

News and Legislation Relating to Employment and Background Checks**Federal News and Legislation:****Background Checks**

- On May 21st, International Coffee Bean & Tea LLC (Coffee Bean) removed to federal district court a proposed class action alleging violations of the Fair Credit Reporting Act (FCRA) for failing to adequately inform prospective employees about its background check policies, including the procurement of consumer reports. According to the complaint filed April 10th, the plaintiff had been working for Coffee Bean as a barista when she applied for a promotion in October 2011. The complaint states that, as part of the application, Coffee Bean conducted a background check on the plaintiff, which included obtaining her consumer report without notifying the plaintiff or obtaining her consent. Coffee Bean, according to the plaintiff, “has a policy and practice of failing to provide adequate written disclosures to applicants and employees, before procuring consumer reports or causing consumer reports to be procured.” The plaintiff seeks to represent a class of prospective employees who applied to Coffee Bean within the past two years and did not receive proper disclosure by the company to obtain their credit report.
(*Miceli v. International Coffee & Tea LLC*, No. 2:15-cv-03865 (C.D. Cal., May 21, 2015).)
- On May 18th, plaintiffs filed a proposed class action against Dollar Tree Stores, Inc. (Dollar Tree) for allegedly violating the Fair Credit Reporting Act (FCRA) by failing to adequately inform prospective employees about their background check procedure for obtaining consumer reports. According to the complaint, Dollar Tree failed to properly disclose in a separate document that it would obtain prospective employees’ consumer reports as part of their background checks. The complaint states that the absence of a single document, solely for the purpose of procuring consumer reports is a violation of the FCRA and “flies in the face of unambiguous case law and regulatory guidance from the FTC.”
(*Walker v. Dollar Tree Stores, Inc.*, No. 8:15-cv-01170 (M.D. Fla., May 18, 2015).)

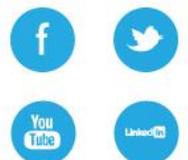
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- On May 18th, the Consumer Financial Protection Bureau (CFPB) published a blog post entitled, “Consumer Advisory: Fact-check Your Specialty Consumer Report.” In the post, the CFPB informs consumers that the big three consumer reporting agencies are not the only consumer reporting agencies that “collect and sell [consumer] personal data.” According to the CFPB, “specialty consumer reporting agencies, compile and sell reports with all kinds of personal data including, but not limited to, the history of your employment, rental, banking, lending, insurance, and criminal background.” The CFPB’s post includes a list of consumer reporting agencies, “so [consumers] can fact-check them to ensure [their] personal report data is accurate and complete.”
(<http://www.consumerfinance.gov/blog/consumer-advisory-fact-check-your-specialty-consumer-report/>)

State News and Legislation:

- On May 22nd, *Penlive.com* reported that a Pennsylvania state lawmaker is “pushing to waive background check fees for volunteers.” According to the article, people are “complain[ing] about the cost associated with obtaining...criminal background checks and child abuse clearance[s]. They also fear that its application to volunteers will diminish the supply of this unpaid help.” As a result Rep. Dan Moul (R-Gettysburg) is “pushing hard for the Legislature to act in the first or second week of June to amend the law to address complaints that have been raised.” Possible modifications to the current law, according to Moul, as reported by *Penlive*, could be to:
 - Reduce the “pool of people who must obtain criminal history and child abuse clearances”;
 - Waive the fee for volunteers to obtain those credentials; or
 - Lessen the frequency of the need to obtain federal criminal history checks.(http://www.pennlive.com/midstate/index.ssf/2015/05/lawmaker_pushing_to_waive_bac_k.html).

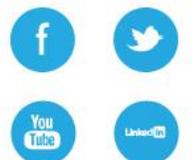
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