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State of Minnesota

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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

March 21, 2007

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

1.1 A bill for an act
1.2 relating to data practices; regulating business screening services; providing civil
1.3 penalties; proposing coding for new law in Minnesota Statutes, chapter 332.

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

1.5 Section 1. **[332.70] BUSINESS SCREENING SERVICES; DATA PRACTICES.**

1.6 **Subdivision 1. Definitions.** For purposes of this section:

1.7 **(a) "Business screening service" means a person regularly engaged in the business**
1.8 **of collecting, assembling, evaluating, or disseminating criminal record information on**
1.9 **individuals for a fee. Business screening service does not include a government entity, as**
1.10 **defined in section 13.02, or the news media.**

1.11 **(b) "Conviction" has the meaning given in section 609.02, subdivision 5.**

1.12 **(c) "Criminal record" means a record of an arrest, citation, prosecution, criminal**
1.13 **proceeding, or conviction.**

1.14 **Subd. 2. Criminal records.** A business screening service must not disseminate a
1.15 **criminal record unless the record has been updated within the previous 30 days.**

1.16 **Subd. 3. Correction and deletion of records.** (a) If the completeness or accuracy
1.17 **of a criminal record maintained by a business screening service is disputed by the**
1.18 **individual who is the subject of the record, the screening service shall, without charge,**
1.19 **investigate the disputed record. In conducting an investigation, the business screening**
1.20 **service shall review and consider all relevant information submitted by the subject of the**
1.21 **record with respect to the disputed record.**

1.22 **(b) If the disputed record is found to be inaccurate or incomplete, the business**
1.23 **screening service shall promptly correct the record. If the disputed record is found to be**

2.1 sealed, expunged, or the subject of a pardon, the business screening service shall promptly
2.2 delete the record.

2.3 (c) A business screening service may terminate an investigation of a disputed record
2.4 if the business screening agency reasonably determines that the dispute is frivolous, which
2.5 may be based on the failure of the subject of the record to provide sufficient information to
2.6 investigate the disputed record. Upon making a determination that the dispute is frivolous,
2.7 the business screening service shall inform the subject of the record of the specific reasons
2.8 why it has determined that the dispute is frivolous and provide a description of any
2.9 information required to investigate the disputed record.

2.10 (d) The business screening service shall notify the subject of the disputed record
2.11 of the correction or deletion of the record or of the termination or completion of the
2.12 investigation related to the record within 30 days of the date when the agency receives
2.13 notice of the dispute from the subject of the record.

2.14 Subd. 4. **Date and notice required.** A business screening service that disseminates
2.15 a criminal record must include the date when the record was collected and a notice that the
2.16 information may include records that have been expunged or sealed or otherwise have
2.17 become inaccessible to the public since that date.

2.18 Subd. 5. **Remedies.** A business screening service that violates this section is
2.19 liable to the individual who is the subject of the record for a penalty of \$1,000 or actual
2.20 damages caused by the violation, whichever is greater, plus costs and disbursements and
2.21 reasonable attorney fees.

2.22 Subd. 6. **Service of process; jurisdiction.** A business screening service that
2.23 disseminates criminal record information in this state or that obtains a criminal record
2.24 from a government entity, as defined in section 13.02, or a court in this state is deemed to
2.25 have consented to service of process in this state for purposes of section 5.25, subdivision
2.26 4, or other applicable law and to the jurisdiction of courts in this state for actions involving
2.27 a violation of this section.