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### **Adverse Action Process Timeline Summary\***

This overview of the Fair Credit Reporting Act (FCRA) Pre-adverse Action and Adverse Action process addresses requirements related to the employment background checking notification process and is provided only as general guidance. It is neither intended as legal advice nor as a sole educational tool for the employer's staff. You, as the employer, retain the responsibility to understand the FCRA and implementing a system that provides compliance. Because the information contained herein is provides a summary of the process and is neither complete nor necessarily applicable to your specific set of facts or circumstances, please consult your legal counsel for additional guidance.

-Consumer report graded by employer.

-Pre-adverse Action information sent to applicant. (Recommend minimum of 10 days for applicant to dispute findings). (There is an FTC opinion letter that deems 5 days as reasonable, but it will depend upon your circumstances).

Includes:

- “Notice of Pre-Adverse Action letter”
- Copy of consumer report (background check)
- Copy of “Summary of your rights under the Fair Credit Reporting Act”

#### If applicant **DOES NOT** dispute findings:

-Adverse Action information sent to applicant

Includes:

- “Notice of Adverse Action Letter” Written, oral or electronic format
- Advise applicant they are not being appointed or hired (or promoted) because of information in the consumer report.
- Advise applicant of their right to dispute the accuracy or completeness of the report.
- Provide name/address/phone number of the reporting party.
- Advise applicant of their right to obtain a free copy of the report within 60 days of the adverse action and to dispute the accuracy or completeness of the report.
- Copy of consumer report (background check)
- Copy of “Summary of your rights under the Fair Credit Reporting Act”

#### If applicant **DOES** dispute findings:

-Receive notice of dispute from applicant.

-Must conduct a reasonable reinvestigation to determine if disputed information is inaccurate/incomplete and record the status of the disputed information or delete the item from the file **BEFORE THE END OF A 30-DAY PERIOD** beginning on the date that Employer’s Investigative Services received the dispute.

-30 day period may be extended for 15 days if information received if relevant information regarding the reinvestigation is obtained from the applicant/employee.

\*State exemption in Maine: reinvestigation to be completed before end of 21-day period.



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-Prompt notice of dispute to furnisher of information before the end of a 5-business day period.

Notice of results of investigation:

-Provide written notice by mail to the applicant/employee within 5 business days after the completion of the reinvestigation.

-Provide updated information regarding the reinvestigation including but not limited to:

-Completion of reinvestigation statement

-Copy of revised consumer report

-Notice of availability of a description of the procedure used to determine the completeness and accuracy of the information.

-Notice that the consumer has the right to add a statement to the file disputing the accuracy or completeness of the information.

-Notice of consumer right to request notification of deletion to all persons who received the report for employment purposes within the past 2-years.

-Additional notifications as needed including but not limited to:

“Notice to Consumer Regarding Correction or Deletion of Disputed Information in Report”

“Notice to Consumer Regarding Reinsertion of Information in File”

“Notice to Consumer Regarding Termination of Reinvestigation”

“Notice to Consumer Regarding Inability to Resolve A Dispute”

Upon completion of reinvestigation and final determination:

-Adverse Action information sent to applicant.

Includes:

-“Notice of Adverse Action Letter” Written, oral or electronic format

-Advise applicant they are not being appointed or hired (or promoted) because of information in the consumer report.

-Advise applicant of their right to dispute the accuracy or completeness of the report.

-Provide name/address/phone number of the reporting party.

-Advise applicant of their right to obtain a free copy of the report within 60 days of the adverse action and to dispute the accuracy or completeness of the report

-Copy of consumer report (background check)

-Copy of “Summary of your rights under the Fair Credit Reporting Act”



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\*This summary is provided as a general overview and timeline for the pre-adverse action and adverse action notification process and is not intended to provide all detail of the complete F.C.R.A. requirements or any state specific requirements and/or exceptions. In most instances the process can be completed in a shorter period of time than the regulations allow. Please consult your legal counsel for what methods are appropriate for your business and how to comply with all regulations.