

Yale OFFICE OF NEW HAVEN AND STATE AFFAIRS

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February 14, 2011

The Honorable Edith G. Prague
The Honorable Bruce Zalaski
Labor and Public Employees Committee
Connecticut General Assembly
Room 3800, Legislative Office Building
Hartford, CT 06106

Re: SB361 An Act Preventing the Use of Credit Scores by Certain Employers in Hiring Decisions

Dear Senator Prague, Representative Zalaski, and Members of the Committee:

I am writing on behalf of Yale University to comment on Raised Bill 361, which would limit the use of credit reports in employment decisions.

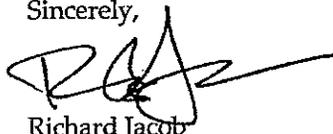
Yale is a large and complex organization that has a number of operations where the use of credit reports in employment decisions is prudent and reasonable. These activities include museums and libraries with valuable collections; health care services that involve the distribution of prescription drugs; and payroll and other financial systems that support payments to Yale employees as well as outside vendors. The use of credit reports for employment decisions in these settings is essential for our prudent stewardship of University assets. It is also required as a condition of insurance policies covering Yale's museum and library collections.

In its present form the bill would prevent the University from using credit reports in employment decisions. We hope the Committee will refine the legislation to balance the interests of current and prospective employees to avoid discrimination based upon their credit history with the interests of employers to maintain operations with appropriate security. We request that the Committee incorporate language that allows credit reports to be considered for employment decisions when the position:

"(A) involves a fiduciary responsibility to the employer, including but not limited to, the authority to issue payments, transfer money or enter into contracts, (B) provides an expense account, or (C) involves access to employer's non-financial assets, including, but not limited, to museum and library collections and to prescription and other pharmaceuticals."

The suggested language would, in our view, protect current and prospective employees while allow appropriate stewardship of valuable institutional resources.

Sincerely,



Richard Jacob
Associate Vice President
for Federal and State Relations