

HOUSE BILL No. 4112

January 26, 2017, Introduced by Reps. Yanez, Elder, Green, Ellison, Love, Chirkun,
Wittenberg, Hoadley and Pagan and referred to the Committee on Financial Services.

A bill to prohibit employers from making certain recruiting or hiring decisions based upon 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
5 generally used in evaluating an individual's creditworthiness,
6 credit standing, or credit capacity, such as a debt payment record
7 or a credit score compiled by a consumer credit agency.

8 (b) "Employer" means an individual or entity, or the agent of
9 an individual or entity, that permits 1 or more individuals to work

1 or accepts applications for employment.

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

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

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

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

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

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

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

21 (d) An employee of a casino.

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

26 (i) Working in a fiduciary capacity and engaging in life
27 insurance transactions.

1 (ii) A requirement to be licensed under federal securities law
2 or under the uniform securities act (2002), 2008 PA 551, MCL
3 451.2101 to 451.2703.

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

7 (a) File a complaint under this act.

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

10 (c) Oppose a violation of this act.

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

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

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