

# HOUSE BILL NO. 4117

January 29, 2019, Introduced by Reps. Anthony, Love, Hope, Chirkun, Ellison, Cherry, Sowerby, Neeley, Hood, Tyrone Carter, Robinson, Kennedy, Kuppa and Gay-Dagnogo and referred to the Committee on Financial Services.

A bill to prohibit employers from making certain recruiting or hiring decisions based on an individual's credit history; to prohibit employers from making certain inquiries; to prohibit certain waivers; to prohibit retaliation; and to provide remedies.

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. This act shall be known and may be cited as the "job  
2       applicant credit privacy act".

3       Sec. 3. As used in this act:

4       (a) "Credit history" means financial information that is

generally used in evaluating an individual's creditworthiness, credit standing, or credit capacity, such as a debt payment record or a credit score compiled by a consumer credit agency.

(b) "Employer" means an individual or entity, or the agent of an individual or entity, that permits 1 or more individuals to work or accepts applications for employment.

Sec. 5. (1) Except as provided in this section, an employer shall not do either of the following:

(a) Fail or refuse to hire or to recruit an individual for employment because of the individual's credit history.

(b) Inquire about a job applicant's or potential job applicant's credit history.

(2) Subsection (1) does not prohibit an inquiry or employment action if a good credit history is an established bona fide occupational requirement of the particular position or employment classification. Good credit history is presumed to be a bona fide job qualification for any of the following:

(a) An employee of a state or federally chartered bank, bank holding company, or an affiliate or subsidiary of those entities.

(b) An employee of a state or federally chartered savings and loan, savings bank, credit union, or an affiliate or subsidiary of those entities.

(c) An employee of an individual or firm licensed or registered under article 7 of the occupational code, 1980 PA 299, MCL 339.720 to 339.736.

(d) An employee of a casino.

(e) An employee of an insurer that is required to operate under a certificate of authority under section 402 of the insurance code of 1956, 1956 PA 218, MCL 500.402, if the employee's duties

1 include either of the following:

2 (i) Working in a fiduciary capacity and engaging in life  
3 insurance transactions.

4 (ii) A requirement to be licensed under federal securities law  
5 or under the uniform securities act (2002), 2008 PA 551, MCL  
6 451.2101 to 451.2703.

7 Sec. 7. A person shall not retaliate or discriminate against  
8 an individual because the individual does or is about to do any of  
9 the following:

10 (a) File a complaint under this act.

11 (b) Testify, assist, or participate in an investigation,  
12 proceeding, or action concerning a violation of this act.

13 (c) Oppose a violation of this act.

14 Sec. 9. An employer shall not require an individual to waive  
15 or limit any protection granted under this act as a condition of  
16 applying for or receiving an offer of employment. An agreement to  
17 waive any right or protection under this act is contrary to public  
18 policy and is void and unenforceable.

19 Sec. 11. (1) An individual who is injured by a violation of  
20 this act may bring a civil suit to obtain damages or injunctive  
21 relief, or both.

22 (2) The court shall award costs and reasonable attorney fees  
23 to an individual who prevails as a plaintiff in a suit authorized  
24 under this section.