



## CITY OF SHOREWOOD

5755 Country Club Road • Shorewood, Minnesota 55331  
952.960.7900 \* [www.ci.shorewood.mn.us](http://www.ci.shorewood.mn.us)

### MASSAGE THERAPIST LICENSE

#### RENEWAL

- Therapeutic Massage License Application
- Tennesen Warning Form
- Certificate of Compliance Department of Revenue
- Payment \$300
- Driver's License
- Passport size photo
- Certificate of Insurance –
  - general liability insurance of at least \$1,000,000
- SLMPD Background Check Authorization form
- McDowell Background Form
- Floor plan of the premises in which the massage therapy services will be conducted
- Proof the individual completed the necessary coursework, training and hours required to be a certified massage therapist from a certified massage therapy school



7. Have you completed higher education for therapeutic massage? Yes  No

*If yes, attach the following:*

1. Certified copy of a transcript of academic record from an Accredited Program or Accredited Institution.
2. Copy of the diploma or certificate of graduation from an Accredited Program or Accredited Institution. *(Must confirm that you have successfully completed at least 500 hours of certified therapeutic Massage training.)*

8. Are you currently licensed in other communities to perform Massage services? Yes  No

*If yes, state where* \_\_\_\_\_

9. Have you ever been engaged as an employee or operated a spa, salon or other business which offered massage?

Yes  No

*If yes, list all dates, places contact information including phone numbers* \_\_\_\_\_

Continue to page 3

**Section 2: Tennessee Warning and Notarized Signature**

The data on this form will be used to process your license application. Some requested data is private. Private data is available to you and the City or State staff who need this information to perform their duties, but is not available to the public.

You are being asked to answer questions and provide information pursuant to the application process that is required by Minnesota State Law and the City of Shorewood's city code. The information you provide is government data in accordance with Chapter 13 of State law known as the "Minnesota Government Data Practices Act". You are not required by law or ordinance to answer questions or provide the information requested. A refusal to answer questions or provide information being requested will prevent the City of Shorewood from processing the application for which you are applying.

As a consequence of that action, no license application will be forwarded to the Shorewood City Clerk's office for consideration unless the application is complete and contains all required information. The information you provide may be classified as "public", "private" or "confidential" pursuant to the "Government Data Practices Act". Access to this information can be obtained by persons who are deemed eligible pursuant to the "act". This access can include the subject(s) of the license application, anyone they give their informed consent to consistent with Minnesota State law, or by court order.

I acknowledge that I have reviewed the City of Shorewood's Therapeutic Massage Business Regulations found in City Code Chapter 311 and will familiarize myself with its provisions. I understand that a criminal conviction will not bar me from obtaining a license unless the conviction is directly related to the occupation for which the license is sought and there is no showing of sufficient rehabilitation and present fitness to perform the duties of the occupation (*Minnesota Statute 364.03*). I understand that falsification of the application, including failure to reveal a criminal conviction, constitutes grounds for denial of the license.

The information I have provided on this application is truthful. I authorize the City of Shorewood to verify any and all of the information requested on this application, including the ordering of criminal background checks, and to conduct any necessary investigation to assure this application complies with the licensing and zoning ordinances.

I authorize the South Lake Minnetonka Police Department and the City of Shorewood to receive the information provided in this application for the purpose of completing a criminal background investigation. ***My signature constitutes agreement of the Tennessee Warning and this application.***

**X** \_\_\_\_\_  
*Applicant's signature*

STATE OF \_\_\_\_\_ )  
 ) ss  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, says that they are the person who has executed this application and that the statements made therein are true of their own knowledge and belief.

Subscribed and sworn to me before this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
Notary Signature

My Commission Expires:

\_\_\_\_\_, 20 \_\_\_\_\_

**CITY OF SHOREWOOD**

**NOTIFICATION FOR LICENSE APPLICATION INVOLVING  
PRIVATE OR CONFIDENTIAL INFORMATION  
(Includes Tennesen Warning)**

**City of Shorewood, 5755 Country Club Road, Shorewood, MN 55331  
Phone: 952-960-7900 / Fax: 952-474-0128 / Email: cityhall@ci.shorewood.mn.us**

**As part of your application for a license or permit, the City has asked that you provide information about yourself which may be classified as private, confidential, nonpublic, or protected nonpublic under the Minnesota Government Data Practices Act. This means that this data is not ordinarily available to the general public. Accordingly, the City is required to inform you of the following:**

- The purpose and intended use of the information requested is to determine if you are eligible for a license or permit from the City of Shorewood.
- You are not legally obligated to supply the requested information.
- The known consequences of supplying the requested information is that the information or further investigation could disclose information which could cause your application to be denied.
- The known consequences of refusing to supply the requested information is that your request for a license or permit cannot be processed.
- A criminal charge, arrest, or conviction will not necessarily bar you from obtaining a license or permit with the City, unless the conviction is related to the matter for which the license or permit is sought, according to Minnesota Statute 364.03. However, failure to reveal the requested criminal information will be considered falsification of the application and may be used as grounds for the denial of the application.
- Other governmental agencies necessary to process your application are authorized by law to receive the information provided.
- The City is required by law to furnish some of this information to the Department of Labor and Industry and the Minnesota Commissioner of Revenue.

The undersigned, by signing this notice, acknowledges that he/she has read and understood the contents of this notice. Return this notice with your application.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

**CITY OF SHOREWOOD  
CERTIFICATE OF COMPLIANCE  
DEPARTMENT OF REVENUE INFORMATION  
City of Shorewood, 5755 Country Club Road, Shorewood, MN 55331  
Phone: 952-960-7900 / Fax: 952-474-0128 / Email: cityhall@ci.shorewood.mn.us**

Pursuant to Minnesota Statute 270.72 Tax Clearance; Issuance of Licenses, the licensing authority is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the social security number of each license applicant (person signing the application).

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

- You are not legally obligated to supply the requested information.
- The known consequences of supplying the requested information is that the information or further investigation could disclose information which could cause your application to be denied.
- The known consequences of refusing to supply the requested information is that your request for a license cannot be processed.
- A criminal charge, arrest, or conviction will not necessarily bar you from obtaining a license with the City, unless the conviction is related to the matter for which the license is sought, according to Minnesota Statute 364.03. However, failure to reveal the requested criminal information will be considered falsification of the application and may be used as grounds for the denial of the application.
- Upon receiving this information, the license authority will supply it only to the Minnesota Department of Revenue. However, under the Federal Exchange of Information Agreement, the Department of Revenue may supply this information to the Internal Revenue Service

**Please supply the following information and return along with your application:**

Type of License \_\_\_\_\_

**PERSONAL INFORMATION**

Applicant Name \_\_\_\_\_

Applicant Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Social Security Number \_\_\_\_\_ Phone Number \_\_\_\_\_

**BUSINESS INFORMATION**

Business Name \_\_\_\_\_

Business Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

MN Tax ID #: \_\_\_\_\_ Federal Tax ID# \_\_\_\_\_

If a MN Tax ID# is not required, explain on the reverse side

\_\_\_\_\_  
Signature Title Date

**SOUTH LAKE MINNETONKA POLICE DEPARTMENT**

**24150 Smithtown Road  
Shorewood, Minnesota 55331-1913**

Brian J. Tholen  
Chief of Police

Office (952) 474-3261  
Fax (952) 474-4477

**AUTHORIZATION FOR BACKGROUND CHECK**

I, \_\_\_\_\_, hereby grant my informed consent to, and authorize the **South Lake Minnetonka Police Department** to conduct any and all inquiries they deem necessary for a background check for the purpose of: \_\_\_\_\_  
\_\_\_\_\_. This may include, but is not limited to, criminal history records; internal records; jail records; warrants; internal, confidential, public, or private court records, etc. I hereby release the **South Lake Minnetonka Police Department** from any and all liability for disclosing this public, private and/or confidential information about myself to my potential employer., \_\_\_\_\_

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Full Name (*First-Middle-Last*)

\_\_\_\_\_  
Date-of-Birth

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Staff Member Requesting Information  
(*Print*)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Staff Member



**THE MCDOWELL AGENCY, INC**  
background screening

The McDowell Agency, Inc.  
1101 North Snelling Avenue  
St. Paul, Minnesota 55108  
Telephone: (651) 644-3880  
Toll Free: (877) 644-3880  
Fax: (651) 644-3877

**DISCLOSURE AND AUTHORIZATION**

[IMPORTANT—PLEASE READ CAREFULLY BEFORE SIGNING AUTHORIZATION]

DISCLOSURE REGARDING BACKGROUND INVESTIGATION

As part of the employment process, THE MCDOWELL AGENCY, INC. who is a vendor or service provider and its client the City of Shorewood may obtain information about you for employment purposes from a third-party consumer reporting agency. Thus, you may be the subject of a “consumer report” and/or an “investigative consumer report” which may include information about your character, general reputation, personal characteristics, and/or mode of living, and which can involve personal interviews with sources such as your neighbors, friends, or associates. These reports may contain information regarding your credit history, criminal history, social security verification, motor vehicle records (“driving records”), verification of your education or employment history, or other background checks. Credit history will only be requested where such information is related to the duties and responsibilities of the position for which you are applying. You have the right, upon written request made within a reasonable time after receipt of this notice, to request disclosure of the nature and scope of any investigative consumer report and a copy of any report about you. Please be advised that the nature and scope of the most common form of investigative consumer report obtained regarding applicants for employment is an investigation into your education and/or employment history conducted by THE MCDOWELL AGENCY, INC., 1101 Snelling Avenue North, St. Paul, MN 55108, 651-644-3880, <http://www.mcdowellagency.com>. The scope of this notice and authorization is all-encompassing, however, allowing the Company and Sponsor to obtain from any outside organization all manner of consumer reports and investigative consumer reports now and throughout the course of your employment to the extent permitted by law. As a result, you should carefully consider whether to exercise your right to request disclosure of the nature and scope of any investigative consumer report.

**New York and Maine applicants or employees only:** You have the right to inspect and receive a copy of any investigative consumer report requested by the company by contacting the consumer reporting agency identified above directly. You may also contact the Company to request the name, address and telephone number of the nearest unit of the consumer reporting agency designated to handle inquiries, which the Company shall provide within 5 days.

ACKNOWLEDGMENT AND AUTHORIZATION

I acknowledge receipt of the DISCLOSURE REGARDING BACKGROUND INVESTIGATION and A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT and certify that I have read and understand both of those documents. I hereby authorize the obtaining of “consumer reports” and/or “investigative consumer reports” by the Company and Sponsor at any time after receipt of this authorization and throughout my employment if applicable. To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish any and all background information requested by THE MCDOWELL AGENCY, 1101 Snelling Avenue North, St. Paul, MN 55108, 651-644-3880, <http://www.mcdowellagency.com>, another outside organization acting on behalf of the company, and/or the Company itself. THE MCDOWELL AGENCY Privacy Policy: <http://mcdowellagency.com/resources/frequently-asked-questions/>. I agree that a facsimile (“fax”), electronic or photographic copy of this Authorization shall be as valid as the original.

STATE SPECIFIC RIGHTS OF APPLICANTS OR EMPLOYEES

**New York applicants or employees only:** By signing below, you also acknowledge receipt of Article 23-A of the New York Correction Law. If you did not receive Article 23-A, please contact us or visit: <https://www.labor.ny.gov/formsdocs/wp/correction-law-article-23a.pdf>

**Minnesota and Oklahoma applicants or employees only:** Please check this box if you would like to receive a copy of a consumer report at no charge if one is obtained by the Company.

**California applicants or employees only:** By signing below, you also acknowledge receipt of the NOTICE REGARDING BACKGROUND INVESTIGATION PURSUANT TO CALIFORNIA LAW. Please check this box if you would like to receive a copy of an investigative consumer report or consumer credit report at no charge if one is obtained by the Company whenever you have a right to receive such a copy under California law.

**Washington State applicants or employees only:** You also have the right to request from the consumer reporting agency a written summary of your rights and remedies under the Washington Fair Credit Reporting Act.

**Employer please note:** If a Minnesota or Oklahoma checks "YES" regarding the consumer report, or if a California consumer checks "YES" regarding the credit report (and you do request a credit report), you must provide the individual a copy of their report. If consumer checks "YES" regarding the full consumer report, and consumer resides in California, you must provide the individual with a copy of their consumer report, unless you have made prior arrangements for THE MCDOWELL AGENCY to do so on your behalf.

*By signing below, I acknowledge that I have read and understand the DISCLOSURE REGARDING BACKGROUND INVESTIGATION, A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT, and STATE SPECIFIC RIGHTS OF APPLICANTS OR EMPLOYEES above.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date (mm/dd/yyyy)

### APPLICANT/CONSUMER INFORMATION

Please print legibly. This information will be used for background screening purposes only and will not be used as hiring criteria.

\_\_\_\_\_  
Last Name

\_\_\_\_\_  
First

\_\_\_\_\_  
Middle

\_\_\_\_\_  
Other Names/Aliases

\_\_\_\_\_  
Date of Birth (mm/dd/yyyy)

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Driver's License Number

\_\_\_\_\_  
State Issued

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Current Street Address

\_\_\_\_\_  
Current County

\_\_\_\_\_  
Current City

\_\_\_\_\_  
Current State

\_\_\_\_\_  
Current Zip

**Please list all previous addresses within the last seven (7) years:** (attach a separate sheet if necessary)

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City/State/Zip

\_\_\_\_\_  
County

\_\_\_\_\_  
Dates of Residence

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City/State/Zip

\_\_\_\_\_  
County

\_\_\_\_\_  
Dates of Residence

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City/State/Zip

\_\_\_\_\_  
County

\_\_\_\_\_  
Dates of Residence

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City/State/Zip

\_\_\_\_\_  
County

\_\_\_\_\_  
Dates of Residence

*The above information is true and correct to the best of my knowledge. By signing below, I give The McDowell Agency, Inc. permission to perform an investigation into my background. If hired, this authorization is valid for the duration of my employment.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date (mm/dd/yyyy)

**All users of consumer reports must comply with all applicable regulations, including regulations promulgated after this notice was first prescribed in 2004. Information about applicable regulations currently in effect can be found at the Consumer Financial Protection Bureau's website, [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).**

## **NOTICE TO USERS OF CONSUMER REPORTS: OBLIGATIONS OF USERS UNDER THE FCRA**

The Fair Credit Reporting Act (FCRA), 15 U.S.C. §1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Bureau of Consumer Financial Protection's website at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore). At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at the Bureau's website. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

### **I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS**

#### **A. Users Must Have a Permissible Purpose**

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of the permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. [Section 604\(a\)\(1\)](#)
- As instructed by the consumer in writing. [Section 604\(a\)\(2\)](#)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. [Section 604\(a\)\(3\)\(A\)](#)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. [Sections 604\(a\)\(3\)\(B\) and 604\(b\)](#)
- For the underwriting of insurance as a result of an application from a consumer. [Section 604\(a\)\(3\)\(C\)](#)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. [Section 604\(a\)\(3\)\(F\)\(i\)](#)
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. [Section 604\(a\)\(3\)\(F\)\(ii\)](#)
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. [Section 604\(a\)\(3\)\(D\)](#)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. [Section 604\(a\)\(3\)\(E\)](#)
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. [Sections 604\(a\)\(4\) and 604\(a\)\(5\)](#)

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making "prescreened" unsolicited offers of credit or insurance. Section 604(c). The particular obligations of users of "prescreened" information are described in Section VII below.

#### **B. Users Must Provide Certifications**

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purpose.

### **C. Users Must Notify Consumers When Adverse Actions Are Taken**

The term “adverse action” is defined very broadly by Section 603. “Adverse actions” include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA – such as denying or canceling credit or insurance, or denying employment or promotion. No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

#### **1. Adverse Actions Based on Information Obtained From a CRA**

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer’s right to obtain a free disclosure of the consumer’s file from the CRA if the consumer makes a request within 60 days.
- A statement setting forth the consumer’s right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

#### **2. Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies**

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer’s written request.

#### **3. Adverse Actions Based on Information Obtained From Affiliates**

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

### **D. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files**

When a consumer has placed a fraud alert, including one relating to identify theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p) and resellers, Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer’s alert.

### **E. Users Have Obligations When Notified of an Address Discrepancy**

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in

the consumer's file. When this occurs, users must comply with regulations specifying the procedures to be followed, which will be issued by the Consumer Financial Protection Bureau and the banking and credit union regulators.

The Consumer Financial Protection Bureau regulations will be available at [www.consumerfinance.gov/learnmore/](http://www.consumerfinance.gov/learnmore/).

#### **F. Users Have Obligations When Disposing of Records**

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. The Consumer Financial Protection Bureau, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Consumer Financial Protection Bureau regulations may be found at [www.consumerfinance.gov/learnmore/](http://www.consumerfinance.gov/learnmore/).

### **II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES**

If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations prescribed by the Consumer Financial Protection Bureau.

Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) ("Notice to the Home Loan Applicant").

### **III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES**

#### **A. Employment Other Than in the Trucking Industry**

If the information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.
- **Before** taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer's rights (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2).

The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

#### **B. Employment in the Trucking Industry**

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking company by contacting the company.

#### **IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED**

Investigative consumer reports are a special type of consumer report in which information about a consumer's character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:

- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided by the CRA that conducts the investigation.)
- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

#### **V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS**

Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with Federal, state or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

#### **VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION**

Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes – or in connection with a credit transaction (except as provided in regulations issued by the banking and credit union regulators) – the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or a permitted by statute, regulation, or order).

#### **VII. OBLIGATIONS OF USERS OF "PRESCREENED" LISTS**

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(1), 604(c), 604(e), and 614(d). This practice is known as "prescreening" and typically involves obtaining a list of consumers from a CRA who meet certain preestablished criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer's CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.

- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, the Consumer Financial Protection Bureau has established the format, type size, and manner of the disclosure required by Section 615(d), with which users must comply. The regulation is 12 CFR 1022.54.

## **VIII. OBLIGATIONS OF RESELLERS**

### **A. Disclosure and Certification Requirements**

Section 607(e) requires any person who obtains a consumer report for resale to take the following steps:

- Disclose the identity of the end-user to the source CRA.
- Identify to the source CRA each permissible purpose for which the report will be furnished to the end-user.
- Establish and follow reasonable procedures to ensure that reports are resold only for permissible purposes, including procedures to obtain:
  - (1) the identify of all end-users;
  - (2) certifications from all users of each purpose for which reports will be used; and
  - (3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

### **B. Reinvestigations by Resellers**

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When any CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

### **C. Fraud Alerts and Resellers**

Section 605A(f) requires resellers who receive fraud alerts or active duty alerts from another consumer reporting agency to include these in their reports.

## **IX. LIABILITY FOR VIOLATIONS OF THE FCRA**

Failure to comply with the FCRA can result in state government or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

**The Consumer Financial Protection Bureau website, [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore), has more information about the FCRA.**

**Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1618 et seq.:**

|              |                   |
|--------------|-------------------|
|              | 15 U.S.C. 1681    |
| Section 603  | 15 U.S.C. 1681a   |
| Section 604  | 15 U.S.C. 1681b   |
| Section 605  | 15 U.S.C. 1681c   |
| Section 605A | 15 U.S.C. 1681c-1 |
| Section 605B | 15 U.S.C. 1681c-2 |
| Section 606  | 15 U.S.C. 1681d   |
| Section 607  | 15 U.S.C. 1681e   |
| Section 608  | 15 U.S.C. 1681f   |
| Section 609  | 15 U.S.C. 1681g   |
| Section 610  | 15 U.S.C. 1681h   |
| Section 611  | 15 U.S.C. 1681i   |
| Section 612  | 15 U.S.C. 1681j   |
| Section 613  | 15 U.S.C. 1681k   |
| Section 614  | 15 U.S.C. 1681l   |
| Section 615  | 15 U.S.C. 1681m   |
| Section 616  | 15 U.S.C. 1681n   |
| Section 617  | 15 U.S.C. 1681o   |
| Section 618  | 15 U.S.C. 1681p   |
| Section 619  | 15 U.S.C. 1681q   |
| Section 620  | 15 U.S.C. 1681r   |
| Section 621  | 15 U.S.C. 1681s   |
| Section 622  | 15 U.S.C. 1681s-1 |
| Section 623  | 15 U.S.C. 1681s-2 |
| Section 624  | 15 U.S.C. 1681t   |
| Section 625  | 15 U.S.C. 1681u   |
| Section 626  | 15 U.S.C. 1681v   |
| Section 627  | 15 U.S.C. 1681w   |
| Section 628  | 15 U.S.C. 1681x   |
| Section 629  | 15 U.S.C. 1681y   |