The Fair Tenant Screening Act goes into effect on June 7, 2012, with new features. One of the new requirements is that landlord's may not charge an applicant for screening unless they first notify the applicant in writing or by posting the following:

What type of information will be accessed to conduct the tenant screening; (this is on the application also) and ♣ What criteria may result in denial of the application; and ♣ If a consumer report is used, the name and address of the screening company and the applicant's right to get a free copy of the report in the event of denial or other adverse action and to dispute the accuracy of information in the report. ♣ In addition to the requirements above, any landlord who takes adverse action on an applicant shall provide a written "Adverse Action Notice" (on our website) in substantially similar format as provided in the statute. Landlords who fail to meet the new requirements may incur penalties of up to $100 plus attorney fees and cost.

The main requirement here is that you get a signature from the applicant showing that they have seen the "criteria" that you will be using to determine the outcome of their application and they still want to apply. Our standard "criteria" is on our website and can be used as an example of what is used for "recommendations" by LPS. We have also created a "Acknowledgement of Screening Criteria" that you may use also on our website. This should be signed and retained by you for your records to show that they have seen what might deny their application. Again, if you deny or ask for added security or co-signer you must also send out a "Adverse Action Notice" . See our website for all forms required by the statue.

ALERT

Dodd-Frank Wall Street Reform and Consumer Protection Act: Credit Score Disclosure

Section 1100(f) of the Dodd-Frank Act amends Section 615(a) of the FCRA to require the disclosure of the credit score when the adverse action is based in whole or in part on a numerical credit score. This is a new disclosure and is scheduled to go into effect July 21, 2011. The type of credit scores used by resident screening companies varies. Many have developed models that are not “credit scores” as defined in the statute and are therefore outside of the scope of this notice requirement. Some firms may use a FICO score or a similar score, i.e., one that is used to make a lending decision, and therefore trigger the disclosure requirements. Since the liability falls to the apartment owner, firms are encouraged to talk with their provider(s) to determine compliance obligations and make the appropriate adjustments to the adverse action notice to include credit score disclosure if necessary.

Although Landlord Protection Service does not use the "score" in any of our criteria's, we do have the score on some of the credit reports. There for, to be safe we are suggesting our clients use the new adverse action form, from now on, if your report contains a score. Please see the new form and be sure to fill it out completely when sending it out to your applicants.

You can use our automated online system that allows you to quickly enter data and receive reports. Simply click and print reports at your convenience or you can have our LPS staff process the report for youIt is as easy as asking an LPS representative to allow you access using a username and password to see your reports online. You will be able to be notified by email that your report is complete. 16625 Redmond Way #M446, Redmond, Wa 98052<br> Phone: (800)577-8282 Fax: (800)577-3799 brandon@lpsdata.com