



MASS WORKFORCE ASSOCIATION
ONE SYSTEM – ONE VOICE

July 21, 2023

The Honorable Patricia D. Jehlen & The Honorable Josh S. Cutler
Chairs, and Members of the Joint Committee on Labor and Workforce Development

RE: H1434/S1144: An Act reducing barriers to employment through credit discrimination, or the Fair Chance in Employment Act (FCEA)

Dear Chairs Jehlen & Cutler:

On behalf of the Massachusetts Workforce Association and our members from across the Commonwealth, we write to express our support for H1434/S1144, *An Act reducing barriers to employment through credit discrimination, or the Fair Chance in Employment Act (FCEA)*. This bill was reported out favorably in the 2021-2022 session.

The Massachusetts Workforce Association (MWA) is the voice for the Commonwealth's workforce development system, encompassing an array of partners and stakeholders, including the MassHire Career Centers and Workforce Boards. MWA provides a unified voice for the state's regionally-led workforce development system to ensure it is responsive to the dynamic demands of businesses, job seekers, incumbent workers, and youth throughout the Commonwealth.

Seventeen percent of Bay Staters have a debt in collections on their credit report—[rising to 31% in communities of color](#). No one in the Commonwealth should be denied a job simply because their credit report shows the financial hardship they have suffered. The FCEA will ensure that a credit report alone won't keep a worker from keeping their job or getting a job.

Credit reports should not be used in hiring decisions because they [do not predict job performance](#), [are often inaccurate](#), and [perpetuate historic racial inequities](#).

The FCEA stops employers from considering an employee or job applicant's credit report in making hiring or employment decisions. Specifically, it:

- Prevents an employer from considering an employee or job applicant's credit report in employment decisions, such as hiring, firing, promotion, demotion, discipline, or compensation.
- Makes it unlawful for an employer to ask an employee or job applicant about their credit report or about information regarding their credit history.
- Would allow an employer to use credit reports in making employment decisions where federal or state law or a self-regulatory financial organization requires it or where the position at hand requires national security clearance.
- For the limited subset of employees and job applicants who would still be subject to credit checks, there would be additional procedural protections.



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We ask that the Committee give a favorable report to H1434/S1144. Please don't hesitate to contact me at 617.872.4127 or rvaisanen@massworkforce.com with any additional questions.

Sincerely,

Raija Vaisanen
Executive Director
Massachusetts Workforce Association