

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Protect Preemployment Credit Privacy

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 26 MRSA §600-A is enacted to read:

§ 600-A. Use of credit reports

1. Prohibition. An employer or an agent of an employer may not request or use as part of any hiring process or decision information regarding a prospective employee's creditworthiness, credit standing, credit capacity, debts or check-writing experience.

2. Exceptions. This section does not apply to the request of an employer or an agent of an employer in the following circumstances:

A. When the job for which the prospective employee is applying requires management of the company's finances or a customer's financial assets;

B. When the employer is in the financial services industry; or

C. When the employer is otherwise required by law to obtain this information.

3. Penalty. An employer or agent of an employer who violates this section commits a civil violation for which a fine of not less than \$500 nor more than \$1,000 for each violation may be adjudged. The director shall enforce this section.

SUMMARY

This bill prohibits employers from obtaining information regarding the creditworthiness, credit standing, credit capacity, debts or check-writing experience of a prospective employee as part of the hiring process or decision. There are exceptions from this prohibition in the bill for circumstances in which the job requires management of the company's finances or a customer's financial assets, the employer is in the financial services industry or the employer is otherwise required by law to obtain this information. Violation of this prohibition is a civil violation for which a fine from \$500 to \$1,000 for each violation may be adjudged. The prohibition is enforced by the Director of Labor Standards within the Department of Labor.