

February 28 2019



New Jersey Senate Committee on Commerce
Senator Nelida Pou, Chair
125 West State Street
State House
Trenton, NJ 08625

RE: Senate Bill 3452 – Commentary and Concerns

Dear Senator Pou and Members of the Committee,

On behalf of the National Association of Professional Background Screeners (NAPBS), whose members include New Jersey residents and businesses, we write to you with concerns regarding the current draft of Senate Bill S 3452, that you will be hearing on March 4th. As a nonprofit organization consisting of over 950 small and large companies engaged in the background screening profession, NAPBS has been dedicated to providing the public with safe places to live and work since 2003. The NAPBS member companies conduct millions of employment-related background checks each year, helping employers, staffing agencies, and nonprofit organizations make more informed decisions regarding the suitability of potential employees, contractors and volunteers.

Millions of background screening reports are requested in the United States each year. Our members are hired to verify the education, employment, financial, and criminal histories of applicants. There are a number of important reasons for conducting these searches, including: (i) ensuring a safe working environment by reducing the likelihood of workplace violence; (ii) meeting state law requirements designed to protect vulnerable populations like the elderly, the disabled, and children; (iii) reducing employee theft; (iv) reducing the hiring of individuals based on fraudulent credentials; (v) improving productivity and profits by making better hiring decisions; and (vi) avoiding legal exposure for negligent hiring;. While we at NAPBS appreciate the spirit of this legislation, we must respectfully oppose the current draft of this measure as an excessive burden placed not only on our members, but on those employers and communities we serve.

This legislation would require all NAPBS members to significantly invest in and in many cases replace reporting systems, software, and personnel in order to comply. While the concept seems simple enough in its legislative form, in practice it would be a massive cost to provide translated versions of all the documentation required for a background screen to be performed. That cost would then be magnified based on the number of languages that the State deems must be provided in addition to Spanish. Such costs would be a significant burden to screeners, the vast majority of which are small businesses without the readily available capital needed for such a significant operational overhaul – effectively forcing them to close their business. These costs would result in the need to increase fees charged to clients, who are often small businesses themselves and who according to a recent HR.com survey (*please see attached*) overwhelmingly report their number one reason for conducting background checks is for safety – the net result is a significant economic “ding” to New Jersey communities.

In addition to the initial cost, the operational changes this bill would require could result in downtime, and a significant delay in services. Any delay in the production of a background check means a longer



period where an applicant can't start work, an employer goes understaffed, a tenant is delayed getting into their new apartment, or a nonprofit must operate from a reduced volunteer base. Delays are something we as background screeners seek to avoid, our goal is to get consumers to work or into housing as quickly and safely as possible. Therefore, we must respectfully oppose S 3452 as it is currently written and ask that you not advance the bill from committee unless modifications are made that would eliminate the burden on background screening.

NAPBS would welcome the opportunity to work out an amendment to the bill that both achieves your goals and eliminates the untenable burden placed on NAPBS members, employers and volunteer organizations alike. This could include something as simple as language narrowing the scope to the larger consumer credit bureaus – who we believe are the intended focus for this bill – or providing a service where consumers who receive their employment disclosures can call and speak to someone in their own language through a translator or language line. These are but two avenues of discussion, both would significantly improve background screeners' ability to function if this bill were to become law. As previously stated, we are very much open to discussion on how to best make this legislation work for everyone involved.

We thank you for taking the time to hear our concerns. NAPBS and its members are prepared to discuss any questions you may have and look forward to working with you further. Please feel free to contact me directly with any questions at 402-957-1179 or brent.smoyer@napbs.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Smoyer", is positioned below the word "Sincerely,".

Brent Smoyer, JD
NAPBS State Government Relations &
Grassroots Director