

SB-40



Testimony of Eric W. Gjede
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Before the Committee on Labor and Public Employees
Hartford, CT
February 16, 2016

**Testifying in opposition to SB 40 AAC Employer Inquiries About An Employee's Or
Prospective Employee's Credit History**

Good afternoon Senator Gomes, Representative Tercyak, Senator Hwang, Representative Rutigliano and members of the Labor and Public Employees Committee. My name is Eric Gjede and I am assistant counsel at the Connecticut Business and Industry Association (CBIA), which represents more than 10,000 large and small companies throughout the state of Connecticut.

CBIA opposes SB 40.

This bill would revoke the right of many businesses to request a credit history for an employee or prospective employee that will have access to the business's valuable nonfinancial assets. There is an exception in this bill for employees with access to museum and library collections and prescription drugs.

Credit histories are a legitimate screening tool used by many businesses, particularly small businesses that do not have the resources to extensively vet each applicant. While museum and library collections and prescription drugs are important, there are a lot of other assets at a place of business that could just as easily be stolen by an improperly screened employee. For example, a car dealership should be able to run a credit history on an employee that will have access to their fleet of vehicles. The owner of an antique or jewelry store should be able to run a credit history on an employee that has access to the business' valuable merchandise. Likewise, many retailers need to run a credit history on employees that handle large numbers of cash transactions.

Additionally, the way this bill is drafted leads to a peculiar inequity in the way individuals can be screened for employment. As written, a library, museum or pharmacy can use a credit check on an employee that only has access to a single dollar worth of assets. Most other businesses would be prohibited from ever running a credit check, even if the employee would have access to millions of dollars in assets.

We urge the committee to consider that many other businesses, besides museums, libraries, and pharmacies, have valuable nonfinancial assets and should be allowed to thoroughly screen the people they hire to handle those assets. As a result, we ask that you take no further action on this bill.