Committee Report

. .

REGULAR CALENDAR

March 6, 2019

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Majority of the Committee on Labor, Industrial and Rehabilitative Services to which was referred HB 293,

AN ACT relative to employee credit privacy. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.

Rep. Michael Cahill

FOR THE MAJORITY OF THE COMMITTEE

MAJORITY COMMITTEE REPORT

Committee:	Labor, Industrial and Rehabilitative Services		
Bill Number:	HB 293		
Title:	relative to employee credit privacy.		
Date:	March 6, 2019		
Consent Calendar:	REGULAR		
Recommendation:	OUGHT TO PASS		

STATEMENT OF INTENT

The majority believes that a poor credit history should not be an impediment to employment. Ironically, employment is needed in order to repay debts and repair the credit. One's credit history can be negatively impacted by inaccurate reporting, the actions of a spouse, or catastrophic medical bills, none of these should prevent employment.

Vote 12-7.

Rep. Michael Cahill FOR THE MAJORITY

Labor, Industrial and Rehabilitative Services

HB 293, relative to employee credit privacy. MAJORITY: OUGHT TO PASS. MINORITY: INEXPEDIENT TO LEGISLATE.

Rep. Michael Cahill for the **Majority** of Labor, Industrial and Rehabilitative Services. The majority believes that a poor credit history should not be an impediment to employment. Ironically, employment is needed in order to repay debts and repair the credit. One's credit history can be negatively impacted by inaccurate reporting, the actions of a spouse, or catastrophic medical bills, none of these should prevent employment. Vote 12-7.

		COMMITTEE REPORT
	COMMITTEE:	Labor
	BILL NUMBER:	HB 293
	TITLE:	relative to employee credit privacy
	IIILE:	refutive to emproyee creater prives
		2/1/18
	DATE:	3/6/19 CONSENT CALENDAR: YES NO
	1	OUGHT TO PASS
		OUGHT TO PASS W/ AMENDMENT Amendment No.
		INEXPEDIENT TO LEGISLATE
		INTERIM STUDY (Available only 2 nd year of biennium)
	STATEMENT OF	INTENT:
hould	The majer	ity believes that a poor credit history easing to employment. Ironically employment
}	-15-on imper	Michi 10 Philps ognicistos storically comploy mphil
.	15 Needed	The over to repay depts and repair the
	Credite Ones	credit history can be negatively impacted
	by Sminzcu	sale reporting the dotions of a spouse or
1	_catastroph	ic medical bills none of these should prevent.
	employinen	1
/	V /	
	Schould no	the an impedament (W)
1		
	COMMITTEE VO	re: 12/7
		RESPECTFULLY SUBMITTED,
	Copy to Committee	t for Minority Poport
	- Use Another Repor	For the Committee
	Rev. 02/01/07 - Yellow	

REGULAR CALENDAR

March 6, 2019

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Minority of the Committee on Labor, Industrial and Rehabilitative Services to which was referred HB 293,

AN ACT relative to employee credit privacy. Having considered the same, and being unable to agree with the Majority, report with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. Lino Avellani

FOR THE MINORITY OF THE COMMITTEE

MINORITY COMMITTEE REPORT

Committee:	Labor, Industrial and Rehabilitative Services
Bill Number:	HB 293
Title:	relative to employee credit privacy.
Date:	March 6, 2019
Consent Calendar:	REGULAR
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

While the minority is supportive of most of this legislation, the sticking point was the broad definition of retail transaction. This could lead to unintended consequences for any size retail or hospitality operations that take credit/debit cards as a method of payment. This would leave certain business segments unable to do their due diligence in hiring suitable candidates, that will handle these types of sensitive transactions. With identity theft and credit card fraud on the rise, we should not take away the employers' ability of checking a prospective employees' credit, to ensure they are reasonably qualified to handle customers credit/debit cards and/or personal financial information.

Rep. Lino Avellani FOR THE MINORITY

Labor, Industrial and Rehabilitative Services

HB 293, relative to employee credit privacy. INEXPEDIENT TO LEGISLATE.

Rep. Lino Avellani for the **Minority** of Labor, Industrial and Rehabilitative Services. While the minority is supportive of most of this legislation, the sticking point was the broad definition of retail transaction. This could lead to unintended consequences for any size retail or hospitality operations that take credit/debit cards as a method of payment. This would leave certain business segments unable to do their due diligence in hiring suitable candidates, that will handle these types of sensitive transactions. With identity theft and credit card fraud on the rise, we should not take away the employers' ability of checking a prospective employees' credit, to ensure they are reasonably qualified to handle customers credit/debit cards and/or personal financial information.

MINORITY REPORT

COMMITTEE:	LRBON		
BILL NUMBER:	MB. 243		
TITLE:	Emphoyce	Chegit Phu	uny
DATE:	4-6-19	CONSENT CALE	NDAR: YES NO
	OUGHT TO PASS OUGHT TO PASS INEXPEDIENT TO INTERIM STUDY (Amendment No.
STATEMENT OF I		E MA 1	APPROVER
COMMITTEE VOT	`E:		
		RESPECTFULLY SU	JBMITTED,
Copy to Committee	Bill File	Rep. Ad	the Minority

Rev. 02/01/07 - Blue

From: Sent: To: Subject: Brian Sullivan <brian.sullivan.nh@gmail.com> Wednesday, March 06, 2019 12:52 PM Simmons, Miriam Fwd: Minority report for HB 293

Approved

Sent from my iPad

Begin forwarded message:

From: <u>lacooks3@aol.com</u> Date: March 6, 2019 at 12:48:01 PM EST To: <u>briansullivannh@gmail.com</u> Cc: <u>jack.flanagan@leg.state.nh.us</u> Subject: Minority report for HB 293

Rep. Lino M. Avellani for the minority, while the minority is supportive of most of this legislation, the sticking point was the broad definition of retail transaction. This could lead to unintended consequences for any size retail or hospitality operations that take credit/debit cards as a method of payment. This would leave certain business segments unable to do their due diligence in hiring suitable candidates, that will handle these types of sensitive transactions. With identity theft and credit card fraud on the rise, we should not take away the employers ability of checking a prospective employees credit, to ensure they are reasonably qualified to handle customers credit/debit cards and/or personal financial information.

Voting Sheets

HOUSE COMMITTEE ON LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES

EXECUTIVE SESSION on HB 293

BILL TITLE: relative to employee credit privacy.

DATE: March 6, 2019

LOB ROOM: 307

MOTIONS: OUGHT TO PASS

Moved by Rep. Cahill

Seconded by Rep. Soucy

Vote: 12-7

CONSENT CALENDAR: NO

Statement of Intent:

Refer to Committee Report

Respectfully submitted,

Rep Timothy Soucy, Acting Clerk

HOUSE COMMITTEE ON LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES

EXECUTIVE SESSION on HB 293

BILL TITLE: relative to employ DATE: $3/6/19$	ee credit privacy.	
LOB ROOM: 307		
MOTION: (Please check one box)		
I OTP 🗆 ITL	🗆 Retain (1 st year)	Adoption of
	🗆 Interim Study (2nd year)	Amendment # (if offered)
Moved by Rep. Cahill	Seconded by Rep. Sarcy	
MOTION: (Please check one box)		
🗆 OTP 🗆 OTP/A 🗆 ITL	🗆 Retain (1 st year)	Adoption of
	🗆 Interim Study (2nd year)	Amendment # (if offered)
Moved by Rep	Seconded by Rep	Vote:
MOTION: (Please check one box)		
🗆 OTP 🗆 OTP/A 🗆 ITL	🗆 Retain (1 st year)	Adoption of
	🗆 Interim Study (2nd year)	Amendment # (if offered)
Moved by Rep	Seconded by Rep	Vote:
MOTION: (Please check one box)		
□ OTP □ OTP/A □ ITL	🗆 Retain (1 st year)	Adoption of
	🗆 Interim Study (2nd year)	Amendment # (if offered)
Moved by Rep	Seconded by Rep	Vote:
CONSENT CA Minority Report?Yes	ALENDAR:YES No If yes, author, Rep:	_NO sellani Motion.1TC
Respectfully submitte	d: Rep Manny Es	spitia, Clerk



2019 SESSION

Labor, Industrial and Rehabilitative Services

110 902				- Irlia
Bill #: $\frac{HB}{293}$ Motion: OTP 4	AM #:	Exec So	ession Date:	3/6/1-
Members		YEAS	<u>Nays</u>	<u>NV</u>
Sullivan, Brian M. Chairman		12		
Soucy, Timothy A. Vice Chairman		1		
Baroody, Benjamin C.		2		
Cahill, Michael D.		3		
DiSilvestro, Linda A.		4		
Schmidt, Janice E.		5		
Toomey, Dan		6		
Bordy, William E.		7		
Bouchard, Donald J.		8		
Espitia, Manny Clerk		9		
Hall, Brett R.		10		
Kanzler, Harrison				
Flanagan, Jack B.			1	
Seaworth, Brian			2	
Avellani, Lino M.			3	
O'Day, John E.	÷		4	
Renzullo, Andrew				
Callum, John M.			5	
Mackie, Jonathan D.			6	
Nunez, Hershel			7	
TOTAL VOTE:		12	7	

4

Hearing Minutes

HOUSE COMMITTEE ON LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES

PUBLIC HEARING ON HB 293

BILL TITLE: relative to employee credit privacy.

DATE: February 20, 2019

LOB ROOM: 307

Time Public Hearing Called to Order: 11:04 a.m.

Time Adjourned: 11:22 a.m.

<u>Committee Members</u>: Reps. Sullivan, Baroody, Cahill, DiSilvestro, J. Schmidt, Toomey, Bordy, Hall, Kanzler, Seaworth, Avellani, O'Day, Renzullo, Callum, Mackie, Nunez, Espitia and Soucy

<u>Bill Sponsors</u>: Rep. Cushing Rep. Rogers Rep. Berch Sen. Fuller Clark

Rep. King Rep. O'Brien Sen. Feltes Rep. Ley Rep. Mangipudi Sen. Cavanaugh

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

*1. <u>Prime Sponsor - Rep. Renny Cushing- Recommends OTP -</u> *written testimony.

This bill would make it so that employers would not be able to see the credit history. I spent a year trying to convince my employer and the creditors that it was not me. This bill is similar legislation passed in 23 other states. It was known as bill HB 457. This bill was worked on in 2013. It worked with many other agencies so that we would have exemptions for it. The bill passed in 2013, passed in the house, senate, but it had an amendment that was a former SB, but it killed the bill. This bill had bipartisan support. Last year it ended up falling 20 votes short.

Question – Rep Cahill- You've mentioned all the things that can get you in trouble, your credit history can sometimes not look good, would you believe this is a barrier to employment? Ans – Yes Question -Rep Seaworth – There is some federal language on the bill, I believe some of it applies now to some of the employers? Ans- Yes it would. We had conversations with next era. This has made it so it would no

Question -**Rep** O'Day – If you apply to a federal agency or bank, how would this bill help you as far as your chainsaw? **Ans**- It would not have any impact. The instances with the federal agencies or banks it has to do with the jobs.

Question -Rep Cahill- If you were applying to a place with a carve outs, if you provide them with some fixes would they give you an interview? Ans- I wouldn't know

2. Judy Stadtman-Self-Support-

I am testifying for myself. I was responsible for doing research. There have been employee surveys that credit history disproportionately affects women and people of color. Due to loss of jobs and family issues, this credit history can affect the employment of candidates. I also found that even industry insiders recognize that the use of personal credit is not an accurate predictor of the performance of the bill. I was reminded of this, this morning by creditrepair.com. Having a blemished credit history should not be a barrier to getting a job that has a living wage.

Chairman Sullivan - Adjourned the hearing.

Minutes respectfully submitted by, Rep. Manny Espitia Committee Clerk

HOUSE COMMITTEE ON LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES

PUBLIC HEARING ON HB 293

BILL TITLE: relative to employee credit privacy. 2/20/19

DATE:

ROOM: 307 Time Public Hearing Called to Order: $(: \circ \mathcal{A})$ 11:22 Time Adjourned: ____

(please circle if present)

Committee Members: Reps. Sullivan, Soucy, Espitia, Barooly, Cahill, DiSilvestro, J. Schmidt, Toomey Bordy, Bouchardt Hall, Canzler, Flangan, Seaworth Avellani, ODay Renzullo, Callum, Machie and Nungz

Bill Sponsors: Rep. Cushing Rep. Rogers Rep. Berch Sen. Fuller Clark

Rep. King Rep. O'Brien Sen. Feltes

Rep. Ley Rep. Mangipudi Sen. Cavanaugh

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

PUBLIC HEARING ON HB 293

DATE: 2-20-2019

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

1. Prime Sponsor – Rep. Renny Cushing– Recommends OTP - This bill would make it so that employers would not be able to see the credit history. I spent a year trying to convince my employer and the creditors that it was not me. This bill is similar legislation passed in 23 other states. It was known as bill HB 457. This bill was worked on in 2013. It worked with many other agencies so that we would have exemptions for it. The bill passed in 2013, passed in the house, senate, but it had an amendment that was a former SB, but it killed the bill. This bill had bipartisan support. Last year it ended up falling 20 votes short.

Q- Cahill- You've mentioned all the things that can get you in trouble, your credit history can sometimes not look good, would you believe this is a barrier to employment? Ans – Yes

Q- Seaworth – There is some federal language on the bill, I believe some of it applies now to some of the employers?

Ans- Yes it would. We had conversations with next era. This has made it so it would no

Q- O'Day – IF you apply to a federal agency or bank, how would this bill help you as far as your chainsaw?

Ans- It would not have any impact. The instances with the federal agencies or banks it has to do with the jobs.

Q- Cahill- If you were applying to a place with a carve outs, if you provide them with some fixes would they give you an interview? Ans- I wouldn't know

2. Judy Stadtman-Self-Support – I am testifying on my self. I was responsible for doing research. There have been employee surveys that credit history disproportionately affects women and people of color. Due to loss of jobs and family issues, this credit history can affect the employment of candidates. I also found that even industry insiders recognize that the use of personal credit is not an accurate predictor of the performance of the bill. I was reminded of this this morning by creditrepair.com. Having a blemished credit history should not be a barrier to getting a job that has a living wage.

Respectfully submitted, Rep. Manny Espitia Committee Clerk

	SIG	N UP SHEE	Т			
	To Register (Opinion If Not	Speaki	ng	2019	
Bill # H 8	293	Date	2	20	19	
Committee	ABOR					

** Please Print All Information **

				(check	cone)
Name	Address	Phone	Representing	Pro	Con
Glen Brackett		Nt	+ AFL-CFO	V	
Dove turet	122 N. Ma	in St. Conc	une BIA		X
Tracy Hall	Nashua A	JH- G	reater Nashua		X
Glen Brackett Dowe Juret Tracy Hall Judy Stadtman	104 Richards Ave	Portsmouth	self	V	
			c		

ellos s

EPC 8H AD8AJ

Laber Strathman to Pedeards Are Presentition Self 19

·

Testimony

Statement of Rep Renny Cushing in support of HB 293, relative to credit privacy

鬯

My apologies for not being at the public hearing, but it conflicts with an Executive Session of the Criminal Justice and Public Safety Committee.

HB 293 is the same bill as HB 357, which passed the House and Senate in 2013, but died on the table. It was also the same as HB 1405 of 2014, HB 365 of 2015, and HB 130 of 2017.

HB 293 honors our tradition of individual freedom, including the right of privacy. Employers should not be permitted to force an individual employee to disclose personal matters not related to the job.

Please support HB 293.

Bill as Introduced

HB 293 - AS INTRODUCED

•

2019 SESSION

19-0814 04/01

HOUSE BILL	293
AN ACT	relative to employee credit privacy.
SPONSORS:	Rep. Cushing, Rock. 21; Rep. King, Hills. 33; Rep. D. Ley, Ches. 9; Rep. Rogers, Merr. 28; Rep. O'Brien, Hills. 36; Rep. Mangipudi, Hills. 35; Rep. Berch, Ches. 1; Sen. Feltes, Dist 15; Sen. Cavanaugh, Dist 16; Sen. Fuller Clark, Dist 21
COMMITTEE:	Labor, Industrial and Rehabilitative Services

ANALYSIS

This bill 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 struckthrough.]Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 293 - AS INTRODUCED

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Nineteen

AN ACT relative to employee credit privacy.

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

1 New Subdivision; Employee Credit Privacy. Amend RSA 275 by inserting after section 77 the 1 $\mathbf{2}$ following new subdivision:

3

Employee Credit Privacy

4 275:78 Definitions. In this subdivision:

I. "Credit history" means any written or other communication of any information about the 5 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.

II. "Employer" means an individual or entity that permits one or more individuals to work 9 10 or 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 and loan association, credit union, or trust company, or any subsidiary or affiliate thereof, that is 13 14 chartered by any state or the United States.

(b) Any state or local government agency which requires use of the employee's or 15 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.

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

2223

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

 $\mathbf{24}$

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

26

(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; or

2728

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

29 275:79 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,

HB 293 - AS INTRODUCED - Page 2 -

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

275:80 Penalty. Any employer violating any provision of this subdivision shall be subject to a
civil penalty, to be imposed by the labor commissioner in accordance with the procedures
established in RSA 273:11-a. An employer aggrieved by the commissioner's assessment of such
penalty may appeal in accordance with RSA 273:11-c.

11 2 Effective Date. This act shall take effect January 1, 2020.