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Testimony before the

U.S. HOUSE COMMITTEE ON FINANCIAL SERVICES
SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER CREDIT

regarding

"Legislative Hearing on H.R. 3149, the Equal Employment for All Act"

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Testimony of Chi Chi Wu, National Consumer Law Center
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Mr. Chairman, Ranking Member Hensarling, and Members of the Subcommittee, the National Consumer Law Center thanks you for inviting us to testify today regarding H.R. 3149, the Equal Employment for All Act. We offer our testimony here on behalf of our low income clients.[1]

We wish to thank Chairman Gutierrez and Representative Cohen for their introduction of H.R. 3149, the Equal Employment for All Act, which we strongly support. The use of credit reports in employment is a growing practice that is harmful and unfair to American workers. Despite many good reasons to avoid engaging in this practice, more than half of employers (60%) do so today,[2] a dramatic increase from only 19% in 1996.[3]

It is because of the harms, as well as the absurdities of this practice, that we strongly support H.R. 3149. This bill would restrict the use of credit reports in employment to only those positions for which it is truly warranted, such as those requiring a national security or FDIC mandated clearance.

We oppose the unfettered use of credit histories and support H.R. 3149, for the following reasons:

- **Credit checks create a fundamental "Catch-22" for job applicants.**

- **Use of credit checks in hiring could prevent economic recovery for millions of Americans.**

1 The National Consumer Law Center is a nonprofit organization specializing in consumer issues on behalf of low-income people. We work with thousands of legal services, government and private attorneys, as well as community groups and organizations, from all states who represent low-income and elderly individuals on consumer issues. As a result of our daily contact with these advocates, we have seen many examples of the damage wrought by inaccurate credit reporting from every part of the nation. It is from this vantage point – many years of observing the problems created by incorrect credit reporting in our communities – that we supply these comments. *Fair Credit Reporting* (6th ed. 2006) is one of the eighteen practice treatises that NCLC publishes and annually supplements. This testimony was written by Chi Chi Wu, co-author of that treatise, with assistance from Nat Lippert of UNITE HERE.
2 Society for Human Resource Management, *Background Checking: Conducting Credit Background Checks*, Jan. 22, 2010, at http://www.shrm.org/Research/SurveyFindings/Articles/Pages/BackgroundChecking.aspx.
3 Matt Fellowes, *Credit Scores, Reports, and Getting Ahead in America*, Brookings Institution, May 2006 at n.3 (citing 1996 data from the Society for Human Resource Management).

- **The use of credit in hiring discriminates against African American and Latino job applicants.**

- **Credit history does not predict job performance.**

- **Credit reports suffer from unacceptable rates of inaccuracy, especially for a purpose as important as use in employment.**

Fundamentally, the issue at stake is whether workers are fairly judged based on their ability to perform a job or whether they're discriminated against because of their credit history. Eighteen states and the District of Columbia have recently considered legislation to restrict this practice.[4] Despite the lobbying efforts of the credit reporting industry, Oregon (S.B. 1045) and Illinois (H.B. 4658) recently enacted laws similar to H.R. 3149, and other states are on their way to doing the same.

I. Considering Credit Histories in Hiring Creates an Absurd "Catch-22" for Job Applicants

A simple reason to oppose the use of credit history for job applications is the sheer, profound absurdity of the practice. Using credit history creates a grotesque conundrum. Simply put, a worker who loses her job is likely fall behind on paying her bills due to lack of income. With the increasing use of credit reports, this worker now finds herself shut out of the job market because she's behind on her bills. As one law professor at the University of Illinois puts it "You can't re-establish your credit if you can't get a job, and you can't get a job if you've got bad credit."[5]

Some commentators have even said the use of credit reports to screen job applicants leads to a "financial death spiral: the worse their debts, the harder it is to get a job to pay them off."[6] This phenomenon has created concerns that the unemployed and debt-ridden could form a luckless class. It could affect future generations, as workers with impaired credit continue to struggle financially and cannot build assets to move ahead. These workers move further and further behind, while workers with good credit histories can get the best jobs, the best credit and the best insurance rates. Use of credit reporting in employment could contribute to the widening gap between haves and have-nots.

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4 For a useful listing of state legislation on this issue, please visit the website set up by the National Conference of State Legislatures: <http://www.ncsl.org/IssuesResearch/BankingInsuranceFinancialServices/UseofCreditInformationinEmployment2010Legis/tabid/19825/Default.aspx>

5 Jonathan D. Glater, *Another Hurdle for the Jobless: Credit Inquiries*, New York Times, Aug. 6, 2009, available at http://www.nytimes.com/2009/08/07/business/07credit.html?pagewanted=all (quoting Professor Matthew W. Finkin).

6 *Id.*

II. Use of Credit Histories in Hiring Hampers Economic Recovery for Millions of American Workers

The use of credit history for job applicants is especially absurd in the midst of the Great Recession. Massive job losses, resulting in an unemployment rate of 9.6%, translate into nearly 15 million workers who are searching for employment.[7] These aren't the only workers economically burdened by the recession. The Pew Research Center has found that, since the recession began, more than half of adults in the U.S. say they have either been unemployed, taken a pay cut, had their work hours reduced or have become involuntary part-time workers.[8]

Many of these workers have suffered damage from their credit reports because of unemployment or underemployment, for the reasons discussed in Section I. The use of credit histories presents yet another barrier for their economic recovery – representing the proverbial practice of "kicking someone when they are down" for millions of job seekers. The Great Recession is exactly the wrong time to be permitting this unfair - and as discussed below, inaccurate - practice.

Furthermore, the Great Recession has seen additional damage to worker's credit histories from foreclosures, slashed credit lines on credit cards, and other fallout from the economic crisis. Between unemployment and these other factors, credit scores have plummeted. The credit scoring developer FICO reports that over one-quarter of consumers have credit scores under 600,[9] considered a poor score, as opposed to only 15% of the population before the Great Recession.[10] That means that one-quarter of American workers are at risk of losing out on a job – or even being fired – over their credit histories.

Passing H.R. 3149 isn't just the right thing to do – it's an economic recovery measure, one that will not require any additional funding by the federal government.

III. Use Of Credit History In Hiring Discriminates Against African American And Latino Job Applicants.

There is no question that African American and Latino applicants fare worse than white applicants when credit histories are considered for job applications. For one thing, these groups are already disproportionately affected by predatory credit practices, such as the marketing of subprime mortgages and overpriced auto loans targeted at these

7 Bureau of Labor Statistics, *Employment Situation Summary*, USDL-10-1212, Sept. 3, 2010, *available at* http://www.bls.gov/news.release/empsit.nr0.htm.
8 Paul Taylor, et al., Pew Research Center's Social and Demographic Trends Project, *How the Great Recession Has Changed Life in America: A Balance Sheet at 30 Months*, June 30, 2010, *available at* http://pewsocialtrends.org/pubs/759/how-the-great-recession-has-changed-life-in-america.
9 FICO Press Release, *FICO Scores Drift Down as Economic Factors Weigh on Consumer Credit Risk*, July 13, 2010, *available at* http://www.fico.com/en/Company/News/Pages/07-13-10.aspx
10 Eileen Connelly, *More Americans' Credit Scores Sink to New Lows*, Associated Press, July 12, 2010.

populations.[11] As a result, these groups have suffered higher foreclosure rates.[12] African Americans and Latinos also suffer from disparities in health outcomes, and as discussed in Section IV of this testimony, health care bills are another source of black marks on credit reports.

Furthermore, African Americans and Latinos have markedly higher rates of unemployment. While the unemployment rate for whites was 8.7% in August 2010, it was 16.3% for African Americans and 12% for Latinos.[13] As discussed above, the simple fact of being unemployed is likely to harm an applicant's credit history because of the loss of income with which to pay bills.

In addition, numerous studies have documented how, as a group, African Americans and Latinos have lower credit scores than whites. If credit scores are supposed to be an accurate translation of a consumer's credit report and creditworthiness, that means these groups will fare worse when credit history is considered in employment. Studies showing racial disparities in credit scoring include:

- A 2007 Federal Reserve Board report to Congress on credit scoring and racial disparities, which was mandated by the 2003 Fair and Accurate Credit Transactions Act of 2003 (FACTA), amending the Fair Credit Reporting Act (FCRA).[14] This study analyzed 300,000 credit files matched with Social Security records to provide racial and demographic information. While the Federal Reserve's ultimate conclusion was to support credit scoring, its study found significant racial disparities. In one of the two models used by the Federal Reserve, the mean score of African Americans was approximately half that of white non-Hispanics (54.0 out of 100 for white non-Hispanics versus 25.6 for African Americans) with Hispanics fairing only slightly better (38.2).[15]

- A 2007 study by the Federal Trade Commission on racial disparities in the use of credit scores for auto insurance, also mandated by the 2003 FACTA amendments.[16] The FTC study found substantial racial disparities, with African Americans and Hispanics strongly over-represented in the lowest scoring categories.[17]

- A 2006 study from the Brookings Institution which found that counties with high minority populations are more likely to have lower average credit scores than

11 *See* National Consumer Law Center, Credit Discrimination, §§ 1.1.1 and 8.4.2 (5th ed. 2009) (summarizing studies).
12 United for a Fair Economy, *Foreclosed: State of the Dream 20008* (January 2008).
13 Bureau of Labor Statistics, *Employment Situation Summary*, USDL-10-1212, Sept. 3, 2010, *available at* http://www.bls.gov/news.release/empsit.nr0.htm.
14 Pub. L. No. 108-159, § 215 (2003).
15 Board of Governors of the Federal Reserve System, *Report to the Congress on Credit Scoring and Its Effects on the Availability and Affordability of Credit* 80-81 (Aug. 2007).
16 Pub. L. No. 108-159, § 215 (2003).
17 Federal Trade Commission, *Credit-Based Insurance Scores: Impacts on Consumers of Automobile Insurance* 3 (July 2007).

predominately white counties.[18] In the counties with a very low typical score (scores of 560 to 619), Brookings found that about 19% of the population is Hispanic and another 28% is African American. On the other hand, the counties that have higher typical credit scores tend to be essentially all-white counties.

- A 2004 study by Federal Reserve researchers finding that fewer than 40% of consumers who lived in high-minority neighborhoods had credit scores over 701, while nearly 70% of consumers who lived in mostly white neighborhoods had scores over 701.[19]

- A 2004 study published by Harvard's Joint Center for Housing Studies finding that the median credit score for whites in 2001 was 738, but the median credit score for African Americans was 676 and for Hispanics was 670.[20]

- A 2004 study conducted by the Texas Department of Insurance on insurance scoring finding that African-American and Hispanic consumers constituted over 60% of the consumers having the worst credit scores but less than 10% of the consumers having the best scores.[21]

- A 1997 analysis by Fair Isaac itself showing that consumers living in minority neighborhoods had lower overall credit scores.[22]

- A 1996 Freddie Mac study which found that African-Americans were three times as likely to have FICO scores below 620 as whites. The same study showed that Hispanics are twice as likely as whites to have FICO scores under 620.[23]

Based on this disparity, the Equal Employment Opportunity Commission has repeatedly expressed concern that the use of credit histories in the hiring process could violate Title VII of the Civil Rights Act.[24] The EEOC has sued one company over its use of credit checks[25] and has suggested that it may issue formal guidance on the practice.

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18 Matt Fellowes, Brookings Inst., *Credit Scores, Reports, and Getting Ahead in America* 9-10 (May 2006).

19 Robert B. Avery, Paul S. Calem, & Glenn B. Canner, *Credit Report Accuracy and Access to Credit,* Federal Reserve Bulletin (Summer 2004).

20 Raphael W. Bostic, Paul S. Calem, & Susan M. Wachter, Joint Ctr. for Hous. Studies of Harvard Univ., *Hitting the Wall: Credit As an Impediment to Homeownership* (Feb. 2004).

21 Tex. Dep't of Ins., *Report to the 79th Legislature--Use of Credit Information by Insurers in Texas* (Dec. 30, 2004).

22 Fair, Isaac & Co., *The Effectiveness of Scoring on Low-to-Moderate Income and High-Minority Area Populations* 22, Fig. 9 (Aug. 1997).

23 *See* Freddie Mac, *Automated Underwriting: Making Mortgage Lending Simpler and Fairer for America's Families* (Sept. 1996), *available at* www.freddiemac.com/corporate/reports/moseley/mosehome.htm.

24 *See* Dianna B. Johnston, Assistant Legal Counsel, EEOC Informal Discussion Letter re Title VII: Employer Use of Credit Checks, Mar. 9, 2010, *available at* http://www.eeoc.gov/eeoc/foia/letters/2010/titlevii-employer-creditck.html. *See also* EEOC, Pre-Employment Inquiries and Credit Rating or Economic Status, undated, *available at*

IV. Credit History is Not a Valid Predictor of Job Performance

Credit reports were designed to predict the likelihood that a consumer will make payments on a loan, not whether he would steal or behave irresponsibly in the workplace. There is no evidence showing that people with weak credit are more likely to be bad employees or to steal from their bosses. The sole study on this issue, presented to the American Psychological Association in 2003, concluded there is no correlation between credit history and an employee's job performance.[26]

Regulators agree with the conclusion that there is no correlation between credit history and an employee's job performance. Dianna Johnston, assistant legal counsel to the Equal Employment Opportunity Commission, has stated: "Employers seem to be assuming that somebody with a poor credit history is more likely to steal, and I don't think there's any kind of evidence that supports that.[27]

Even TransUnion's representative on this issue, Eric Rosenberg, admitted at a legislative hearing in Oregon: "At this point we don't have any research to show any statistical correlation between what's in somebody's credit report and their job performance or their likelihood to commit fraud."[28] This is significant, as TransUnion has been the credit bureau that has led efforts against legislation restricting the use of credit reports in a number of states.[29]

Opponents to H.R. 3149 have tried to link credit history to job performance by citing an Association of Certified Fraud Examiners report noting that two warning signs exhibited by some fraudsters were living beyond their financial means or experiencing financial difficulties.[30] However, while some fraudsters may have had financial difficulties, it is a far cry to say that any worker with financial difficulties has a propensity to be a thief. This conclusion would imply that 25% of American workers are likely thieves. Note that the same study found that men are responsible for twice as much in fraud losses than women; that fraud from workers over 50 resulted in losses twice as high as fraud by younger workers; and another significant warning sign for fraud is

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http://www.eeoc.gov/laws/practices/inquiries_credit.cfm; EEOC, *E-RACE Goals and Objectives*, at http://www.eeoc.gov/eeoc/initiatives/e-race/goals.cfm.

25 Complaint, EEOC v. Freeman, Case No.8:09-cv-02573-RWT (D. Md. Sept. 30, 2009).

26 Jerry K. Palmer and Laura L. Koppes, *Further Investigation of Credit History as a Predictor of Employee Turnover*. Presentation to the American Psychological Society, 2003.

27 Ben Arnoldy, *The Spread of Credit Checks as a Civil Rights Issue*, Christian Science Monitor. January 18, 2007.

28 Andrew Martin, *As a Hiring Filter, Credit Checks Draw Questions*, New York Times, April 9, 2010, *available at* http://www.nytimes.com/2010/04/10/business/10credit.html.

29 *See, e.g.*, Press Release, *TransUnion Responds to Congressman Gutierrez's Town Hall Comments,* Aug. 30, 2010, at http://www.marketwire.com/press-release/TransUnion-Responds-to-Congressman-Gutierrezs-Town-Hall-Comments-1311567.htm.

30 *See Use of Credit Information Beyond Lending: Issues and Reform Proposals*: Hearing before the Subcomm. on Financial Inst. and Consumer Credit, House Comm. on Fin. Servs., 110th Congr. (2010) (statement of Stuart Pratt, president and CEO of the Consumer Data Industry Association).

divorce. Yet no one is suggesting screening out men, older workers, or divorced workers because they are supposedly prone to committing theft.

Furthermore, some of the most frequent users of credit checks in employment, such as healthcare/social service providers (18%) and manufacturing (11%), are not industries that handle large amounts of cash.[31] Why would employers need to check the credit histories of day care workers, administrative assistants, information technology workers, and nurses? Yet these are all jobs for which some employers have required credit checks.[32]

Opponents of restrictions on credit checks in employment also use a "sloppy credit, sloppy person" hypothesis to support the practice, arguing that a financial history is a good measure of an applicant's organization and responsibility. As one executive at an employment firm argued "[i]f you cannot organize your finances, how are you going to responsibly organize yourself for a company?"[33] The flaw in this hypothesis is that many people end up with a negative credit history for reasons they can't control. A consumer's financial problems reflected on a credit report may stem from, not irresponsibility, but because of a layoff, divorce, identity theft, or medical bills. A well-known Harvard study found that medical reasons cause about half of all bankruptcies in the U.S.[34]

Indeed, medical debt is a good example of why credit reports have nothing to do whether a worker is responsible or honest. Millions of Americans struggle with overwhelming medical debts because they do not have health insurance, or even when they have insurance. According to the Commonwealth Fund, medical debt plagued nearly 72 million working age adults in 2007.[35] Of those consumers, 28 million were contacted by a debt collector for unpaid medical bills, and thus had the potential of having their credit histories damaged.

Medical debt usually appears on a credit report as an entry by a debt collection agency, not by a hospital or healthcare provider. It is sometimes not readily identifiable as medical debt, especially given the FCRA's requirements to mask the identity of medically-related furnishers of information.[36]

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31 Society for Human Resource Management, *Background Checking: Conducting Credit Background Checks*, Jan. 22, 2010, at http://www.shrm.org/Research/SurveyFindings/Articles/Pages/BackgroundChecking.aspx.
32 *Id.*
33 Diane E. Lewis, *Qualification: Must Have a Good Credit History*, Boston Globe, September 5, 2006, at E1.
34 David U. Himmelstein, Elizabeth Warren, Deborah Thorne, & Steffie Woolhandler, *Illness and Injury as Contributors to Bankruptcy, Health Affairs--Web Exclusive*, Feb. 2, 2005, *available at* http://content.healthaffairs.org/cgi/reprint/hlthaff.w5.63v1.
35 M. M. Doty, S. R. Collins, S. D. Rustgi, and J. L. Kriss, *Seeing Red: The Growing Burden of Medical Bills and Debt Faced by U.S. Families*, The Commonwealth Fund, August 2008.
36 15 U.S.C. § 1681c(a)(6)(A).

These medical debt collection entries have an enormous and negative impact on the credit reports of American workers. The healthcare industry is the single biggest customer of the debt collection industry, constituting 42% of the collection market, versus only 29% for the banking & finance sector.[37] One stunning statistic from a 2003 Federal Reserve study is that over half of accounts reported by debt collectors and nearly one-fifth of lawsuits that show up as negative items on credit reports are for medical debts.[38] Moreover, often medical debts are sent to debt collectors for reasons completely out of the consumer's control, such as disputes between insurance companies and providers, or even the result of the provider's failure to properly bill the insurer. These problems can ruin a credit record; they should not be permitted to ruin a worker's chances of employment.

V. <u>Credit Reports Suffer from Rates of Inaccuracy that are Unacceptable for Use in Employment</u>.

As NCLC and many other consumer advocates have testified before, the credit reporting system suffers from high rates of inaccuracy. In addition, growing numbers of Americans have their credit reports horribly damaged from identity theft, predatory loans, or other abusive practices. Credit reports should be considered too unreliable to use as a critical (and sometimes determining) factor in whether a worker is able to obtain employment, especially in an environment where joblessness is so high and jobs are so scare. A consumer who has an error in her credit report might be able to later fix it[39] and reapply for credit, but if she loses a good job opportunity, it could doom her financially for months, harm her for years, or even affect her permanently. Very few employers will voluntarily hold up a hiring process for one or more months to allow an applicant to correct an error in a credit report.

In the hearings that led to the 2003 FACTA Amendments, Congress was presented study after study documenting errors in credit reports. For example, a study by the Consumer Federation of America and National Credit Reporting Association documented numerous serious errors and inconsistencies, such as the fact that 29% of credit files had a difference of 50 points or more between the highest and lowest credit scores from the three nationwide credit bureaus (*i.e.*, Equifax, Experian and TransUnion).[40] Members of Congress cited studies from U.S PIRG showing errors in 70% of credit reports, of which 25% were serious enough to cause a denial of credit.[41]

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37 *Our View on Bill Collectors: Firms Employ Questionable Techniques to Collect Debts*, USA Today, Sept. 13, 2010 (Sidebar "Unpaid Bills"), *available at* http://www.usatoday.com/news/opinion/editorials/2010-09-14-editorial14_ST_N.htm.

38 Robert Avery, Paul Calem, Glenn Canner, & Raphael Bostic, *An Overview of Consumer Data and Credit Reporting*, Fed. Reserve Bulletin, at 69 (Feb. 2003).

39 Even the ability of consumers to fix errors in their credit reports is questionable, given the automated and perfunctory nature of the credit bureaus' dispute resolutions systems. See Chi Chi Wu, National Consumer Law Center, *Automated Injustice: How a Mechanized Dispute System Frustrates Consumers Seeking to Fix Errors in Their Credit Reports,* January 2009.

40 *The Fair Credit Reporting Act and Issues Presented by Reauthorization of the Expiring Preemption Provisions: Hearing Before the Senate Committee on Banking, Housing, and Urban Affairs*, 108th Cong. 381 (2003)(statement of Stephen Brobeck, Executive Director, Consumer Federation of America).

41 *Id.* at 351 (statement of Senator Paul S. Sarbanes).

This level of inaccuracy continues after the 2003 FACTA amendments. An on-line survey by Zogby Interactive found that 37% of consumers who ordered their credit report discovered an error, and 50% of those were not easily able to correct the error.[42] A 2004 study by U.S. PIRG showed no improvement, finding that 25% of credit reports studied still contained serious errors.[43] Even the Consumer Data Industry Association (CDIA) has admitted that, out of 57.4 million consumers who ordered their own credit reports in 2003, 12.5 million (or 21.8%) filed a dispute that resulted in an investigation.[44]

As a result of the FACTA debates, the FTC was required to undertake a comprehensive study of errors in credit reports. The FTC is in the midst of this study. In the pilot phase of the study, 53% (16 out of 30) of consumers found an error in their credit reports. Sixteen percent of the consumers found errors that either would have likely had a material effect on their credit score (3 out of 30), or the effect was uncertain (2 out of 30).[45] In the second phase of the study, 31% of participants (40 of 128) found errors in the credit reports, and 12% (15 of 128) found errors that would have a material effect on their credit scores.[46] Note that the FTC has admitted that both of these studies were significantly skewed toward consumers with higher scores, who are less likely to have errors in their credit reports. For example, half of those consumers with a credit score under 610 had a material error but no consumer with a credit score over 790 had a material error. The second study was also skewed to consumers with higher income households (with 34% having incomes over $100,000) and college graduates (66%).[47]

The industry has attempted to rebut these statistics by claiming that fewer than 3% of credit reports are inaccurate; however, it reached this statistic by counting only those credit reports in which the consumer: (1) was denied credit; (2) requested a copy of their credit report; (3) filed a dispute; and (4) the dispute resulted in a reversal of the original decision to deny credit.[48] Thus, the industry's statistic did not include inaccuracies in the credit reports of consumers who did not apply for or were denied credit, had not filed a dispute, or who did not seek a reversal of the original denial of credit.

Error rates of 12% to 37% are simply too high to allow use of credit reports as a screening tool. Americans should not be put at risk of being shut out of the job market by

42 Zogby Interactive, *Most Americans Fear Identity Theft*, Zogby's American Consumer, April 2007, at 3.
43 Nat'l Ass'n of State PIRGs, *Mistakes Do Happen: A Look at Errors in Consumer Credit Reports* 11 (2004).
44 Federal Trade Commission and Federal Reserve Board, *Report to Congress on the Fair Credit Reporting Act Dispute Process* (Aug. 2006), at 12.
45 Federal Trade Commission, *Report to Congress Under Section 319 of the Fair and Accurate Credit Transactions Act of 2003* (December 2006), Appendix at 15.
46 Federal Trade Commission, *Report to Congress Under Section 319 of the Fair and Accurate Credit Transaction Act of 2003* (December 2008), at 2.
47 *Id.*
48 Federal Trade Commission, *Report to Congress Under Sections 318 and 319 of the Fair and Accurate Credit Transactions Act of 2003* (Dec. 2004), at 25, *available at* http://www.ftc.gov/reports/facta/041209factarpt.pdf (citing an Arthur Andersen study commissioned by the credit bureaus).

a system that is flawed enough to harm as many as 1 in 3 workers. Even if one were to use the industry's highly questionable statistic of 3%, that leaves over 6 million American workers in jeopardy of being denied employment on the basis of an inaccurate credit report. American workers deserve better.

Conclusion: Congress Should Pass H.R. 3149

TransUnion has stated in a legislative hearing that credit reports are the "de facto economic passport for every individual in this country, whether you like it or not."[49] Workers across the board have suffered wage cuts, layoffs and foreclosures during this economic crisis, all of which have impacted their credit history. As we work to rebuild our economy, we believe that hard work and dedication, not discriminatory and unreliable hiring tools such as credit reports, should be the economic passport for workers in the United States. Congress should act quickly to pass H.R. 3149, Equal Employment for All Act.

Thank you for the opportunity to testify, and I look forward to your questions

49 Statement of TransUnion Director of State Government Relations Eric Rosenberg before the Oregon Senate Commerce and Workforce Development Committee, February 8, 2010.