

HOUSE BILL 10

By Potts

AN ACT to amend Tennessee Code Annotated, Title 4;  
Title 8 and Title 50, relative to the use of credit  
information by employers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 1, Part 1, is amended by adding the following language as a new section:

(a) This section shall be known and may be cited as the "Prospective Employee Credit Information Privacy Act."

(b) As used in this section:

(1) "Consumer reporting agency" means a person that, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages, in whole or in part, in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties;

(2) "Credit information" means a written, oral, or other communication prepared by a consumer reporting agency or provided by a prospective employee to a prospective employer, bearing on the prospective employee's creditworthiness, credit standing, or credit capacity; and

(3) "Employer" means private employers and governmental entities to the extent permitted by federal law.

(c) Except as provided in subsection (d), a prospective employer shall not fail or refuse to recruit or interview a prospective employee with respect to employment based on that person's credit information.

(d) The prohibition in subsection (c) does not prevent a prospective employer from using a prospective employee's credit information to make a decision to recruit or interview that person if good credit information is an established bona fide occupational requirement of a particular position or a particular group of the prospective employer's employees. Information regarding a prospective employee's credit information is not a bona fide occupational requirement unless the prospective employee applies for employment:

(1) That requires federal deposit insurance corporation clearance;

(2) At a financial service institution, including insurance companies, agents, and adjusters;

(3) That requires United States security clearance; or

(4) That requires a fiduciary responsibility to the employer, including the authority to issue payments, collect debts, transfer money, or enter into contracts.

(e) A person who claims to be harmed by a violation of this section may bring a civil action in a court of competent jurisdiction to obtain injunctive relief or damages, or both.

SECTION 2. This act shall take effect July 1, 2019, the public welfare requiring it, and shall apply to conduct occurring on or after that date.