

TO: The Honorable Members of the PA House Labor and Industry Committee

FROM: Alex Halper, SVP, Government Affairs

DATE: April 16, 2024

RE: Concerns with H.B. 2207 – Prohibiting credit reports

On behalf of the PA Chamber, I urge you to oppose H.B. 2207, prohibiting employers from obtaining credit reports, which the committee is scheduled to consider this week.

While credit reports are not typically a standard step in the application and hiring process, there are industries, positions and situations where they are important to making employment decisions, such as financial institutions and positions requiring security clearance. While the bill acknowledges this reality by providing certain exemptions, it also stipulates that the credit report cannot be the sole factor in the employment decision, which could render the exemptions ineffective. The bill also provides a private right of action, which means employers will have to choose between maintaining the integrity of their legitimate hiring policies or potentially facing meritless litigation.

We urge you to oppose this bill. Please contact Alex Halper at <u>ahalper@pachamber.org</u> or 717-645-8730 with questions or to discuss.