



General Assembly

February Session, 2014

Raised Bill No. 221

LCO No. 1236



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:
(LAB)

AN ACT CONCERNING CREDIT CHECKS AND FINANCIAL INSTITUTIONS.

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

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2 repealed and the following is substituted in lieu thereof (*Effective*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

4 (a) As used in this 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 (A) any entity or affiliate of a state
11 bank and trust company, national banking association, state or
12 federally chartered savings bank, state or federally chartered savings
13 and loan association, state or federally chartered credit union,

14 insurance company, investment advisor, broker-dealer, (B) [or] an
15 entity registered with the Securities and Exchange Commission, or (C)
16 any mortgage broker, mortgage correspondent lender or mortgage
17 lender licensed pursuant to chapter 668 or any mortgage servicing
18 company, as defined in section 36a-715; and

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

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

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

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

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

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

41 (F) Involves access to the employer's nonfinancial assets valued at
42 two thousand five dollars or more, including, but not limited to,

43 museum and library collections and to prescription drugs and other
44 pharmaceuticals.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	31-51tt(a)

Statement of Purpose:

To add mortgage brokers and other mortgage servicers to the definition of "financial institution" for the purposes of employer inquiries about employee or prospective employee credit ratings.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]