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FISCAL IMPACT REPORT

	ORIGINAL DATE	01/30/13	
SPONSOR <u>O'Neill</u>	LAST UPDATED	<u>03/11/13</u>	HB <u>128/aSJC/aSFl#1/</u>
SHORT TITLE <u>Prospective Employee Credit Privacy</u>			SB <u>aHBIC</u>
		ANALYST	<u>Aledo-Sandoval</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General's Office (AGO)

Workforce Solutions Department (WSD)

SUMMARY

Synopsis of HBIC Amendment

The House Business and Industry Committee amendment to Senate Bill 128 clarifies that credit information can be used to make a decision to recruit or interview if the job requires a fiduciary responsibility to the employer, including the authority to issue payments, collect debts, transfer money or enter into contracts. The HBIC amendment also adds a section stating that a person who claims to be harmed by a violation of this Act may bring a civil action in a court of competent jurisdiction to obtain injunctive relief or damages or both.

Synopsis of SFl #1 Amendment

The Senate Floor #1 amendment to Senate Bill 128 adds the following examples of financial service institution to the bill: insurance companies, agents, and adjusters.

Synopsis of SJC Amendment

The Senate Judiciary Committee amendment to Senate Bill 128 deletes the purpose statement from the act and redundant language. The amendment also adds that credit information can be used to make a decision to recruit or interview if the job requires a fiduciary responsibility to the employer.

Synopsis of Original Bill

Senate Bill 128 prohibits potential employers from taking into consideration a prospective employee's credit information when making decisions to recruit or deny an interview. The bill does allow for an exception to this when good credit information is an established bona fide occupational requirement of a particular position. The bill defines bona fide occupational requirement.

FISCAL IMPLICATIONS

According to the WSD, SB 128 will not have a fiscal impact.

SIGNIFICANT ISSUES

The WSD highlights that although the Human Rights Bureau at the WSD is tasked with processing employment discrimination charges, the Bureau's authority derives from the Human Rights Act. The Bill does not propose to amend the Human Rights Act, nor does it give the Bureau or any other division or bureau of the WSD authority to administer the proposed Act in any way.

The AGO state that the definition of "bona fide occupational" requirement is limited and does not take into account state security clearance issues or requirements.

ADMINISTRATIVE IMPLICATIONS

The AGO notes that enforcement of this law may be difficult and that a penalty for violation is not included.

MAS/blm:svb