

# States with Credit Reporting Restrictions with Permissible Purposes

The following is a state by state listing prepared by ScreenThem® Background Investigations, Inc. (ScreenThem®) of the permitted purposes for obtaining employment related credit reports in the ten states that restrict their use.

## California:

- Employment with a Financial Institution.
- Managerial position.
- Employment with California Department of Justice.
- Employment with the Police or Law enforcement.
- Information is required by state or federal law.
- Position has access to debit/credit card information, social security numbers and dates of birth.
- Position has signatory authority of bank, debit/credit cards.
- Position has authority to transfer funds from employer account.
- Position has authority to enter into financial contracts on behalf of employer.
- Position has access to confidential or proprietary information of employer.
- Position has access to cash of \$10,000 or more of employees or customers/clients.

## Colorado:

- Prohibits an employer's use of consumer credit information for employment purposes if the information is unrelated to the job.
- Requires an employer to disclose to an employee or applicant for employment (jointly referred to as "employee") when the employer uses the employee's consumer credit information to take adverse action against him or her and the particular credit information upon which the employer relied.
- Authorizes an employee aggrieved by a violation of the above provisions to bring suit for an injunction, damages, or both; and  
Requires the department of labor and employment to enforce the laws related to employer use of consumer credit information.

- The Act defines employment purposes broadly to include “evaluating a person for employment, hiring, promotion, demotion, reassignment, adjustment in compensation level, or retention as an employee.”

#### **Connecticut:**

- Management position that involves setting the direction or control of a business, division, unit or an agency of a business.
- Position has access to personal or financial information of customers, employees or the employer, other than information customarily provided in a retail transaction.
- Fiduciary position with responsibility to the employer as defined under the law.
- Position has an expense account or corporate debit or credit card.
- Position has access to certain confidential or proprietary business information, as defined under the law.
- Position has access to the employer’s nonfinancial assets valued at \$2,005 or more.

#### **Hawaii:**

- Managerial or supervisory position.
- Pursuant to requirement of federal or state law.

#### **Illinois:**

- Position requires bonding, security or otherwise required per state or federal law.
- Position has unsupervised access to more than \$2,500.
- Position has signatory power over businesses assets of more than \$100.
- Management position with control of the business.
- Position has access to personal, financial or confidential information, trade secrets, or state or national security information.

#### **Maryland:**

- Is managerial and involves setting the direction or control of a business, or a department, division, unit, or agency of a business.
- Involves access to personal information, as defined in § 14-3501 of the Commercial Law Article, of a customer, employee, or employer, except for personal information customarily provided in a retail transaction.

- Involves a fiduciary responsibility to the employer, including the authority to issue payments, collect debts, transfer money, or enter into contracts;
- Is provided an expense account or a corporate debit or credit card; or
- Has access to confidential information including a formula, pattern, compilation, program, device, method, technique, or process, and other confidential business information.

#### **Nevada:**

- Prohibits employers from using, accepting, referring to, or inquiring about consumer credit reports or other credit information.
- Prohibits employers from discharging, disciplining, discriminating against, or denying employment or promotions to employees or applicants who don't provide a consumer credit report or other credit information.
- Allows employers to request or consider a consumer report for employment purposes if: 1.) The employer is required or authorized by state or federal law to use a consumer report; 2.) The employer believes the consumer has engaged in activity which may violate a state or federal law; or 3.) The information in the consumer report is "reasonably" related to the position for which the consumer is being evaluated as outlined in the law.

#### **Oregon:**

- Employment with federally insured bank or credit union.
- Pursuant to requirement of federal or state law.
- Employment of a public safety officer.
- Position where good credit is substantially job related and reason is disclosed in writing.

#### **Vermont:**

- The information is required by state or federal law or regulation.
- The position of employment involves access to confidential financial information.
- The employer is a financial institution or credit union as defined by state law.
- The position of employment is that of a law enforcement officer, emergency medical personnel, or a firefighter as defined by state law.
- The position of employment requires a financial fiduciary responsibility including the authority to issue payments, collect debts, transfer money, or enter into contracts.

- The employer can demonstrate that the information is a valid and reliable predictor of employee performance in the specific position of employment.
- The position of employment involves access to an employer's payroll information.

**Washington:**

- Pursuant to requirement of federal or state law.
- Position where good credit is substantially job related and reason is disclosed in writing.