



Cook County Restricts the Use of Credit History

THE BASICS

<i>Location</i>	Cook County, IL
<i>Legislation</i>	<u>Ordinance No. 15-3088</u>
<i>Type</i>	Credit History
<i>Effective</i>	Immediately

KEY TAKEAWAYS

- ✓ The law applies to any person employing (or seeking to employ) 1 or more employees if the person has its principal place of business within Cook County (or does business within Cook County).
- ✓ Employers must not inquire about or otherwise consider an applicant or employee's credit history in employment decisions.

Ordinance No. 15-3088 was approved by the Cook County Board of Commissioners on May 20, 2015, closely resembling existing laws already passed in Illinois and Chicago. **The Ordinance took effect immediately**, amending the County's Human Rights Ordinance to define how employers should, or rather should not, be considering credit history.

Which employers are affected?

The law applies to any person employing (or seeking to employ) 1 or more employees if the person has its principal place of business within Cook County (or does business within Cook County). It is important for all impacted employers to read this Act and discuss with their legal counsel how it impacts their organization.

What does the law prohibit?

Employers must not inquire about or otherwise consider an applicant or employee's credit history in employment decisions.

Are there any exceptions?

Yes. Certain positions and employers fall under the specified exemptions, many of which relate to financial assets or institutions.

The position must establish a "satisfactory bona fide occupational requirement" with one of the following circumstances:

- ✓ State or federal law requires bonding or other security covering an individual holding the position.
- ✓ Duties include custody of or unsupervised access to cash or marketable assets (as defined by the law) valued at \$2,500 or more.
- ✓ Managerial position which involves setting the direction or control of the business.
- ✓ Access to trade secrets or personal, confidential, financial, or state or national security information (as defined by the law).
- ✓ Meets criteria in administrative rules, if any, that the US or Illinois Department of Labor has put into effect to establish the circumstances in which a satisfactory credit history is a bona fide occupational requirement.
- ✓ Employee's credit history is otherwise required by or exempt under other applicable law.

The prohibitions also shall not apply to:

- ✓ Any bank or financial holding company, bank, savings bank, savings and loan association, credit union, or trust company (or any subsidiary or affiliate thereof) authorized to do business under US or Illinois laws;
- ✓ Any company authorized to engage in any kind of insurance or surety business under the Illinois Insurance Code (including employees and agents acting on behalf of such companies);
- ✓ Any municipal law enforcement, investigative unit, or municipal agency requiring use of credit history (including those specified by the law); and
- ✓ Any entity defined as a debt collector under federal, state, or county law.

Recommendations

We recommend you review, and discuss with your legal counsel, your organization's policies and procedures, including your company's application, criminal history questions and adverse action process to ensure compliance with the changing laws.

Contact Accurate Background

For additional questions relating to this legislation, please email resources@accuratebackground.com. For more information regarding recent Credit Restriction Laws in other states and jurisdictions, visit our [Legislative Updates](#) page.