

Help Tenants Access Safe, Healthy, Affordable Homes

Support HB (Price): Make the rental application process more fair

The Problem:

Virginia, like most of the country, is reckoning with an affordable housing crisis. One aspect of the housing crisis rarely recognized is how **the cost and unreliability of tenant screening reports exacerbates the scarcity of safe, healthy, affordable housing for low-income tenants**. Reports prepared for landlords by tenant screening companies are widely used but can harm applicants by:

- Including inaccurate or irrelevant information on credit and evictions that results in denials¹.
- Simply recommending a landlord accept or deny an applicant without providing a reason, making it impossible for landlords to exercise discretion and override the screening company in appropriate situations.²
- Keeping tenants in the dark. While federal law allows tenants to get a copy of their tenant screening report for free and challenge any inaccuracies, few tenants realize this despite the law also requiring landlords to advise tenants of these rights.³
- Limiting the number of applications a tenant can submit by requiring them to pay for tenant screening reports from a third party for each adult applicant, at a cost of approximately \$40/report,⁴ for every residence they apply to rent.

HB _____'s Solution:

HB() allows applicants for residential tenancies to provide a **portable tenant screening report** containing their credit report, eviction judgment history and landlord references in lieu of paying landlords to use tenant screening companies. The portable tenant screening report, which can be put together by the applicant or by a HUD-certified housing counselor at the request of the applicant, will:

- Save applicants hundreds of dollars in tenant screening report fees.
- Give applicants the right to submit information they obtain themselves, providing them a chance to review the information for accuracy before it's provided to landlords.

Additional Benefits:

The use of portable tenant screening reports established by HB () benefits landlords as well, by:

- Helping them get more accurate background information on their applicants
- Shifting the up-front cost of background checks to the applicants⁵

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¹ The U.S. Public Interest Research Group found that 25% of surveyed credit reports contained serious errors that could result in a denial of credit. [Usp.org/reports/usp/mistakes-do-happen](https://usp.org/reports/usp/mistakes-do-happen) (June 17, 2004); "Opening the Door, Tenant Screening and Selection," Family Housing Fund and Justice Center (March 2021); "Access Denied: Faulty Automated Background Checks Freeze Out Renters" The Markup (May 2020), <https://themarkup.org/locked-out/2020/05/28/access-denied-faulty-automated-background-checks-freeze-out-renters>

² Id.

³ "Opening the Door: Tenant Screening and Selection"

⁴ Id.

⁵ Landlords generally contract with the third party tenant screening companies first, paying them out of pocket then getting reimbursed by applicants.