

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1153

97TH GENERAL ASSEMBLY

4059H.02P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 290, RSMo, by adding thereto one new section relating to use of credit scores by prospective employers.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 290, RSMo, is amended by adding thereto one new section, to be
2 known as section 290.146, to read as follows:

290.146. 1. As used in this section, the following terms shall mean:

2 **(1) "Employee", any person engaged in service to an employer in a business of his**
3 **or her employer;**

4 **(2) "Employer", any person engaged in business who has one or more employees,**
5 **including the state or any political subdivision of the state;**

6 **(3) "Financial institution", any entity or affiliate of a state bank and trust**
7 **company, national banking association, state or federally chartered savings bank, state or**
8 **federally chartered savings and loan association, state or federally chartered credit union,**
9 **insurance company, investment advisor, broker-dealer, or an entity registered with the**
10 **securities and exchange commission;**

11 **(4) "Substantially related to the employee's current or potential job", the**
12 **information contained in the credit report as related to the position for which the employee**
13 **or prospective employee who is the subject of the report is being evaluated because the**
14 **position:**

15 **(a) Is a managerial position that involves setting the direction or control of a**
16 **business, division, unit, or an agency of a business;**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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

19 (c) Involves a fiduciary responsibility to the employer including, but not limited
20 to, the authority to issue payments, collect debts, transfer money, or enter into contracts;

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

22 (e) Provides access to confidential or proprietary business information, including
23 a formula, pattern, compilation, program, device, method, technique, process, or trade
24 secret that:

25 a. Derives independent economic value, actual or potential, from not being
26 generally known to, and not being readily ascertainable by proper means by, other persons
27 who can obtain economic value from the disclosure or use of the information; and

28 b. Is the subject of efforts that are reasonable, under the circumstances, to
29 maintain its secrecy; or

30 (f) Involves access to the employer's nonfinancial assets valued at two thousand
31 five dollars or more including, but not limited to, museum and library collections and to
32 prescription drugs and other pharmaceuticals.

33 2. No employer or employer's agent, representative, or designee may require an
34 employee or prospective employee to consent to a request for a credit report that contains
35 information about the employee's or prospective employee's credit score, credit account
36 balances, payment history, savings or checking account balances, or savings or checking
37 account numbers as a condition of employment unless:

38 (1) The employer is a financial institution;

39 (2) The report is required by law;

40 (3) The employer reasonably believes that the employee has engaged in specific
41 activity that constitutes a violation of the law related to the employee's employment; or

42 (4) The report is substantially related to the employee's current or potential job,
43 or the employer has a bona fide purpose for requesting or using information in the credit
44 report that is substantially job-related and is disclosed in writing to the employee or
45 applicant.

46 3. Any employee or prospective employee may file a complaint with the department
47 of labor and industrial relations alleging a violation of the provisions of subsection 2 of this
48 section. Within thirty days after the filing of such complaint, the department shall conduct
49 an investigation and shall render its findings. Should the findings warrant, the department
50 shall hold a hearing to determine if a violation has occurred.

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