

REFERENCE TITLE: consumer reports; issuance; employment purposes

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SB 1615

Introduced by
Senator Aboud; Representatives Gallardo: Lopez, Prezelski

AN ACT

AMENDING SECTION 44-1692, ARIZONA REVISED STATUTES; RELATING TO CONSUMER REPORTING AGENCIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 44-1692, Arizona Revised Statutes, is amended to
3 read:

4 44-1692. Permissible use of consumer reports

5 A. Except as provided in section 44-1693, a consumer reporting agency
6 may furnish a consumer report only under the following circumstances and no
7 other:

8 1. In response to the order of a court having jurisdiction to issue
9 such an order.

10 2. In accordance with the written instructions of the consumer to whom
11 it relates.

12 3. To a person that it has reason to believe:

13 (a) Intends to use the information in connection with a credit
14 transaction involving the consumer on whom the information is to be furnished
15 and involving the extension of credit to, or review or collection of an
16 account of, the consumer.

17 (b) Intends to use the information for employment purposes.

18 (c) Intends to use the information in connection with the underwriting
19 of insurance involving the consumer.

20 (d) Intends to use the information in connection with a determination
21 of the consumer's eligibility for any license or other benefit granted by a
22 governmental instrumentality required by law to consider an applicant's
23 financial responsibility or status.

24 (e) Otherwise has a legitimate business need for the information in
25 connection with a business transaction involving the consumer.

26 4. On request by the department of economic security, its agent or
27 another agency administering a title IV-D program under the social security
28 act certifying that:

29 (a) The obligor mother or the obligor father has been determined to be
30 the parent of a child to whom a support obligation relates.

31 (b) The consumer report is needed to establish an obligor's capacity
32 to make support payments or to determine the appropriate amount of the
33 payments or for the purpose of setting an original support amount or
34 modifying an existing support order.

35 (c) The obligor has received at least ten days' advance notice, by
36 certified mail, at the last known address, by personal delivery or by
37 personal service that a consumer report will be requested.

38 (d) The consumer report shall be kept confidential and shall be used
39 only for the purposes described in subdivision (b) of this paragraph.

40 (e) The consumer report shall not be used in connection with any other
41 civil, administrative or criminal proceeding or for any other purpose.

42 B. The report furnished in subsection A of this section may be
43 provided by electronic or other means.

44 C. A PERSON MAY NOT OBTAIN A CONSUMER REPORT OR CAUSE A CONSUMER
45 REPORT TO BE OBTAINED FOR EMPLOYMENT PURPOSES WITH RESPECT TO ANY CONSUMER

1 WHO IS NOT AN EMPLOYEE AT THE TIME THE REPORT IS OBTAINED OR CAUSED TO BE
2 OBTAINED UNLESS EITHER:

3 1. A CLEAR AND CONSPICUOUS DISCLOSURE HAS BEEN MADE IN WRITING TO THE
4 CONSUMER BEFORE THE REPORT IS OBTAINED OR CAUSED TO BE OBTAINED THAT A
5 CONSUMER REPORT MAY BE OBTAINED FOR PURPOSES OF CONSIDERING THE CONSUMER FOR
6 EMPLOYMENT. THE DISCLOSURE MAY BE CONTAINED IN A WRITTEN STATEMENT CONTAINED
7 IN EMPLOYMENT APPLICATION MATERIALS.

8 2. THE CONSUMER AUTHORIZES THE OBTAINING OF THE REPORT.

9 D. A PERSON MAY NOT OBTAIN A CONSUMER REPORT OR CAUSE A CONSUMER
10 REPORT TO BE OBTAINED FOR EMPLOYMENT PURPOSES WITH RESPECT TO ANY EMPLOYEE
11 UNLESS THE EMPLOYEE HAS RECEIVED, AT ANY TIME AFTER THE PERSON BECAME AN
12 EMPLOYEE, WRITTEN NOTICE THAT CONSUMER REPORTS MAY BE USED FOR EMPLOYMENT
13 PURPOSES. A WRITTEN STATEMENT THAT CONSUMER REPORTS MAY BE USED FOR
14 EMPLOYMENT PURPOSES THAT IS CONTAINED IN EMPLOYEE GUIDELINES OR MANUALS
15 AVAILABLE TO EMPLOYEES OR INCLUDED IN WRITTEN MATERIALS PROVIDED TO EMPLOYEES
16 CONSTITUTES WRITTEN NOTICE FOR PURPOSES OF THIS SUBSECTION. THIS SUBSECTION
17 DOES NOT APPLY WITH RESPECT TO A CONSUMER REPORT OF AN EMPLOYEE WHO THE
18 EMPLOYER HAS REASONABLE CAUSE TO BELIEVE HAS ENGAGED IN SPECIFIC ACTIVITY
19 THAT CONSTITUTES A VIOLATION OF LAW.

20 E. IN USING A CONSUMER REPORT FOR EMPLOYMENT PURPOSES, BEFORE TAKING
21 ANY ADVERSE ACTION BASED IN WHOLE OR PART ON THE REPORT, A PERSON SHALL
22 PROVIDE TO THE CONSUMER TO WHOM THE REPORT RELATES ALL OF THE FOLLOWING:

23 1. THE NAME, ADDRESS AND TELEPHONE NUMBER OF THE CONSUMER REPORTING
24 AGENCY PROVIDING THE REPORT.

25 2. A DESCRIPTION OF THE CONSUMER'S RIGHTS UNDER THIS CHAPTER
26 PERTAINING TO CONSUMER REPORTS OBTAINED FOR EMPLOYMENT PURPOSES.

27 3. A REASONABLE OPPORTUNITY TO RESPOND TO ANY INFORMATION IN THE
28 REPORT THAT IS DISPUTED BY THE CONSUMER.