

117TH CONGRESS  
1ST SESSION

# H. R. 3697

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.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2021

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

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## 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 2021”.

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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