

Labor and Employment Alert: New Fair Credit Reporting Act Requirements

Related Attorneys

Michael C. Griffaton

Related Services

Labor and Employment

CLIENT ALERT | 9.20.2018

The federal Fair Credit Reporting Act (FCRA) sets forth requirements for employers who obtain criminal background checks (consumer reports in FCRA parlance) on applicants or employees from third parties (referred to as consumer reporting agencies). The FCRA requires that employers follow certain procedures before obtaining a background check, and then follow additional procedures if the employer decides to take adverse action (e.g., not hiring an applicant) based on the results of that background check. One such procedure is that, before taking adverse action, the employer must provide the applicant or employee with a copy of the FCRA Summary of Rights.

An **updated** FCRA Summary of Rights was issued along with an interim final rule on September 12, 2018, by the Consumer Financial Protection Bureau, the federal agency responsible for oversight of the FCRA. This updated form includes, among other things, new language regarding an individual's right to a free "security freeze." The bureau provided very little time for employers to implement this new requirement. Employers and consumer reporting agencies must start using the updated FCRA Summary of Rights on **September 21, 2018**. The updated FCRA Summary of Rights form can be found here: **[FCRA Summary of Rights](#)**.

Contact your Vorys lawyer if you have questions about background checks or FCRA compliance.