

# LEGAL ACTION CENTER

## **Board of Directors**

Daniel K. Mayers  
*Chairman*  
Mary Beth Forshaw  
*Vice Chair*

Stephanie Avakian  
Eric D. Balber  
Elizabeth Bartholet  
Suzanne B. Cusack  
Stephen M. Cutler  
Edward J. Davis  
Jason Flom  
Tino Hernandez  
Brad S. Karp  
Doug Liman  
Elaine H. Mandelbaum  
Michael Meltsner  
Marc L. Miller  
Mark C. Morril  
Mary E. Mulligan  
William C. Paley  
Dallas Pell  
Raul Russi  
Elizabeth M. Sacksteder  
Ed Shaw  
Laurence M. Westreich  
W. Christopher White  
B. Diane Williams

## **Founding Chairman**

Arthur L. Liman  
*From 1973 to 1997*

## **Executive Staff**

Paul N. Samuels  
*Director and President*

Anita R. Marton  
*Deputy Director and  
Vice President*

Catherine H. O'Neill  
*Senior Vice President*

Joseph N. Thompson  
*Chief Financial Officer*

Sally Friedman  
*Legal Director*

Tracie M. Gardner  
*Director of NYS Policy  
and WISH-NY*

Gabrielle de la Gueronniere  
*Director of National Policy*

Robert B. Levy  
*Director of Development*

Roberta Meyers  
*Director, National  
H.I.R.E. Network*

**FOR IMMEDIATE RELEASE**  
MAY 2, 2014

## **Contact:**

Sally Friedman [sfriedman@lac.org](mailto:sfriedman@lac.org) or Monica Welby [mwelby@lac.org](mailto:mwelby@lac.org)  
212-243-1313

## **Lawsuits Target Illegal Criminal Background Screening Practices**

New York, NY. The Legal Action Center has filed three class action lawsuits to send a message to criminal background screening companies and employers and others who hire them: sloppy background reports, and the failure to give individuals a chance to dispute them, will have serious legal consequences. Such illegal practices also result in less effective screening.

“Too many background screeners make mistakes that create havoc in the lives of people applying for jobs and housing,” said Sally Friedman, Legal Action Center’s Legal Director. “With these class actions, we are not only targeting companies that do background checks; we are also showing that employers and landlords cannot simply hand off to third parties the task of background screening. They can’t turn a blind eye to whether the reports are accurate and the process is fair and legal.”

All three class action complaints were filed in federal court in Manhattan by the Legal Action Center and Francis & Mailman, a Philadelphia firm that specializes in consumer protection litigation.

One [lawsuit](#) targets Sterling Infosystems, Inc., one of the nation’s largest consumer background check companies, while the [second](#) targets two Manhattan real estate companies, Halstead Management Company, LLC and Brown Harris Stevens.

The lead plaintiff in both is Kevin A. Jones, a Manhattan man who was offered a job by Halstead Management as a doorman/porter in 2012. But a background check performed by Sterling mixed him up with a man named Kevin M. Jones, who had at least 3 criminal convictions according to Sterling, and the job offer was revoked. What’s more, according to Monica Welby, another Legal Action Center attorney, “Our client, who had no criminal record, was not given advance notice or an opportunity to clear up the confusion by either Halstead or Sterling before he was informed he’d lost the job.”

## **New York**

225 Varick Street New York, NY 10014  
Phone: 212-243-1313 Fax: 212-675-0286  
E-mail: [lacinfo@lac.org](mailto:lacinfo@lac.org) • Web : [www.lac.org](http://www.lac.org)

## **Washington**

236 Massachusetts Avenue, NE Suite 505 Washington, DC 20002  
Phone: 202-544-5478 Fax: 202-544-5712

The complaints, filed on May 1<sup>st</sup> and May 2<sup>nd</sup>, charged Sterling and Halstead and the Brown Harris Stevens entities (sister companies) with violating federal and state fair credit reporting laws.

Outright mistakes are a common problem in the screening industry; a primary reason is that background check companies often don't bother to check actual court records. This happened in the Sterling case as well as in a third class action [complaint](#) filed on April 9th against CoreLogic SafeRent.

The lead plaintiff, Abdullah Wilson, was denied housing in the Bronx in 2012 after CoreLogic's report indicated a felony conviction in 1995, which was seemingly based on New York State corrections records found on the internet. Mr. Wilson had served time in prison for a crime he did not commit. Court records showed that the conviction had been tossed out by a judge, and that prosecutors had dismissed the charges in around 2009. But CoreLogic did not go back and review the court records, and also did not reinvestigate when Mr. Wilson tried to dispute the information. The complaint charges CoreLogic with systematically and illegally reporting criminal records that have been expunged, vacated, sealed or dismissed. The complaint also states that CoreLogic identified Mr. Wilson as "black," a violation of New York's Fair Credit Reporting Act.

"Defendants' systematic violations of the law not only hurt individuals with no criminal record, like Mr. Jones," said Ms. Friedman. "They also harm people whose criminal records are wrongly reported."

According to the Legal Action Center, background screening companies and employers can do a better job. The Center's National H.I.R.E. Network, which helps employers understand how to comply with the law *and* do the right thing when evaluating criminal records, has teamed up with the Lawyers Committee for Civil Rights and National Workrights Institute and experts from the background screening industry to create "[Best Practice Standards –The Proper Use of Criminal Records in Hiring](#)."

"Employers need help understanding their legal obligations when background checks reveal that job applicants have criminal records," according to Roberta Meyers, Director of the National H.I.R.E. Network and one of the authors. "Our guide also helps them figure how to weigh adverse personal history when reviewing job applications, since many people with criminal records want to turn their lives around and deserve the chance to contribute to the economy."

On May 1<sup>st</sup>, Sterling announced a name change to SterlingBackcheck. "Changing their name isn't enough," said Ms. Welby. "They need to change the way they do business."

*The Legal Action Center is the only public interest law and policy organization in the United States whose sole mission is to fight discrimination against and protect the privacy of people in recovery from alcohol or drug addiction, individuals living with HIV/AIDS, and people with criminal records.*

# # #