

116TH CONGRESS
1ST SESSION

H. R. 3862

To amend the Fair Credit Reporting Act to prohibit the use of consumer credit checks against prospective and current employees for the purposes of making adverse employment decisions.

IN THE HOUSE OF REPRESENTATIVES

JULY 19, 2019

Mr. COHEN introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Fair Credit Reporting Act to prohibit the use of consumer credit checks against prospective and current employees for the purposes of making adverse employment decisions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Equal Employment
5 for All Act of 2019”.

1 **SEC. 2. USE OF CREDIT CHECKS PROHIBITED FOR EMPLOY-**
2 **MENT PURPOSES.**

3 Section 604 of the Fair Credit Reporting Act (15
4 U.S.C. 1681b) is amended—

5 (1) in subsection (a)(3)(B), by inserting “, sub-
6 ject to the requirements of subsection (b)” after
7 “purposes”; and

8 (2) in subsection (b)—

9 (A) in paragraph (1)—

10 (i) by amending the paragraph head-
11 ing to read as follows: “USE OF CON-
12 SUMER REPORTS FOR EMPLOYMENT PUR-
13 POSES”;

14 (ii) in subparagraph (A), by redesign-
15 ating clauses (i) and (ii) as subclauses (I)
16 and (II), respectively, and by moving such
17 subclauses two ems to the right;

18 (iii) by redesignating subparagraphs
19 (A) and (B) as clauses (i) and (ii), respec-
20 tively, and by moving such clauses two ems
21 to the right;

22 (iv) by striking the period at the end
23 of clause (ii) (as so redesignated) and in-
24 serting “; and”;

25 (v) by striking “agency may furnish”
26 and inserting “agency—

1 “(A) may furnish”; and

2 (vi) by adding at the end the following
3 new subparagraph:

4 “(B) except as provided in paragraph (5),
5 may not furnish a consumer report with respect
6 to any consumer in which any information con-
7 tained in the report bears on the consumer’s
8 creditworthiness, credit standing, or credit ca-
9 pacity to an employer if the employer seeks to
10 use such information in a denial of employment
11 or any other decision made for employment pur-
12 poses.”; and

13 (B) by adding at the end the following new
14 paragraph:

15 “(5) REQUIREMENTS FOR CONSUMER REPORTS
16 BEARING ON THE CONSUMER’S CREDITWORTHINESS,
17 CREDIT STANDING, OR CREDIT CAPACITY.—

18 “(A) EXCEPTIONS.—An employer may use
19 a consumer report with respect to any con-
20 sumer in which any information contained in
21 the report bears on the consumer’s credit-
22 worthiness, credit standing, or credit capacity
23 in a decision made for employment purposes or
24 before taking an adverse action for employment
25 purposes only if the consumer authorizes the

1 procurement of the report as described in para-
2 graph (2)(A)(ii) and—

3 “(i) the consumer applies for, or cur-
4 rently holds, employment that requires the
5 consumer to be eligible for access to classi-
6 fied information; or

7 “(ii) when otherwise required by law.

8 “(B) LIMITATION.—A person who seeks to
9 obtain or use a consumer report with respect to
10 any consumer in which any information con-
11 tained in the report bears on the consumer’s
12 creditworthiness, credit standing, or credit ca-
13 pacity may not deny employment to the con-
14 sumer or make any other decision for employ-
15 ment purposes with respect to the consumer be-
16 cause the consumer has not authorized the pro-
17 curement of the report as described in para-
18 graph (2)(A)(ii).”.

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