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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 1306

February 22, 2007

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The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice

1.1 A bill for an act
1.2 relating to data practices; regulating business screening agencies; providing civil
1.3 penalties; proposing coding for new law in Minnesota Statutes, chapter 13.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **[13.823] BUSINESS SCREENING SERVICES; REMOVABLE AND**
1.6 **UNREPORTABLE DATA.**

1.7 Subdivision 1. **Definitions.** For purposes of this chapter:

1.8 (a) "Business screening service" means a business, person, agency, or entity engaged
1.9 in whole or in part in the practice of collecting, assembling, evaluating, compiling,
1.10 reporting, transmitting, transferring, or communicating to third parties background
1.11 information on individuals that includes records of arrests, citations, criminal proceedings,
1.12 or convictions involving the individual.

1.13 (b) "Criminal justice agency" has the meaning given in section 299C.46, subdivision
1.14 2.

1.15 (c) "Preconviction criminal records" means records for which there is no conviction
1.16 as defined in section 609.02, subdivision 5.

1.17 Subd. 2. **Preconviction records.** Preconviction criminal records shall be provided
1.18 by criminal justice agencies only to a business screening service that enters into an
1.19 agreement in the form approved by the attorney general, providing that the business
1.20 screening service will not disclose or disseminate the data in a manner that identifies
1.21 specific individuals who are the subject of the data.

1.22 Subd. 3. **Criminal conviction records.** Records of criminal convictions shall be
1.23 provided by criminal justice agencies only to a business screening service that enters into
1.24 an agreement in the form approved by the attorney general, providing that the business

2.1 screening service will at an interval of no greater than 30 days update the data it holds
2.2 and disseminates to accurately reflect the status of records that have been sealed under
2.3 this chapter.

2.4 Subd. 4. **Correction and deletion of records.** (a) If the completeness or accuracy
2.5 of a record involving an arrest, citation, criminal proceeding, or conviction maintained by
2.6 a business screening service is disputed by the individual who is the subject of the record,
2.7 the screening service shall, without charge, investigate the disputed record.

2.8 (b) In conducting an investigation, the business screening service shall review and
2.9 consider all relevant information submitted by the subject of the record with respect to
2.10 the disputed record.

2.11 (c) If, after an investigation, the disputed record is found to be inaccurate or
2.12 incomplete, the business screening service shall modify the record.

2.13 (d) If, after an investigation, the disputed record is found to be sealed, expunged, or
2.14 pardoned, the business screening agency shall promptly delete the record.

2.15 (e) A business screening service may terminate an investigation of a disputed
2.16 record if the business screening agency determines that the dispute is frivolous or
2.17 irrelevant, including by reason of a failure by the subject of the record to provide sufficient
2.18 information to investigate the disputed record. Upon making a determination that the
2.19 dispute is frivolous or irrelevant, the business screening service shall state the specific
2.20 reasons why it has determined that the dispute is frivolous or irrelevant and provide a
2.21 description of any information required to investigate the disputed record.

2.22 (f) The business screening service shall notify the subject of the record of the
2.23 modification, deletion, or termination of the investigation related to the disputed record
2.24 within a 30-day period beginning on the date on which the agency receives the notice of
2.25 the dispute from the subject of the record.

2.26 Subd. 5. **Civil remedy.** A business screening service that violates this section is
2.27 liable to the individual who is the subject of the record for a penalty of \$10,000 or actual
2.28 damages caused by the violation, whichever is greater, plus costs and disbursements and
2.29 reasonable attorney fees.