



General Assembly

January Session, 2011

Amendment

LCO No. 7584

SB0036107584SD0

Offered by:
SEN. LOONEY, 11th Dist.

To: Subst. Senate Bill No. 361 File No. 742 Cal. No. 72

"AN ACT PREVENTING THE USE OF CREDIT SCORES BY CERTAIN EMPLOYERS IN HIRING DECISIONS."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2011*) (a) As used in this
4 section:

5 (1) "Employee" means any person engaged in service to an employer
6 in a business of his employer;

7 (2) "Employer" means any person engaged in business who has one
8 or more employees, including the state or any political subdivision of
9 the state;

10 (3) "Financial institution" means any entity or affiliate of a state bank
11 and trust company, national banking association, state or federally
12 chartered savings bank, state or federally chartered savings and loan
13 association, state or federally chartered credit union, insurance

14 company, investment advisor, broker-dealer or an entity registered
15 with the securities and exchange commission; and

16 (4) "Substantially related to the employee's current or potential job"
17 means the information contained in the credit report is related to the
18 position for which the employee or prospective employee who is the
19 subject of the report is being evaluated because the position:

20 (A) Is a managerial position which involves setting the direction or
21 control of a business, division, unit or an agency of a business;

22 (B) Involves access to customers', employees' or the employer's
23 personal or financial information other than information customarily
24 provided in a retail transaction;

25 (C) Involves a fiduciary responsibility to the employer, including,
26 but not limited to, the authority to issue payments, collect
27 debts, transfer money or enter into contracts;

28 (D) Provides an expense account or corporate debit or credit card;

29 (E) Provides access to (i) confidential or proprietary business
30 information, or (ii) information, including a formula, pattern,
31 compilation, program, device, method, technique, process or trade
32 secret that: (I) Derives independent economic value, actual or
33 potential, from not being generally known to, and not being readily
34 ascertainable by proper means by, other persons who can obtain
35 economic value from the disclosure or use of the information; and (II)
36 is the subject of efforts that are reasonable under the circumstances to
37 maintain its secrecy; or

38 (F) Involves access to the employer's nonfinancial assets valued at
39 two thousand five dollars or more, including, but not limited to,
40 museum and library collections and to prescription drugs and other
41 pharmaceuticals.

42 (b) No employer or employer's agent, representative or designee
43 may require an employee or prospective employee to consent to a

44 request for a credit report that contains information about the
 45 employee's or prospective employee's credit score, credit account
 46 balances, payment history, savings or checking account balances or
 47 savings or checking account numbers as a condition of employment
 48 unless (1) such employer is a financial institution, (2) such report is
 49 required by law, (3) the employer reasonably believes that the
 50 employee has engaged in specific activity that constitutes a violation of
 51 the law related to the employee's employment, or (4) such report is
 52 substantially related to the employee's current or potential job or the
 53 employer has a bona fide purpose for requesting or using information
 54 in the credit report that is substantially job-related and is disclosed in
 55 writing to the employee or applicant.

56 (c) Any employee or prospective employee may file a complaint
 57 with the Labor Commissioner alleging a violation of the provisions of
 58 subsection (b) of this section. Within thirty days after the filing of such
 59 complaint, the commissioner shall conduct an investigation and shall
 60 render his findings. Should said findings warrant, the commissioner
 61 shall hold a hearing, in accordance with the provisions of chapter 54 of
 62 the general statutes. An employer shall be liable to the Labor
 63 Department for a civil penalty of three hundred dollars for each
 64 inquiry made in violation of subsection (b) of this section.

65 (d) The Attorney General, upon complaint of the Labor
 66 Commissioner, shall institute civil actions to recover the penalties
 67 provided for under subsection (c) of this section. Any amount
 68 recovered shall be deposited in the General Fund."

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2011	New section