



Senate Bill No. 221

Public Act No. 14-109

AN ACT CONCERNING CREDIT CHECKS AND FINANCIAL INSTITUTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (a) of section 31-51tt of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2014*):

(a) As used in this section:

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

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

(3) "Financial institution" means (A) any entity or affiliate of a state bank and trust company, national banking association, state or federally chartered savings bank, state or federally chartered savings and loan association, state or federally chartered credit union, insurance company, investment advisor, broker-dealer, [or] (B) an entity registered with the Securities and Exchange Commission, or (C) any mortgage broker, mortgage correspondent lender or mortgage

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lender licensed pursuant to chapter 668 or any mortgage servicing company, as defined in section 36a-715; and

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

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

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

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

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

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

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

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Approved June 6, 2014