

information in your consumer reports, and to ensure that each employer you provide with a consumer report is in fact using the report to screen employees.⁵ You also must obtain certification from employers that they provided clear written notice to the person whose report they are requesting and obtained that person's written consent to procure the report.⁶ Further, you must inform employers who obtain consumer reports from you about employer obligations under the FCRA.⁷ For example, you must tell employers that if they deny employment on the basis of the consumer reports you provide, they must provide the applicant with notice of that fact, along with information about the applicant's right to receive a free copy of his or her report from you, and to dispute information that the applicant believes is inaccurate. A model notice is available in 12 Code of Federal Regulations § 1022, Appendix N.

We also note that you have additional duties under the FCRA if you provide employers with public-record information that is likely to affect negatively a consumer's ability to obtain employment (e.g., arrests, indictments, criminal convictions, tax liens, or outstanding judgments). In these circumstances, you must directly notify the consumer that you are reporting the information to the employer and provide the consumer with the employer's contact information or you must maintain strict procedures designed to insure that the public-record information you provide is complete and up to date.⁸

At this time, we have not evaluated your company's practices to determine whether they comply with the FCRA. However, we encourage you to review your products and services, as well as your policies, employee-training, and other procedures for compliance. You may find the full text of the FCRA and more information about it on the FTC website at <http://business.ftc.gov/privacy-and-security/credit-reporting>.

The Commission reserves the right to take action against you based on past or future law violations; your practices also may be subject to laws enforced by other federal, state, or local law enforcement agencies. A violation of the FCRA may result in legal action by the FTC, in which it is entitled to seek injunctive relief and/or monetary penalties of up to \$3,500 per violation.⁹

If you have any questions, please call Laura Berger at (202) 326-2471 or Kristen Anderson at (202) 326-3209.

Sincerely,

Maneesha Mithal
Associate Director

⁵ See 15 U.S.C. § 1681e(a), (b).

⁶ See 15 U.S.C. § 1681b(b)(1)(A)(i), (b)(2)(A)(i)-(ii).

⁷ 15 U.S.C. § 1681e(d).

⁸ 15 U.S.C. § 1681k(a)(1)-(2). See also *In the Matter of Filiquarian Publishing, LLC.*, FTC File No. 112 3195 (May 1, 2013) (consent agreement for violations of the FCRA).

⁹ See, e.g., *U.S. v. Teletrack, Inc.*, Case No. 1:11-CV-2060 (N.D. Ga. June 27, 2011) (consent agreement for civil penalties of \$1.8 million for violations of the FCRA).