A BILL TO BE ENTITLED
AN ACT
relating to the consideration by employers of the consumer credit
reports or other credit information of applicants for employment
who are recently returned veterans.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Chapter 52, Labor Code, is amended by adding
Subchapter H to read as follows:

SUBCHAPTER H. CONSIDERATION OF CONSUMER CREDIT REPORTS OF CERTAIN
VETERANS
Sec. 52.081. DEFINITIONS. In this subchapter:
(1) "Applicant" means a person who has made an oral or
written application with an employer, or has sent a resume or other
correspondence to an employer, indicating an interest in
employment.
(2) "Commission" means the Texas Workforce
Commission.
(3) "Consumer" means an individual whose credit
information is used or whose credit score is computed.
(4) "Consumer reporting agency" means any person that,
for monetary fees or dues or on a cooperative nonprofit basis,
regularly engages in the practice of assembling or evaluating
consumer credit information or other information on consumers for
the purpose of furnishing consumer reports to third parties.
(5) "Credit information" means any credit-related
information derived from a credit report or found in a credit report. The term does not include information that is not credit-related, regardless of whether that information is contained in a credit report.

(6) "Credit report" means any written, oral, or other communication of information by a consumer reporting agency that bears on a consumer's creditworthiness, credit standing, or credit capacity.

(7) "Employer" has the meaning assigned by Section 21.002.

(8) "Recently returned veteran" means a veteran who was honorably discharged not more than two years before the date of an employment application.

(9) "Veteran" has the meaning assigned by 38 U.S.C. Section 101(2).

Sec. A52.082. RULES. The commission may adopt rules as necessary to implement this subchapter.

Sec. A52.083. CONSIDERATION OF RECENTLY RETURNED VETERAN'S CREDIT INFORMATION PROHIBITED. In making an employment decision regarding an applicant who is a recently returned veteran, an employer may not consider the applicant's credit report or other credit information.

SECTION 2. This Act applies only to an adverse employment action that is taken by an employer against an applicant for employment on or after January 1, 2016. Action taken by an employer that occurs before January 1, 2016, is governed by the law in effect immediately before the effective date of this Act, and the former
law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2015.