

**STATEMENT**  
**INSURANCE ASSOCIATION OF CONNECTICUT**

Judiciary Committee

April 4, 2011

HB 6641, An Act The Use Of Credit Reports In Employment Decisions

The Insurance Association of Connecticut, IAC, is opposed to HB 6641 which prohibits the use of credit reports for employment decisions as drafted.

Credit reports are integral in the employment process, particularly for businesses with employees that hold certain positions in which their financial veracity is of concern. A credit report is a valuable tool to evaluate a person's personal responsibility and organizational skills. An individual with a high debt ratio may not be the ideal candidate for having access to consumers' assets or sensitive personal information. Prohibiting the use of such a vital tool in the hiring process for the insurance industry will be a direct impediment to hiring in Connecticut.

HB 6641 specifically exempts financial institutions and insurance producers from its applicability. Such employers are presumably exempt from HB 6641's provisions due to the fiduciary responsibility their employees have. As HB 6641 recognizes the importance of such entities being able to verify the veracity of their employees, the insurance industry should not be denied that same ability. Like the financial institutions and insurance producers exempted in HB 6641, the insurance industry employs many individuals in fiduciary rolls and must be able to meet certain federal and state laws in regards to whom they employ. As such, the insurance industry should also be exempt from the provisions of HB 6641.