



CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

**Testimony of Kia F. Murrell  
Assistant Counsel, CBIA  
Before the Judiciary Committee  
Hartford, CT  
April 4, 2011**

**H.B. 6641 AAC The Use of Credit Reports in Employment Decisions**

Good Afternoon Senator Coleman, Representative Fox and other members of the Committee. My name is Kia Murrell and I am Assistant Counsel at the Connecticut Business and Industry Association (CBIA). CBIA represents more than 10,000 companies throughout the state of Connecticut, ranging from large corporations to small businesses, but the vast majority of our members are small businesses of 50 or fewer employees.

CBIA does not support legislation which increases the costs of doing business in the state; creates new administrative burdens for employers when making hiring or personnel decisions; or limits employers' flexibility when assessing the qualifications and fitness of job candidates.

Based on the above, we are concerned that H.B. 6641 may negatively impact many Connecticut businesses in the following ways:

- Many employers outside of the financial and insurance sectors use credit information in employment decisions because the nature of their industries requires it.
- For example, in industries such as: home care for the elderly, nanny and childcare services, home alarm companies, university museums and libraries, home/office cleaning services, etc. employers often perform credit and background checks. Employees in these industries often have access to confidential information and the personal belongings of those they serve.
- Under this legislation, employers in the above industries would not be able to perform background checks that are vital to the integrity of their work and necessary to protect the public interest.
- This bill duplicates federal law regarding financial services employers. Many financial institutions are already subject to federal law governing how and

when to use consumer credit reports in employment decisions. The Fair Credit Reporting Act regulates employer background check procedures and it allows job applicants and employees to challenge such reports as adverse or irrelevant to employment. Therefore, state legislation in this area is simply not necessary.

In summary, H.B. 6641 creates another layer of regulation for employers to contend with in managing their workforces and hiring new employees, at a time when job retention and growth in the state should be the top priority in public policy. For all of the reasons stated above, we oppose this legislation.