

HB 365 – AS INTRODUCED

2015 SESSION

15-0006
06/04

HOUSE BILL

365

AN ACT prohibiting an employer from using credit history in employment decisions.

SPONSORS: Rep. Cushing, Rock 21; Rep. Rogers, Merr 28; Rep. Converse, Sull 4; Rep. White, Graf 13; Rep. O'Hearne, Sull 3; Rep. Cilley, Straf 4; Rep. Ley, Ches 9; Rep. Goley, Hills 8; Rep. Mangipudi, Hills 35; Rep. P. Brown, Hills 31; Sen. Lasky, Dist 13; Sen. Fuller Clark, Dist 21; Sen. Feltes, Dist 15

COMMITTEE: Labor, Industrial and Rehabilitative Services

ANALYSIS

This bill establishes the Employee Credit Privacy Protection Act which prohibits employers from using credit history in employment decisions.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT prohibiting an employer from using credit history in employment decisions.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Subdivision; Employee Credit Privacy Protection Act. Amend RSA 275 by inserting after
2 section 75 the following new subdivision:

3 Employee Credit Privacy Protection Act

4 275:76 Definitions. In this subdivision:

5 I. "Credit history" means any written or other communication of any information about the
6 employee's or prospective employee's credit score, credit account balances, payment history, savings
7 or checking account balances, or savings or checking account numbers by a consumer reporting
8 agency as defined in RSA 359-B:3, VI.

9 II. "Employer" means an individual or entity that permits one or more individuals to work or
10 that accepts applications for employment or is an agent of such individual or entity. "Employer"
11 shall not include:

12 (a) Any bank holding company, financial holding company, bank, savings bank, savings
13 and loan association, credit union, or trust company, or any subsidiary or affiliate thereof, that is
14 chartered by any state or the United States.

15 (b) Any state or local government agency which requires use of the employee's or
16 applicant's credit history or credit report.

17 (c) Any individual or entity that is required by federal law or regulation to obtain an
18 employee's or applicant's credit history or credit report.

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

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

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

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

28 (d) Provides an expense account or corporate debit or credit card.

29 275:77 Use of Credit History Prohibited. No employer, labor organization, or employment
30 agency shall use or request information in the credit history of a job applicant or employee in
31 connection with or as a criterion for employment decisions related to hiring, termination, promotion,

HB 365 – AS INTRODUCED

- Page 2 -

1 demotion, discipline, compensation, or the terms, conditions, or privileges of employment unless the
2 employer is required by state or federal law to use individual credit history for employment
3 purposes, or the employer has a bona fide purpose for requesting or using information in the credit
4 history report that is substantially related to the employee's current or potential job and the
5 employer complies with the notice and consent requirements of the Federal Fair Credit Reporting
6 Act, 15 U.S.C. section 1681 et seq.

7 275:78 Penalty. Any employer violating any provision of this subdivision shall be subject to a
8 civil penalty, to be imposed by the labor commissioner in accordance with the procedures established
9 in RSA 273:11-a. An employer aggrieved by the commissioner's assessment of such penalty may
10 appeal in accordance with RSA 273:11-c.

11 2 Effective Date. This act shall take effect January 1, 2016.