

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 13-0504

**Date:** January 17, 2013

**Prime Sponsor(s):** Sen. Ulibarri  
Rep. Fischer

**Bill Status:** Senate Business, Labor, & Technology  
**Fiscal Analyst:** Alex Schatz (303-866-4375)

**TITLE:** CONCERNING THE USE OF CONSUMER CREDIT INFORMATION BY EMPLOYERS.

<b>Fiscal Impact Summary</b>	<b>FY 2013-2014</b>	<b>FY 2014-2015</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> July 1, 2013. The bill applies to acts occurring on or after this effective date.		
<b>Appropriation Summary for FY 2013-2014:</b> None required.		
<b>Local Government Impact:</b> None. The fiscal note assumes compliance by local government employers.		

**Summary of Legislation**

The bill restricts the use of consumer credit information by employers. Employers may not use consumer credit information to evaluate prospective or current employees, unless the employment position being evaluated involves the financial industry or a defense or security contract. An employer using consumer credit information to evaluate a prospective or current employee must offer the employee an opportunity to explain adverse credit information, and the employer that takes adverse action on the basis of such information must disclose this use.

The bill assigns enforcement duties for its provisions to the Division of Labor in the Department of Labor and Employment. An aggrieved person may also enforce the bill in a civil action for damages, injunctive relief, or both.

**State Expenditures**

The Division of Labor will post guidance and reference information related to the bill on its website, respond to questions from employers, and conduct investigations. The division will absorb these duties within existing appropriations, but, depending on the level of compliance among employers, may require additional resources, which will be requested as needed through the annual budget process.

By creating a new cause of action, the bill will increase the workload of the courts. The number of cases is expected to be modest and will be managed within existing Judicial Branch appropriations.

Other state agencies, including the Division of Civil Rights in the Department of Regulatory Agencies and the Division of Human Resources in the Department of Personnel and Administration, provide technical guidance and review cases where employment discrimination and similar violations are alleged. This bill will minimally increase workload for these agencies, which will be absorbed within existing resources.

**Departments Contacted**

Judicial  
Regulatory Agencies  
Revenue

Law  
Public Safety

Labor and Employment  
Personnel and Administration