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H.42

Introduced by Representatives Wizowaty of Burlington, Donovan of Burlington, Evans of Essex, French of Shrewsbury, Lorber of Burlington, Marek of Newfane, Martin of Springfield, Martin of Wolcott, Moran of Wardsboro, Mrowicki of Putney, Ram of Burlington, Sharpe of Bristol, South of St. Johnsbury and Till of Jericho

Referred to Committee on

Date:

Subject: Labor; employment practices; credit information; prohibition

Statement of purpose: This bill proposes to generally prohibit employers from making employment decisions based on an applicant's credit report.

An act relating to employment decisions based on credit information

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 21 V.S.A. § 495i is added to read:

§ 495i. EMPLOYMENT BASED ON CREDIT INFORMATION;

PROHIBITIONS

No employer shall require that an employee or an applicant for employment provide or consent to provide a credit report that contains information about the employee's or applicant's credit score, credit account balances, payment

1 history, savings or checking account balances, or savings or checking account
2 numbers as a condition of obtaining or continuing employment except if one or
3 more of the following conditions are met:

4 (1) The information is required by law.

5 (2) The employer reasonably believes that the employee has engaged in
6 specific activity that constitutes a violation of a fiduciary responsibility or any
7 law relating to financial matters.

8 (3) The information is substantially related to present or proposed job
9 duties of the employee or applicant for employment because the job is one or
10 more of the following:

11 (A) It is a managerial position that involves setting the direction or
12 control of the business.

13 (B) It involves access to financial or personal information of a
14 customer, an employee, or the employer, other than information that is
15 customarily provided in a retail transaction.

16 (C) It requires fiduciary responsibility to the employer, including the
17 authority to issue payments, transfer money, or enter into contracts.

18 (D) It provides an expense account.