

Mid-Year Compliance Review



With half of 2024 behind us, it is a great time to review your compliance policies. It's important to make sure your policies and procedures are in line with new and existing laws that govern your industry.

FCRA

The Fair Credit Reporting Act (FCRA) is a federal law which says:

Organizations must have a permissible purpose to run background checks on consumers. This is why you're asked to certify that you're using background check results for the permissible purpose of employment consideration.

Before running a background check, you must obtain signed disclosure and authorization forms. These documents confirm your candidate agrees to be the subject of a consumer report. You have the option of obtaining these documents yourselves or requesting that we obtain them directly from the applicant on your behalf.

Reporting Restrictions

Most states designate a specific reporting scope for criminal records with the most common timeline being 7 years from the date of disposition.

One of the many services we provide to you is keeping track of reporting restrictions and following reasonable procedures to ensure the data you receive is current, accurate and reportable. Our goal is to provide you with actionable data that empowers you to make informed decisions.



Second Chance Laws

From Ban the Box to Fair Chance Acts, hundreds of laws fall under the "second chance umbrella." These laws commonly include topics such as:

- Job advertisements may not include content which insinuates having any type of criminal record makes a person ineligible.
- Background checks are to be run after an interview or a conditional job offer is extended.
- Some non-violent convictions are eligible for expunction and in some cases are automatically expunged after a specified period.



Individualized Assessments

Individual assessments are also a type of second chance law that require employers to review every conviction included in a background check. This is rapidly becoming a best practice and typically includes considering:

- Whether the offense is relevant to the position being sought.
- How long ago the offense occurred.
- Any evidence of rehabilitation.

New Laws Of Note

Here are a few laws that go into effect in the latter part of 2024:

- Employers must use the Summary of Rights under the Fair Credit Report Act form, which is available in our Resource Center.
- Colorado's Clean Slate law created automatic expunction opportunities.
- Delaware's Clean Slate law will result in various juvenile records being expunged.
- New York's Clean Slate law allows certain misdemeanors and felonies to become eligible for expunction.
- Several states are legalizing medical and/or recreational marijuana use. These bills frequently create expunction opportunities.



Consult With Counsel

The laws that govern your business may vary depending on where you operate and where your employees live. We recommend consulting with counsel to ensure you're compliant with each state's unique regulations. It's equally important to document your compliance-related policies and make sure they are shared with everyone who is involved in the hiring process.

We're Your Partner

While we cannot and do not provide any legal advice, we are proud to be your partner and offer educational resources to help you navigate the world of background checks. If you have questions about screening, please contact us. Our friendly, experienced team is available to assist you Monday – Friday from 5am to 6pm PT.