

## **Illinois Credit Privacy Act**

by: Joette S. Doran

On August 10, 2010, Illinois Governor Pat Quinn signed into law the Illinois Credit Privacy Act (“ICPA”). The ICPA significantly limits Illinois employers’ ability to obtain any credit history information for employment applicants, as well as for current employees. Under the new Illinois law that takes effect January 1, 2011, employers cannot use credit history to determine whether to hire, fire or promote someone. If an employer is caught accessing such information, they can face legal action including civil liability for damages and injunctive relief. The ICPA applies to virtually all Illinois employers however some industries and positions are exempt including banks and financial institutions, insurance companies, state law enforcement units, state and local government agencies and debt collection agencies. Exemptions include positions that allow unsupervised access to more than \$2,500; signatory power over businesses assets of more than \$100; management and control of the business; access to personal, financial or confidential information, trade secrets, or state or national security information. Also, employers will still be able to conduct background checks on potential employees or current employees provided it does not contain any credit information. The ICPA does not prevent an employer from obtaining a background report or investigatory report from a consumer reporting agency, as allowed under the Fair Credit Reporting Act, as long as the report obtained does not include credit information. Further, if an employer is permitted to obtain credit information, no specific disclosures are required on any type of consent form. For additional employment information, please visit our web site at <http://www.joettedoran.com>.

*\*This article is not intended as legal advice. You should consult with an attorney for individual advice regarding your own situation.*

*MS. DORAN IS LICENSED IN ILLINOIS, ADMITTED TO ALL ILLINOIS FEDERAL COURTS AND THE UNITED STATES SUPREME COURT. SHE IS A MEMBER OF THE FEDERAL TRIAL BAR AND IS THE PAST CHAIRPERSON OF THE EMPLOYMENT LAW COMMITTEE FOR THE NORTHWEST SUBURBAN BAR ASSOCIATION, A PAST PRESIDENT OF BARRINGTON AREA PROFESSIONAL WOMEN AND A MEMBER OF THE NATIONAL EMPLOYMENT LAWYERS ASSOCIATION.*