

SENATE . . . . . No. 123

The Commonwealth of Massachusetts

PRESENTED BY:

Michael J. Barrett

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act regulating the use of credit reports by employers.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael J. Barrett	Third Middlesex
Timothy J. Toomey, Jr.	26th Middlesex
Chris Walsh	6th Middlesex
Denise Provost	27th Middlesex
Marjorie C. Decker	25th Middlesex
Jason M. Lewis	Fifth Middlesex
James R. Miceli	19th Middlesex
Michael O. Moore	Second Worcester
James B. Eldridge	Middlesex and Worcester
Patricia D. Jehlen	Second Middlesex
Barbara L'Italien	Second Essex and Middlesex
Kenneth J. Donnelly	Fourth Middlesex
Kenneth I. Gordon	21st Middlesex
Colleen M. Garry	36th Middlesex
Brian M. Ashe	2nd Hampden
Benjamin Swan	11th Hampden
John J. Mahoney	13th Worcester
Jay R. Kaufman	15th Middlesex

<i>Aaron Vega</i>	<i>5th Hampden</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>
<i>Mark C. Montigny</i>	<i>Second Bristol and Plymouth</i>

**SENATE . . . . . No. 123**

---

By Mr. Barrett, a petition (accompanied by bill, Senate, No. 123) of Michael J. Barrett, Timothy J. Toomey, Jr., Chris Walsh, Denise Provost and other members of the General Court for legislation to regulate the use of credit reports by employers. Consumer Protection and Professional Licensure.

---

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 80 OF 2013-2014.]

The Commonwealth of Massachusetts

—————  
**In the One Hundred and Eighty-Ninth General Court  
(2015-2016)**  
—————

An Act regulating the use of credit reports by employers.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 93 of the General Laws, as appearing in the 2012 Official Edition,  
2 is hereby amended by inserting after section 51A the following section:-

3 Section 51B . (a) Except as provided in paragraph (b), no person, including an  
4 employer, prospective employer, employment agency, employment screener or licensing agency,  
5 shall:

6 (1) use a consumer report in connection with or as a criterion for an employment purpose,  
7 including decisions related to hiring, termination, promotion, demotion, discipline,  
8 compensation, or the terms, conditions or privileges of employment;

9 (2) request or procure a consumer report for the purposes described in clause (1);

10 (3) ask an employee or applicant about his or her consumer report or about any  
11 information contained therein regarding credit worthiness, credit standing or credit capacity.

12 (b) The provisions in paragraph (a) shall not apply if an employer is required by federal  
13 or state law to use a consumer report for employment purposes.

14 (c) Notwithstanding paragraph (b) of this section, an employer shall not use a consumer  
15 report in a manner that results in adverse employment discrimination prohibited by federal or  
16 state law, including chapter 151B of the general laws and Title VII of the Civil Rights Act of  
17 1964.

18 (d) If an employer obtains, uses, or seeks to obtain a consumer report pursuant to  
19 paragraph (b) of this section, the employer shall:

20 (1) obtain the employee's or applicant's written consent, in a document consisting solely  
21 of the consent, each time the employer seeks to obtain the employee's or applicant's consumer  
22 report;

23 (2) disclose in writing to the employee or applicant the employer's reasons for accessing  
24 the consumer report, and, if the employer intends to take an adverse employment action in whole  
25 or in part based on the report, disclose the reasons for the action, including which information in  
26 the report the employer is basing the decision on, in writing at least 14 days prior to taking the  
27 action, along with a copy of the report and the notice of consumer rights required by section  
28 1681G(c)(1) of chapter 15 of the United States Code. The employer shall provide the employee  
29 or applicant, in a private discussion, the opportunity to dispute the relevance of the information  
30 upon which the employer based the adverse employment action, and shall consider any such  
31 dispute before making a final decision;

32 (3) if the employee or applicant provides oral or written notice to the employer during  
33 the 14 day period set forth in subparagraph (2) that he or she has disputed the accuracy of the  
34 consumer report with a consumer reporting agency, the employer shall not take an adverse  
35 employment action until the resolution of the dispute under section 58 of this chapter or section  
36 1681i(a) of chapter 15 of the United States Code, and shall consider the results of any such  
37 resolution;

38 (4) ensure that none of the costs associated with obtaining a consumer report are paid by  
39 or passed on to the employee or applicant.

40 (e) Any person aggrieved by a violation of this section shall be entitled to file a complaint  
41 with the Massachusetts Commission Against Discrimination, under chapter 151B of the general  
42 laws.

43 (f) Failure to comply with the provisions of this section shall constitute an unfair practice  
44 under the provisions of clause (a) of section 2 of chapter 93A.

45 (g) No person shall retaliate, discriminate, or take any adverse action against an employee  
46 or applicant on the basis that the employee or application has or intends to:

47 (1) file a complaint pursuant to paragraphs (e) or (f) of this section;

48 (2) allege that the person violated any provision of this section;

49 (3) testify, assist, give evidence, or participate in an investigation, proceeding or action  
50 concerning a violation of this section; or

51 (4) otherwise oppose a violation of this section.

52 (h) No person shall require or request an employee or applicant to waive any provision of  
53 this section. Any such waiver shall be deemed null, void and of no effect.

54 SECTION 2. Subsection (a) of section 51 of chapter 93 of the general laws, as so  
55 appearing, is hereby amended by inserting after the words “employment purposes,” in line 12 in  
56 clause (3)(ii), the following words:- “subject to the provisions of section 51B of this chapter;”.

57 SECTION 3. Section 5 of chapter 151B of the general laws, as so appearing, is hereby  
58 amended by inserting after the words “and seventy-two,” in line 4, the following words:- “, or  
59 section 51B of chapter 93”.