



FCRA


BACKGROUND SCREENING COMPLIANCE CHECKLIST

When running pre-employment background checks on candidates, it's important to remain compliant with Fair Credit Reporting Act (FCRA) requirements and state and local consumer reporting laws. The checklist below is a starting point to get you thinking about your obligations under the FCRA, but it isn't a complete list. You should always check with your legal counsel to make sure you are in compliance with all applicable laws. For more information on FCRA requirements, visit the Federal Trade Commission (FTC) site <https://www.ftc.gov/tips-advice/business-center/privacy-and-security/credit-reporting>.

Before You Start a Background Check

- Ensure equality** in your background screening by complying with federal, state, and local anti-discrimination laws. Keep in mind that anti-discrimination requirements are applicable both before conducting a background check and when using background check information. 
- Certify your **permissible purpose**. Each background check can only be used for [one purpose](#). Make sure you aren't "double-dipping" to avoid potentially serious consequences from the FTC.
-  **Notify the candidate** of your intent to use the background check for employment purposes. Make sure your disclosure is in a [stand-alone document](#) rather than combined with other forms.
- Screening can only happen if the candidate approves it. Make sure the candidate has provided **authorization, in writing**, for you to obtain the background check.

Adverse Action

- Give notice to the candidate before** you move forward with the decision not to hire them. Include a copy of the background check report and a copy of "A Summary of Your Rights Under the Fair Credit Reporting Act" for reference. 
- After you take adverse action**, the FCRA requires you to give the candidate-specific information, including but not limited to:
 - Notification the decision to take adverse action was based in whole, or in part, on information contained in the background report.
 - The screening company name, address & phone.
 - Notice of their right to dispute the completeness or accuracy of the information contained in the background report and to obtain a free copy of their report.

Recordkeeping & Disposal

- Don't toss** important documents! Keep employment documents, which may include applications of candidates that were not hired, for an appropriate period of time to meet any legal requirements you may have. Keep in mind, requirements to keep records may vary depending on your situation or location.
- When disposal becomes an option for old records, don't just throw them in the trash. **FTC regulations require [proper disposal](#)**, which might include burning or shredding paper copies and disposing of electronic information in a way that it can't be recovered.

Remember to **consult your legal counsel** before starting or making changes to your background screening program. This list is only intended to get you started in thinking about your legal requirements. Your legal advisors can steer you in the right direction to ensure you remain compliant with all applicable laws.

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