

July 11, 2019

The Honorable Maxine Waters
Chairwoman
U.S. House Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Patrick McHenry
Ranking Member
U.S. House Committee on Financial Services
4340 O'Neill House Office Building
Washington, D.C. 20024

Dear Chairwoman Waters and Ranking Member McHenry:

H.R. 3614, the Restricting Credit Checks for Employment Decisions Act, cites Society for Human Resource Management (SHRM) data as justification for prohibiting the use of credit checks for private employers. However, the data cited suggests certain employers are utilizing these protective measures impacting work, workers and the workplace to create better workplaces for both employers and employees.

SHRM believes employers must have the ability to enact policies and procedures that best meet the needs of their individual organizations. As such, SHRM opposes H.R. 3614 because it prohibits the use of credit checks for private employers to evaluate candidates being considered for a job even though the Fair Credit Reporting Act requires an employee to provide consent.

As an effective practice, SHRM data indicates that employers primarily use credit checks for certain applicants seeking employment in either financial, security, or fiduciary roles within an organization. This layer of protection reduces organizational exposure to financial losses and legal liability, while protecting the security of customer and company information.

SHRM looks forward to working with members of the Committee to find a bipartisan solution to this issue.

Sincerely,



Johnny C. Taylor, Jr., SHRM-SCP
President & CEO

CC: U.S. House Committee on Financial Services