social Security Administration
2 may, from time to time, find necessary to assure the correctness and verification of those reports.
3 The director shall make available, upon request, to any agency of the United States charged with
4 the administration of public works or assistance through public employment, the name, address,
5 ordinary occupation, and employment status of each recipient of unemployment compensation
6 and a statement of that recipient's rights to further compensation under that law;

7 (vii) The director from conducting any investigations he or she deems relevant in
8 connection with these provisions;

9 (viii) The director from conducting any investigations he or she deems relevant in
10 connection with the performance of his or her duties pursuant to the administration of the
11 chapters 29, 32, 33, 34, 36, 37 and 41 of this title, or from making any record, report, or other
12 information referred to in this section available to the workers' compensation fraud prevention
13 unit for use in the performance of its duties under § 42-16.1-12;

14 (ix) The director from forwarding, and the director shall forward, to the jury
15 commissioner, the names and addresses of all individuals who are receiving unemployment
16 compensation on a yearly basis in accordance with § 9-9-1(e);

17 (x) The director from providing data on unemployment insurance recipients or any other
18 data contained in departmental records that is obtained from an individual, pursuant to the
19 administration of chapters 42 -- 44 of this title, to the department's designated research partners
20 for the purpose of its workforce data quality and workforce innovation fund initiatives. The
21 provision of these records will be done in accordance with an approved data-sharing agreement
22 between the department and its designated research partners that protects the security and
23 confidentiality of these records and, through procedures, established by protocols, rules, and/or
24 regulations as determined necessary by the director and appropriately established or promulgated;

25 (xi) The director from making available upon request and on a reimbursable basis to the
26 department of corrections, and solely for the purpose of case management and post-release
27 supervision, any record, report, or other information referred to in chapter 42 of title 28 relating to
28 wages, earnings, professional licenses, work or vocational skills or training, and work history of
29 offenders under the department of corrections' supervision for the purpose of case management
30 and post-release supervision. The information received by the department of corrections from the
31 department of labor and training pursuant to this subsection shall be held confidential and shall
32 not be open to public inspection. Nothing in this subsection shall prohibit the disclosure of
33 statistics and/or statistical data that does not disclose the identity of individuals, nor shall it
34 prevent information referred to in this subsection from being available in any proceeding before

1 any court of this state in an action in which an offender's conditions of probation or obligation to
2 pay restitution and/or costs and fines are the subject of the court proceedings; or

3 (xii) The director from making any record, report, or other information referred to in this
4 section available to the employees' retirement system of Rhode Island and the office of the
5 general treasurer for the sole purpose of ensuring compliance with §§16-16-19, 16-16-24, 36-10-
6 17, 36-10-36, 45-21-24, and 45-21-54.

7 (2) The director may publish in statistical form the results of any investigations without
8 disclosing the identity of the individuals involved.

9 SECTION 2. Section 33-21.1-17 of the General Laws in Chapter 33-21.1 entitled
10 "Unclaimed Intangible and Tangible Property" is hereby amended to read as follows:

11 **33-21.1-17. Report of abandoned property.**

12 (a) A person holding property tangible or intangible, presumed abandoned and subject to
13 custody as unclaimed property under this chapter, shall report to the administrator concerning the
14 property as provided in this section.

15 (b) The report must be verified and must include:

16 (1) Except with respect to travelers checks and money orders, the name, if known, and
17 last known address, if any, of each person appearing from the records of the holder to be the
18 owner of property of the value of fifty (\$50.00) dollars or more presumed abandoned under this
19 chapter;

20 (2) In the case of unclaimed funds of fifty dollars (\$50.00) or more held or owing under
21 any life or endowment insurance policy or annuity contract, the full name and last known address
22 of the insured or annuitant and of the beneficiary according to the records of the insurance
23 company holding or owing the funds;

24 (3) In the case of the contents of a safe deposit box or other safekeeping repository or of
25 other tangible property, a description of the property and the place where it is held and may be
26 inspected by the administrator and any amounts owing to the holder;

27 (4) The nature and identifying number, if any, or description of the property and the
28 amount appearing from the records to be due, but items of value under fifty dollars (\$50.00) each
29 shall be reported in the aggregate;

30 (5) The date the property became payable, demandable, or returnable, and the date of the
31 last transaction with the apparent owner with respect to the property; and

32 (6) Other information the administrator prescribes by rule as necessary for the
33 administration of this chapter.

34 (c) If the person holding property presumed abandoned and subject to custody as

1 unclaimed property is a successor to other persons who previously held the property for the
2 apparent owner or the holder has changed his or her name while holding the property, he or she
3 shall file with his or her report all known names and addresses of each previous holder of the
4 property.

5 (d) The report must be filed before November 1 of each year as of June 30, next
6 preceding, and the report of any life insurance company, including the report of unclaimed
7 insurance company demutualization proceeds made pursuant to § 33-21.1-16.1, must be filed
8 before November 1 of each year as of June 30 next preceding. On written request by any person
9 required to file a report, the administrator may postpone the reporting date.

10 (e) Not more than one hundred and twenty (120) days before filing the report required by
11 this section, the holder in possession of property presumed abandoned and subject to custody as
12 unclaimed property under this chapter shall send written notice to the apparent owner at his or her
13 last known address informing him or her that the holder is in possession of property subject to
14 this chapter if:

15 (1) The holder has in its records an address for the apparent owner which the holder's
16 records do not disclose to be inaccurate,

17 (2) The claim of the apparent owner is not barred by the statute of limitations, and

18 (3) The property has a value of fifty dollars (\$50.00) or more.

19 (f) Notwithstanding any other law to the contrary, the administrator may provide
20 information in the form of a social security number or taxpayer identification number to the
21 department of taxation and department of labor and training for the sole purpose of obtaining the
22 name and current address of rightful property owner(s) to implement §33-21.1-24. The
23 information obtained and/or provided shall be kept confidential and the administrator shall be
24 subject to the same confidentiality laws that apply to the state departments providing the
25 information.

26 SECTION 3. Section 44-30-95 of the General Laws in Chapter 44-30 entitled "Personal
27 Income Tax" is hereby amended to read as follows:

28 **44-30-95. General powers of tax administrator.**

29 (a) General. The tax administrator shall administer and enforce the Rhode Island personal
30 income tax and is authorized to make any rules and regulations, and to require any facts and
31 information to be reported, that he or she may deem necessary to enforce the tax. The provisions
32 of chapter 1 of this title relating to the tax administrator shall be applicable to the Rhode Island
33 personal income tax.

34 (b) Examination of books and witnesses. The tax administrator, for the purpose of

1 ascertaining the correctness of any return, or for the purpose of making an estimate of Rhode
2 Island income of any person where information has been obtained, shall have the power to
3 examine or to cause to have examined, by any agent or representative designated by the tax
4 administrator for that purpose, any books, papers, records, or memoranda bearing upon the
5 matters required to be included in the return, and may require the attendance of the person
6 rendering the return or any officer or employee of the person, or the attendance of any other
7 person having knowledge in the premises, and may take testimony and require proof material for
8 its information, with power to administer oaths to the person or persons.

9 (c) Secrecy requirement. It shall be unlawful for any state official or employee to divulge
10 or to make known to any person in any manner whatever not provided by law the amount or
11 source of income, profits, losses, expenditures, or any particular of them set forth or disclosed in
12 any return, or to permit any return or copy of the return or any book containing any abstract or
13 particulars thereof to be seen or examined by any person except as provided by law. It shall be
14 unlawful for any person to print or publish in any manner whatever not provided by law any
15 return or any part thereof or source of income, profits, losses, or expenditures appearing in any
16 return. Any offense against the foregoing provision shall be punished by a fine not exceeding one
17 thousand dollars (\$1,000), or by imprisonment not exceeding one year, or both, at the discretion
18 of the court. If the offender is an officer or employee of the state of Rhode Island, the offender
19 may be dismissed from office or discharged from employment.

20 (d) Interstate and federal agreements. The governor or the tax administrator may enter
21 into agreements with tax officials of other states and the federal government to provide for the
22 exchange of information and to apportion or otherwise equitably determine taxes for the purposes
23 of carrying out the provisions of § 44-30-18 and otherwise avoiding multiple taxation.

24 (e) Income tax claims of other states. The courts of this state shall recognize and enforce
25 liabilities for personal income taxes lawfully imposed by any other state which extends a like
26 comity to this state, and the duly authorized officer of any other state may sue for the collection
27 of a tax in the courts of this state. A certificate by the secretary of state of the other state that an
28 officer suing for the collection of a tax is duly authorized to collect the tax shall be conclusive
29 proof of that authority. For the purposes of this section, the word "taxes" shall include additions
30 to tax, interest, and penalties, and liability for taxes, additions to tax, interest and penalties shall
31 be recognized and enforced by the courts of this state to the same extent that the laws of the other
32 state permit the enforcement in its courts of liability for taxes, additions to tax, interest, and
33 penalties due this state under this part.

34 (f) Small tax balances. The tax administrator is authorized to abate the unpaid portion of

1 the assessment of any tax, or any liability in respect thereof, if the administrator determines under
2 uniform rules prescribed by him or her that the administration and collection costs involved
3 would not warrant collection of the amount due.

4 (g) Limited disclosure of information -- Retirement board. The tax administrator shall
5 disclose to the retirement board of the state of Rhode Island information needed by the board to
6 implement the provisions of §§[16-16-19](#), [16-16-24](#), [36-10-17](#), [36-10-36](#), [45-21-24](#), and [45-21-54](#).
7 The content and nature of the information to be disclosed shall be determined and approved by
8 the tax administrator and shall be kept confidential by the board.

9 (h) Limited disclosure of information -- Jury Commissioner. The tax administrator shall
10 disclose to the jury commissioners of the State of Rhode Island information needed by him or her
11 to implement provisions of § 9-9-1(d).

12 (i) Limited disclosure of information - Unclaimed Property Administrator. The tax
13 administrator shall disclose to the unclaimed property administrator of the state of Rhode Island,
14 who is the administrator as defined in §33-21.1-1, information needed by the unclaimed property
15 administrator to implement the provisions of §33-21.1-24. The content and nature of the
16 information to be disclosed shall be determined and approved by the tax administrator, but shall
17 be the minimum necessary to implement §33-21.1-24 and shall be kept confidential by the
18 unclaimed property administrator. The unclaimed property administrator and their employees or
19 agents shall be subject to the same state and federal tax confidentiality laws restricting the
20 acquisition, use, storage, dissemination or publication of confidential taxpayer data that apply to
21 Rhode Island division of taxation officers, agents and employees. Such provisions, include, but
22 are not limited to, §§44-1-14, 44-11-21, 44-14-23, 44-19-30, 44-30-95, and 44-44-22; 26 U.S.C.
23 §6103, and 26 U.S.C. §7213. It is the unclaimed property administrator's responsibility to ensure
24 that their employees and agents are aware of these obligations.

25 SECTION 4. This act shall take effect upon passage.

=====
LC001680/SUB A
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - STATE DEPARTMENTS'
COOPERATION

1 This act would facilitate the sharing of information between the treasury, state retirement
2 system, division of taxation, and the department of labor and training concerning unclaimed
3 property, taxation collection, and pension benefit monitoring.

4 This act would take effect upon passage.

=====
LC001680/SUB A
=====