

NOTICE REGARDING CREDIT REPORT PURSUANT TO NEVADA LAW

Senate Bill 127 (SB 127) prohibits employers from conditioning employment on a consumer credit report or other credit information with few exceptions. Nevada SB 127 goes into effect on October 1, 2013.

Senate Bill 127 amends Chapter 613 of the Nevada Revised Statutes (NRS) that covers "Employment Practices" to make it unlawful for any employer in the state to:

- Directly or indirectly, require, request, suggest or cause any employee or prospective employee to submit a consumer credit report or other credit information as a condition of employment;
- Use, accept, refer to or inquire concerning a consumer credit report or other credit information;
- Discharge, discipline, discriminate against in any manner or deny employment or promotion to, or threaten to take any such action against any employee or prospective employee: (a) who refuses, declines or fails to submit a consumer credit report or other credit information; or (b) on the basis of the results of a consumer credit report or other credit information; or
- Discharge, discipline, discriminate against in any manner or deny employment or promotion to, or threaten to take any such action against any employee or prospective employee who has pursuant to the new law: (a) filed any complaint or instituted or caused to be instituted any legal proceeding; (b) testified or may testify in any legal proceeding instituted; or (c) exercised his or her rights, or has exercised on behalf of another person the rights afforded to him or her.

However, Senate Bill 127 does provide for exceptions where an employer may request or consider a consumer credit report or other credit information for employment purposes if:

- The employer is required or authorized, pursuant to state or federal law, to use a consumer credit report or other credit information for that purpose;
- The employer reasonably believes that the employee or prospective employee has engaged in specific activity which may constitute a violation of state or federal law; or
- The information contained in the consumer credit report or other credit information is "job related" or reasonably related to the position for which the employee or prospective employee is being evaluated for employment, promotion, reassignment or retention as an employee.

If an employer violates the new law, the Labor Commissioner may impose an administrative penalty against the employer of not more than \$9,000 for each violation.