

HOUSE BILL 1188

By Chism

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

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 as a new section:

(a) This section shall be known and may be cited as the "No Credit Check in Employment Act."

(b) As used in this section, "credit check" means a report about a consumer where any information contained in the report bears on the consumer's creditworthiness, credit standing, or credit capacity.

(c)

(1) Except as provided in subdivision (c)(3), a prospective employer or current employer shall not use a credit check or cause a credit check to be procured that is about a job applicant or current employee.

(2) The prohibition described in subdivision (c)(1) applies even if the consumer consents or otherwise authorizes the procurement or use of a credit check for employment purposes.

(3) Notwithstanding this section, an employer may use a credit check of an employee or job applicant in the following situations:

(A) When the employee or job applicant applies for, or currently holds, employment that requires national security or FDIC clearance;

(B) When the employee or job applicant applies for, or currently holds, employment with a state or local government agency which otherwise requires use of a consumer report;

(C) When the employee or job applicant applies for, or currently holds, a supervisory, managerial, professional, or executive position at a financial institution; or

(D) When otherwise required by law.

SECTION 2. This act shall take effect July 1, 2019, the public welfare requiring it.