

# Unlocking Our Housing Futures: Tenant Screening and Fair Housing

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Presented by:

**Natasha Duarte**, Project Director, Upturn

**Mariah de Leon**, Research Associate, Upturn

**Rasheedah Phillips**, Director of Housing,  
PolicyLink

**Jasmine Rangel**, Senior Associate, PolicyLink



# Welcome!



## Agenda:

- Overview of tenant screening and fair housing issues
- Top issues in tenant screening
- Introduction to the CFPB/FTC RFI & How to comment
- Q & A



# Overview: Tenant Screening and Fair Housing



## What is tenant screening? How is it used?

- **Tenant Screening:** The background checks that landlords use during the housing application process
  - Typically includes: financial, criminal, and rental history
  - Any blemish from the past has lasting effects on someone's accessibility to dignified, affordable housing
- Unknown screening criteria, time for approval/denial or disputes = **increased challenges accessing housing for tenants**

# What is tenant screening?

- **How does tenant screening happen?**
  - Third-party tenant screening companies\*
  - Open-access repositories of an individual's information\*
- **Regulations from Fair Credit Reporting Act (FCRA)**

\*Substantial Inaccuracies

**IMPORTANT NOTE:** Research has shown that these processes are ineffective at predicting successful tenancy. (Malone 2015, Warren 2019)

# Tenant Screening Issues are Fair Housing Issues

Who experiences challenges to accessing housing?

- **Financial History:** People of color often have lower credit scores than their white counterparts
- **Criminal History:** Disparate incarceration rates for Black and Latinx men and women
  - 1 in 4 American adults have a criminal record
- **Eviction Records:** Avg. 3.6 million people, disproportionately Black and Latinx women experience an eviction filing, every year.
  - **2016:** 1 in 17 renters faced an eviction filing
- Discriminatory experiences in the background check process

## Impacts of discriminatory tenant screening

On someone's housing search process:

- Cumulation of burdensome rental application fees (already expensive enough)
- Compromise valuable time

On someone's long-term housing outcomes:

- Forced into unaffordable housing
- Forced into substandard housing
- Forced into homelessness
- Forced into deeper cycles of poverty



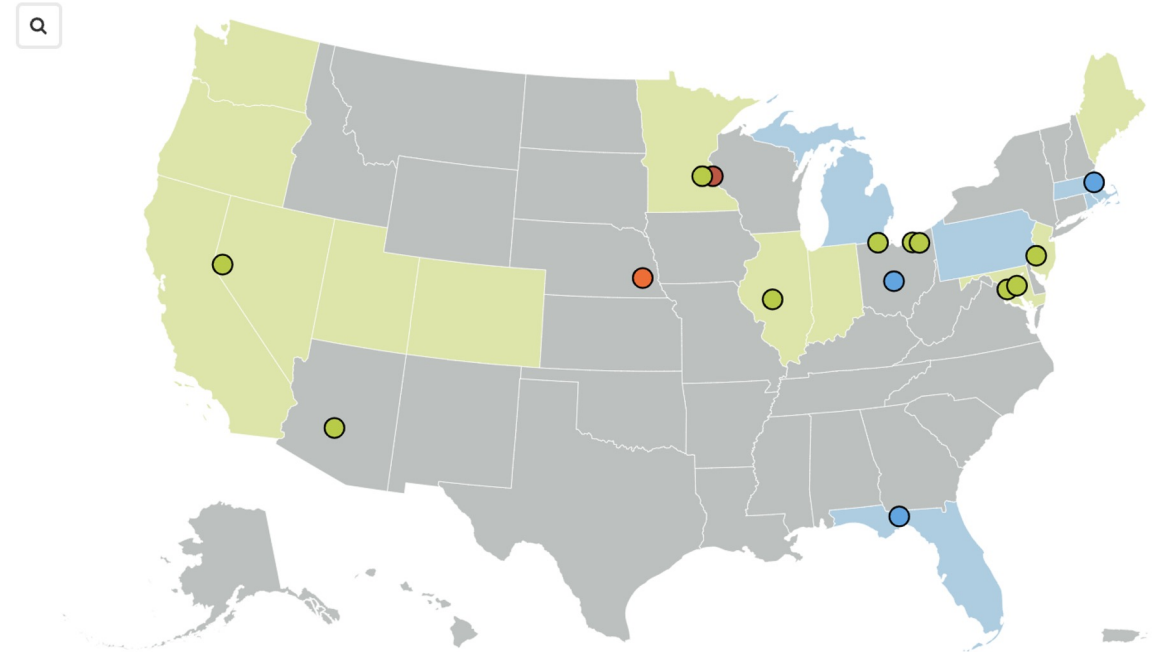
Learn more about tenant screening and the various policies being implemented across the country!

<https://bit.ly/about-evictionrecords>

## Eviction Record Sealing, Expungement, and Tenant Screening Policies are Gaining Traction

Status of state and local Eviction Record Sealing, Expungement, and Tenant Screening Policies (as of March 2023)

■ Implemented ■ Policy Repealed ■ Previously Considered ■ Currently Under Consideration



Source: PolicyLink Database of Eviction Record Sealing, Expungement, and Tenant Screening Regulations, [U.S. Census Bureau](#)

# Top Issues in Tenant Screening

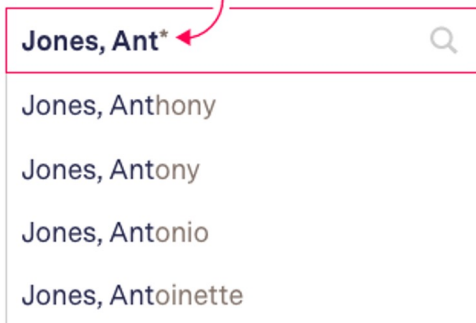


# Top Issues in Tenant Screening: Tenant Screening Technologies

## Matching

### How Wild-Card Searches Include the Wrong People

The asterisk represents any number of additional characters.



Wild-card searches catch nicknames and misspellings of people's names, but can also pull in other people entirely.

A screenshot of a TransUnion SmartMove tenant screening report for Mark Hansen. The report is dated 01/15/2011 and includes an SSN Message: "SSN Match (confirmed by bureau)".

**Evictions Results:**

- Applicant Information Summary:** Name: MARK HANSEN, Address: A101 NW 78th Terr., Kansas City, MO 64114
- RESULTS:** 1. MARK HANSEN
- Address:** 6907 49th St #221
- County:** Platte Associate Circ
- Record ID:** MBI7511423
- File Number:** 09OECZ01114
- Action Date:** 11/12/13
- Case Type:** Civil New Filing
- Plaintiff:** John Smith
- Judgement Amount:** N/A

**Criminal Report:** Name: Mark Hansen

**Credit Report:**

- Address:** Current Address: 1234 Home St, Denver, CO 80123, Reported: 05/05. Address Emergency: The provided address does not match those in the consumer's file. Phone: (303)123-4567 (Cellular)
- Employment:** North Foods, CenturyLink
- Fraud Indicators:** Description: Current address mismatch - input does not match file. SSN may be invalid - it was either very recently or never issued by the Social Security Administration.
- Profile Summary:**

Missed Events	Collections:	Public Records:	Inquiries:
Tradelines: 3	1	0	6
Derogatory Items	Tradelines with any historical negatives:	Occurrence of any historical negatives:	
Negative Tradelines: 3	3	43	
- Summary:** Incident(s): 0, Court Action(s): 1
- Credit Scores:** Credit Bureau Score, Score Factors: Level of delinquency on accounts

TransUnion SmartMove

# Top Issues in Tenant Screening: Tenant Screening Technologies

## Scores



MyRental

# Top Issues in Tenant Screening: Tenant Screening Technologies

## Accept/Reject Recommendations

### Applicant Information

Consumer, Jonathan Quincy      SSN \*\*\*-\*\*-9990      Income \$4,500.00      Rent \$1,400.00  
 10655 N Birch St      DOB 10-Jan-1951      Months at Residence 24  
 Burbank, CA 91502      Months at Employment 21

**Analysis Results** - Based on subscriber's employment, residency and applicant score acceptance criteria.

**Does Not Meet Criteria** Rent to Income - Meets criteria  
 Eviction Filing – Applicant does not meet eviction criteria  
 Score - Reject Applicant  
 See adverse action letter for details

Rent to Income Multiple <b>Exceeds Requirement</b>	Time at Residence <b>Exceeds Requirement</b>	Time at Employment <b>Exceeds Requirement</b>	Applicant Score <b>55</b>
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Applicant Score based on analysis of tenant performance information, national public records and other databases.

### ID Check

A search of nationwide public record, eviction, tenant performance, and other proprietary databases returned the following results:

Substantial difference in Social Security Number found:      **No**  
 Substantial difference in Date of Birth found:      **No**  
 Substantial difference in current address found:      **Yes**  
 Substantial difference in previous address found:      **No**  
 Report of Credit Fraud found:      **Yes**

Any item marked YES should be verified with the applicant

**Additional Addresses** see NTN Tenant Performance Profile  
 1314 SOPHIA LN APT3, SANTA ANA CA 90017

**Additional Names (aliases)** see NTN Tenant Performance Profile  
 Consumer, Quincy

### Alert Messages

Current Address – verify entered address with applicant

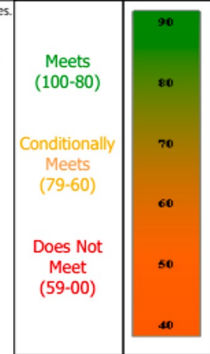
**Fraud detected – see Additional Information in File below**

**Tenant Performance Information** see NTN Tenant Performance Profile

Name/Location	Date	Information Reported
Consumer, Jonathan	10-May-2015	Apartment Damage, Eviction Filing Required

**Public Records** see NTN Tenant Performance Profile

Action	Date of Filing	Disposition
Consumer, Jonathan (1314 Sophia Ln)	08-May-2015	Judgment for Plaintiff \$1,000



# Tenant Screening and Fair Housing

- Public Housing and Housing Choice Voucher Screening Issues
- Affirmatively Furthering Fair Housing and Tenant Screening
  - Screening out tenants in protected classes

Access No: PH 9918      Order No: 23318949

**NTN DecisionPoint Plus**  
INSTANT RESIDENT SELECTION SYSTEM

Screened For: PH 9918 - Crowdsafe Apartments  
25-Mar-2021

**Applicant Information**  
 SSN \*\*\*\*-\*\*-5636      Income \$3,237      Proposed Rent \$1,099  
 DOB 14-Sep-1987      Months at Residence 0      Months at Employment 0

**Rental Recommendation** - Based on subscriber's employment, residency and applicant score acceptance criteria.  
**Reject Applicant**      NTN Review - see comments under Messages  
 Rent to Income = Satisfies income requirement  
 Score - Reject Applicant  
 See rejection letter for details

**Analysis Results**

Rent to Income Multiple	Time at Residence	Time at Employment	Applicant Score
Exceeds Requirement	N/A	N/A	24

Applicant score based on analysis of tenant performance information, public records and credit report.

**Verification of Applicant Information**

Verification Item	Result	Score
Applicant has credit report	Confirmed	Meets (100-80)
Applicant social security number matches credit report	Confirmed	Meets (100-80)
Applicant date of birth matches credit report	Confirmed	Meets (100-80)
Applicant current address matches credit report	Confirmed	Meets (100-80)
Applicant previous address matches credit report	N/A	Conditionally Meets (79-63)
Report of Credit Fraud found:	No	Does Not Meet (59-00)

**Additional Addresses** see NTN Tenant Performance Profile

**Additional Names (aliases)** see NTN Tenant Performance Profile

**Alert Messages**  
No Alert Messages

**Tenant Performance Information** see NTN Tenant Performance Profile  
No Tenant Performance/Lease Violations

**Public Records** see NTN Tenant Performance Profile

Action	Date of Filing	Disposition
	17-Jan-2017	Dismissed
	15-Jun-2017	Judge \$95.00 Sat
	17-May-2016	Dismissed
	14-Jul-2015	Judge 290.00 Sat
	28-Jan-2015	Judge 420.00 Sat

**Messages**  
 Eviction filing caused the NTN DecisionPoint score to be reduced by 34 points  
 NTN Review - Confirmed landlord-tenant record(s) found, but no outstanding balance remains  
 NTN Review - Criminal report reviewed - Applicant satisfies subscriber criminal criteria - No conviction / crime not deniable / beyond date range

**Custom Criteria Used in Calculating the Applicant Score**

Access No: PH 19199      Order No: 24012140

**NTN DecisionPoint Plus**  
INSTANT RESIDENT SELECTION SYSTEM

Screened For: PH 19199 - Paseo Verde South  
20-Jan-2021

**Applicant Information**  
 Income \$51,054      Proposed Rent \$1,438  
 Months at Residence 0      Months at Employment 0

**Rental Recommendation** - Based on subscriber's employment, residency and applicant score acceptance criteria.  
**Reject Applicant**      NTN Review - see comments under Messages  
 Score - Reject unless no evict/crim & qual cosign w/80+ & 4x inc  
 See rejection letter for details

**Analysis Results**

Rent to Income Multiple	Time at Residence	Time at Employment	Applicant Score
Exceeds Requirement	N/A	N/A	58

Applicant score based on analysis of tenant performance information, public records and credit report.

**Verification of Applicant Information**

Verification Item	Result	Score
Applicant has credit report	Confirmed	Meets (100-70)
Applicant social security number matches credit report	Confirmed	Meets (100-70)
Applicant date of birth matches credit report	Confirmed	Meets (100-70)
Applicant current address matches credit report	Confirmed	Meets (100-70)
Applicant previous address matches credit report	Confirmed	Meets (100-70)
Report of Credit Fraud found:	No	Does Not Meet (59-00)

**Additional Addresses** see NTN Tenant Performance Profile

**Additional Names (aliases)** see NTN Tenant Performance Profile

**Alert Messages**  
 Current Address - verified address in file as previous address  
 No Tenant Performance/Lease Violations

**Tenant Performance Information** see NTN Tenant Performance Profile  
No Tenant Performance/Lease Violations

**Public Records** see NTN Tenant Performance Profile

Action	Date of Filing	Disposition
	21-Jan-2015	\$428.00

**Messages**  
 Eviction filing caused the NTN DecisionPoint score to be reduced by 3 points  
 NTN Review - Confirmed landlord-tenant record(s) found, but disposition information was not reported; if applicant or application qualifies for an exception or override, please contact NTN

**Custom Criteria Used in Calculating the Applicant Score**  
 If no credit history, applicant score starts at 69 points

## Local/State Protections and Fair Housing

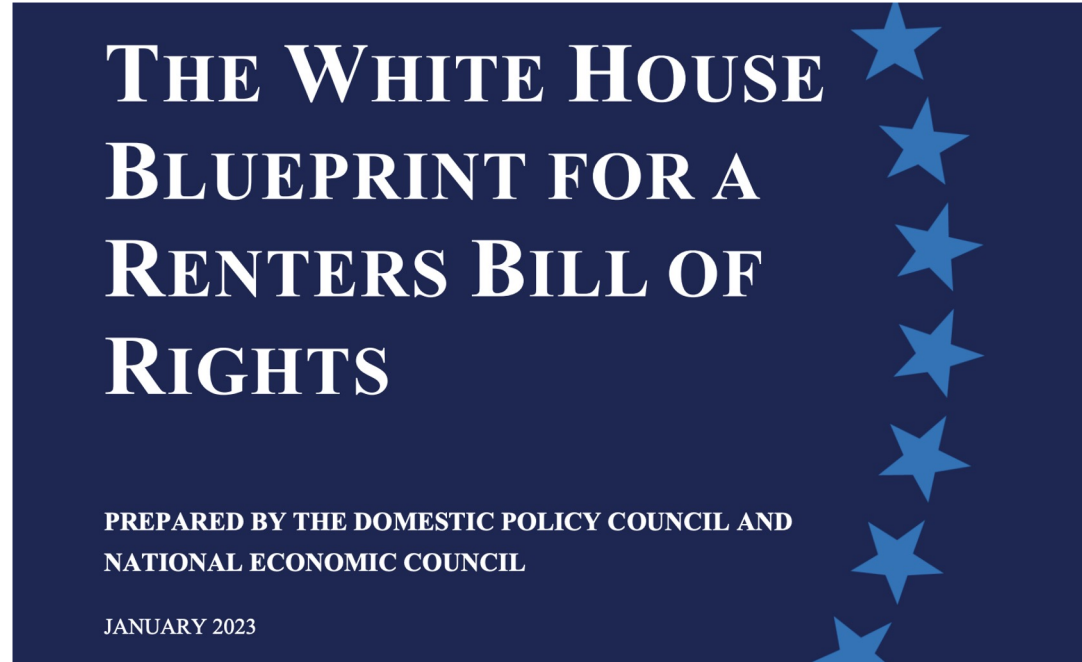
- **Philadelphia, PA:** Renters' Access Act
- **Washington, D.C.:** Eviction Record Sealing Authority and Fairness in Renting Amendment Act of 2022
- **State of California:** **AB 2819** which automatically seals an eviction record by restricting public access to the records at the point of filing for 60 days.

# About the Tenant Screening Request for Information (RFI)





## Tenant Screening RFI



## Tenant Screening RFI

# FTC and CFPB Seek Public Comment on How Background Screening May Shut Renters out of Housing

Public urged to provide input on such issues as use of criminal and eviction records, algorithms in tenant screening process, and adverse impact on underserved communities

February 28, 2023



## What do these agencies do?

The **Federal Trade Commission (FTC)** takes action against businesses when they engage in “unfair” or “deceptive” trade practices, including discriminatory practices. They also enforce the rules that require tenant screening companies to ensure accuracy in the reports they create. For example, they fined tenant screening company AppFolio because it was including criminal and eviction records in tenant screening reports without checking to make sure they were matched to the right person and didn’t contain errors.

The **Consumer Financial Protection Bureau (CFPB)** regulates background check companies, including tenant screening companies. For example, the CFPB has released guidance telling background check companies that “name-only matching” does not meet their legal obligations.

## What information are they asking for?

- Information and experiences from all stakeholders, including tenants, landlords, tenant screening companies, and advocates;
- Information about how tenant screening works and how it impacts people's access to housing, such as:
  - What information do tenants receive about how they will be screened, or about why they were rejected?
  - How do landlords use and evaluate information such as criminal and eviction records?
  - What are the discriminatory impacts of tenant screening?



## What will they do with this information?

- **Sue/enforce against companies** and landlords that are engaging in unfair, deceptive, or discriminatory practices, such as rejecting applicants because of eviction filings or arrest records, or failing to tell applicants why they were rejected;
- **Publish guidance or rules** requiring tenant screening companies and landlords to take certain steps to protect tenants, such as excluding certain records (like sealed or dismissed eviction records) from tenant screening reports or telling tenants what criteria and information will be used to screen them
- **Conduct follow-up studies and investigations** to get targeted information from tenant screening companies and landlords, such as how tenant screening companies design and test their scoring algorithms;
- **Share information with other enforcement agencies**, such as the Department of Housing and Urban Development (HUD) so that they can do more to enforce against housing discrimination in the tenant screening process.

# How can you share your story?



# Screened out of housing?

Share your story and tell the government to protect dignified homes for all.

Too often, people trying to find affordable, dignified homes for themselves and their families are locked out of good places to live because of background checks, also known as “tenant screening.” But now we have a chance to tell the federal government about the problems people face when applying for housing. Tell your story to help hold landlords and background check companies accountable for the harms they cause, like charging too many fees, denying people housing because of past criminal or eviction records, denying people because of a credit check, or never telling people why they were denied. **Tell your story using the form below by May 30.**

Submit a comment at [stoptenantscreening.org](https://stoptenantscreening.org)



## ADDITIONAL RESOURCES:

- Learn more about the CFPB/FTC RFI: <https://www.ftc.gov/policy/studies/submit-comment-joint-ftc-cfpb-tenant-screening-request-information>
- Submit your comment through the federal register (<https://www.regulations.gov/document/FTC-2023-0024-0002/comment>) or at StopTenantScreening.org
- Learn more about tenant screening regulations and eviction record sealing policies: <https://plcyk.org/evictionrecordstool>
- Learn more about where these policies exist across the country: <https://plcyk.org/evictionrecordsmap>
- Learn more about rental debt collection: <https://www.nclc.org/wp-content/uploads/2022/10/UnfairDebts-Rpt.pdf>
- Learn more about tech and bias in tenant screening: <https://techequitycollaborative.org/2022/02/23/tech-bias-and-housing-initiative-tenant-screening/>
- Dig into the data on rental debt across the country: <https://nationalequityatlas.org/rent-debt>
- NLIHC Toolkit on Eviction Record Sealing and Expungement Protections: <https://nlihc.org/resource/nlihc-releases-toolkit-eviction-record-sealing-and-expungement-protections>
- Additional resources on tenant screening and fair housing for individuals with disabilities:
  - National Housing Law Project: <https://www.nhlp.org/initiatives/fair-housing-housing-for-people-with-disabilities/>
  - HUD Study Rental Housing Discrimination on the Basis of Mental Disabilities: Results of Pilot Testing: <https://www.huduser.gov/portal/publications/MentalDisabilities-FinalPaper.html>
  - The Arc: <https://thearc.org/policy-advocacy/housing/>
  - “When a renter with disabilities is denied housing” by Eric Dunn <https://shelterforce.org/2019/06/10/when-a-renter-with-disabilities-is-denied-housing/>
- Tenant Resource Center (WI): [https://www.tenantresourcecenter.org/renting\\_with\\_disabilities](https://www.tenantresourcecenter.org/renting_with_disabilities)