Honolulu, Hawaii

Agr:1 30

, 2009

RE:

H.B. No. 31

S.D. 1

C.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 31, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to protect individuals from discriminatory employment practices while protecting an employer's access to credit information under certain circumstances by:

- (1) Making it unlawful for an employer to refuse to hire or employ, or to bar or discharge from employment, or otherwise discriminate against any individual because of an individual's credit history or credit report;
- (2) Requiring any inquiry into and consideration of a prospective employee's credit history or credit report to take place only after the prospective employee has received a conditional offer of employment; and

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- (3) Excluding the following from the prohibition against refusal to hire or employ, barring or terminating from employment, or otherwise discriminating on the basis of credit history:
  - (A) Employers who are expressly permitted or required to inquire into an individual's credit history for employment purposes pursuant to any federal or state law;
  - (B) Managerial or supervisory employees; and
  - (C) Employers that are financial institutions in which deposits are insured by a federal agency having jurisdiction over the financial institution.

While your Committee on Conference supports a worker's right to confidentiality of their credit history or record, it also recognizes that there may be limited instances where an employer may require the information in a credit report or history. This bill provides the balance between workers' rights and employers' needs by limiting the use of the information to situations that directly relate to an individual's bona fide occupational qualification, while continuing to allow access by employers to credit history information under certain circumstances.

Your Committee on Conference has amended this bill by:

- (1) Changing its effective date to July 1, 2009; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 31, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 31, S.D. 1, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

MATSU,

DWIGHT Y. TAKAMINE, Chair

KARL RHOADS, Co-Chair

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## CCR31

## Hawaii State Legislature

## Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: HB 31, SD 1					Date/Time: April 29, 2009 3:25 p.m.				
The recommendation of the House and Senate managers is to pass with amendments (CD).									
The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure				The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.					
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	È
TAKAMINE, Dwight Y., Chr.	×				RHOADS, Karl, Co-Chr.	X			
HEE, Clayton				X	WAKAI, Glenn, Co-Chr.	X			
TANIGUCHI, Brian T.	Х				KARAMATSU, Jon Riki, Co-Chr.				又
					PINE, Kymberly Marcos	X			
					***************************************				
TOTAL	2	0	0	1	TOTAL	3	0	0	-
A = Aye $WR = Aye$ with Reservations $N = Nay$ $E = Excused$									
Senate Recommendation is:					House Recommendation is:				
Adopted Not Adopted					Adopted Not Adopted				
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
<b>Distribution:</b> Original File with Conference Con	Yellow Pink ouse Clerk's Office Senate Clerk's Office	L	Golde Grafting		су				