

Overview of New Adverse Action Notice Requirements



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Enhanced Adverse Action Functionality

Who Is Affected?

Any ESR client that performs adverse action through the ESRCheck online user portal.

New Adverse Action notices

Complying with federal, state, county and city requirements to provide compliant pre and post adverse action notices has become more complicated over time. As a result, certain plaintiff's attorneys are taking advantage of these complications and have filed individual and class action lawsuits using this as a cause of action. To protect our clients, ESR has created new functionality in our Client Adverse Action Portal to ensure exact wording and required attachments are sent regardless of where your applicants/employees are or will be working. ESR stays abreast of these changes in legislation and closely watches litigation trends. Our commitment to your compliance in this area is unique and we are proud to provide this service to you at no cost.

When Does it Change?

The new automated processes will go live on Thursday September 1, 2016.

How Will I Know What I Need to Do?

We've made it very easy. All you have to do is fill in the requested information in the Client Adverse Action Portal related to the applicant/employee who is subject to adverse action, and click 'Begin Adverse Action'. Everything else is handled our solution.

Pre-Adverse Action Notice Requirements

- ☑ San Francisco, California, Seattle, Washington, Montgomery and Prince George's County, Maryland, and Philadelphia, Pennsylvania require the end-user to specify which services in the report are the basis for potential adverse action. This information is supplied to ESR as part of the new automated Adverse Action workflow.
- ☑ The inaccuracies section of the Pre Adverse Action notice has been updated to include the name and phone number of the person to contact at the company regarding inaccuracies found in the report, and the number of days your company allows for the applicant to contact your offices. Note: Philadelphia, PA requires that this be 10 days.
- ☑ Depending on the State, City or County in question, there may be separate documents regarding various rights that must be sent along with the pre adverse action notice. The ESR system does this automatically.

Adverse Action Notice Requirements

- ☑ The final adverse action notice now specifies what the role the applicant is being denied, such as employment, promotion, transfer, etc. The appropriate statement is chosen by you as part of the new Adverse Action workflow.
- ☑ Applicants or employees working in Austin, Texas, Portland, Oregon and/or Philadelphia, Pennsylvania must be told which service(s) in the report are the basis for final adverse action. This information is supplied to ESR by you as part of the new automated Adverse Action workflow.
- ☑ Massachusetts applicants or employees where the background check includes a credit report must be told in detail about their rights under Massachusetts law.
- ☑ California applicants or employees where the background check includes a credit report must be told in detail about their rights under California law.
- ☑ Depending on the State, City or County in question, there may be separate documents regarding various rights that must be sent along with the pre adverse action notice. The ESR system does this automatically.

Begin by selecting Adverse Action from the My Orders menu option



ESR EMPLOYMENT SCREENING RESOURCES®

Thursday, August 18, 2016 Logout Home

ESRCheck Client PORTAL Rosen Smith LLP

Adverse Action List Filter

Customer	Applicant	Status	Applicant's Last Name	Applicant's SSN (last 4)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Filter List

Applicants *list is limited to 100 by pre-adverse date*

Applicant / Company	Status	Action
[75782] John Worker : 555-55-5555 [930] Rosen Smith LLP Applicant Created: 5/23/2016 7:15:00 AM Applicant Email: blandin@esrcheck.com Additional Information	AA Status: <input type="text" value="Pre-Adverse"/> Pre-Adverse: 8/10/2016 9:49:46 AM	<input type="button" value="Update Adverse Action"/>
[75782] John Worker : 555-55-5555 [930] Rosen Smith LLP Applicant Created: 5/23/2016 7:15:00 AM	AA Status: <input type="text" value="Pre-Adverse"/> Pre-Adverse: 8/10/2016 9:49:46 AM	<input type="button" value="Update Adverse Action"/>

Steps to follow to begin Adverse Action Process



Dashboard

Invites

My Orders

Orders List

New Order

Orders Queue

Adverse Action

Documents

My Profile

Adverse Action List Filter

Customer: Rosen Smith LLP

Applicant: Alibaba, Trevor

Status: 1

Applicant's Last Name: Applicant's SSN (last 4)

2 Select adverse action subject from dropdown list.

Filter List 2 Click on filter list and your subject is shown below.

Applicants list is limited to 100 by pre-adverse date

Applicant / Company	Status	Action
[75810] Trevor Alibaba : 123-45-6789 [930] Rosen Smith LLP Applicant Created: 6/1/2016 5:58:00 PM Applicant Email: dstanderwick@esrcheck.com Additional Information	AA Status: Not Set	4 Begin Adverse Action

Work State: MI ★ Work City: Detroit ★ Work County: WAYNE

Type of Adverse Action: Unable to offer you employer ★

3 Select from dropdowns, chose radio buttons or fill in the requested information in the areas marked with a ★

Select search types leading to adverse action ★

- County criminal record(s)
- Sex offender record(s)
- Civil record(s)
- Credit report
- Motor vehicle record
- Excluded/sanctioned parties list(s)

- Education verification(s)
- Employment verification(s)
- Professional license
- Personal reference
- Professional reference
- Drug screen results(s)

Pre-Advsere message (optional)

This is where a client may add their own message to the pre-adverse action notice.

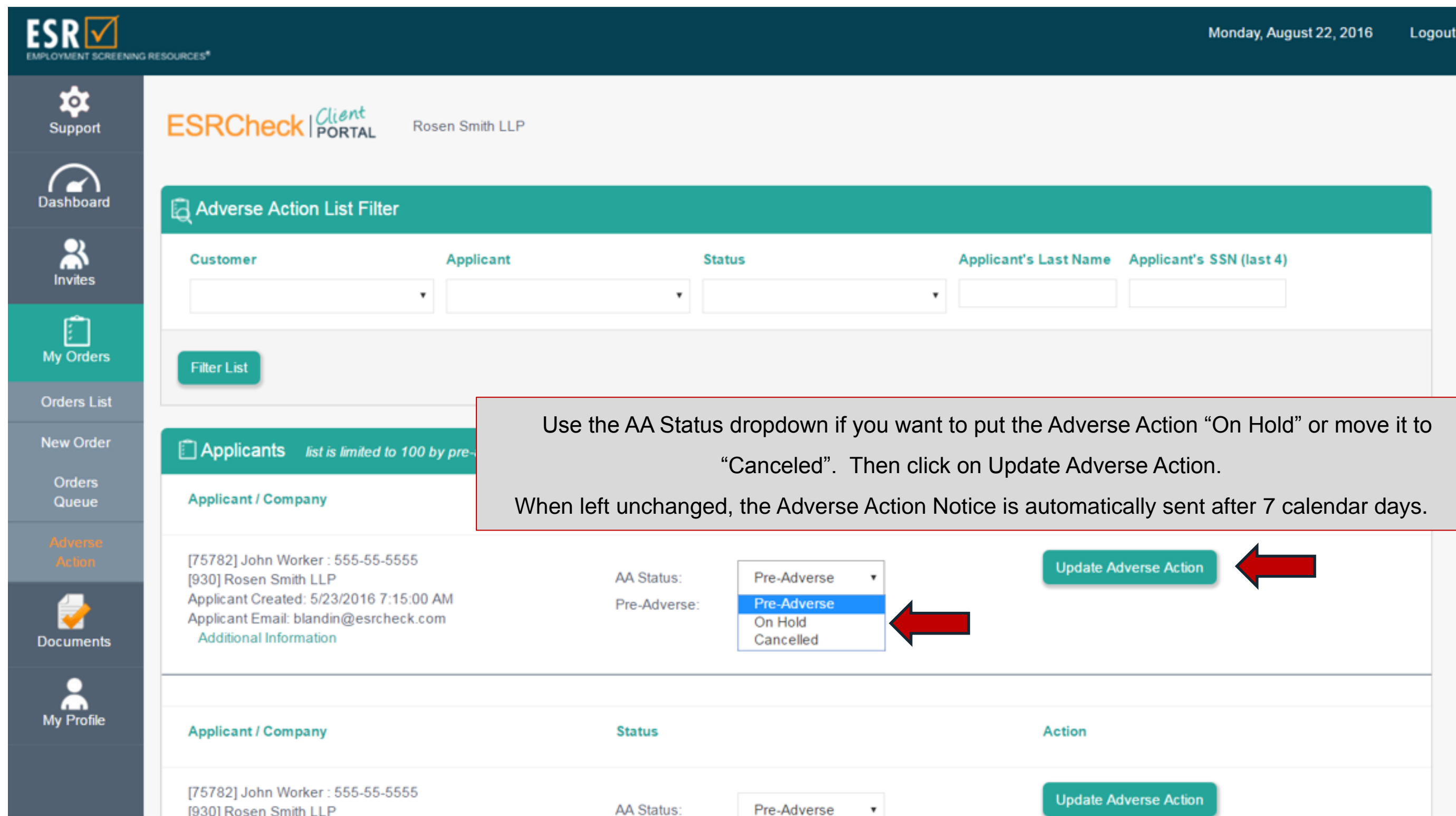
Final-Advsere message (optional)

This is where a client may add their own message to the final adverse action notice.

Last step – click **Begin Adverse Action** button, and **Pre-Adverse Action Notice** is immediately sent.

These user defined messages are optional

Changing Adverse Action Status



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Monday, August 22, 2016 Logout

Support
Dashboard
Invites
My Orders
Orders List
New Order
Orders Queue
Adverse Action
Documents
My Profile

ESRCheck Client PORTAL Rosen Smith LLP

Adverse Action List Filter

Customer Applicant Status Applicant's Last Name Applicant's SSN (last 4)

Filter List

Applicants *list is limited to 100 by pre-*

Applicant / Company

[75782] John Worker : 555-55-5555
[930] Rosen Smith LLP
Applicant Created: 5/23/2016 7:15:00 AM
Applicant Email: blandin@esrcheck.com
[Additional Information](#)

AA Status: Pre-Adverse
Pre-Adverse: Pre-Adverse
On Hold
Cancelled

Update Adverse Action

Applicant / Company **Status** **Action**

[75782] John Worker : 555-55-5555
[930] Rosen Smith LLP

AA Status: Pre-Adverse

Update Adverse Action

Use the AA Status dropdown if you want to put the Adverse Action "On Hold" or move it to "Canceled". Then click on Update Adverse Action.
When left unchanged, the Adverse Action Notice is automatically sent after 7 calendar days.

Summary

1. From the “My Orders” main-menu, Select the Adverse Action sub-menu.
2. Select the subject of the Adverse Action from the Applicant dropdown.
3. Click on Filter List to view the adverse action status page for your subject.
4. Fill in or select the required information and click on Begin Adverse Action.
5. The pre-adverse action notice has been sent and you are finished.
 1. Nothing else needs to be done unless you want to come back and change the status to Hold or Canceled as shown in the screens shots.

**If you have any questions or concerns,
please contact client services at 888-999-4474.**