

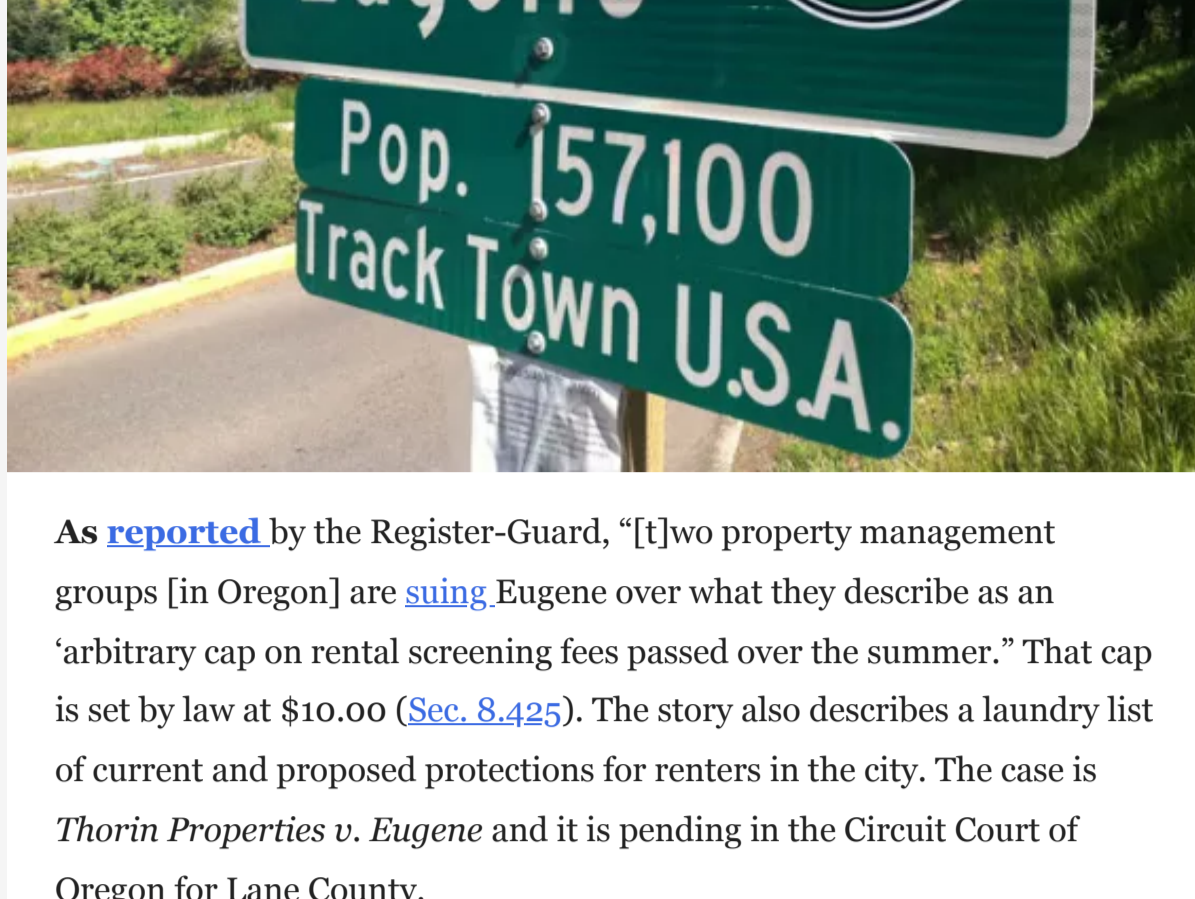
# SPRC Sparks

By Eric J. Ellman • Jan 04, 2023  
Smart Brevity® count: 4 mins... 1091 words

**Happy New Year**, and welcome back to SPRC Sparks. Here's what's in this edition:

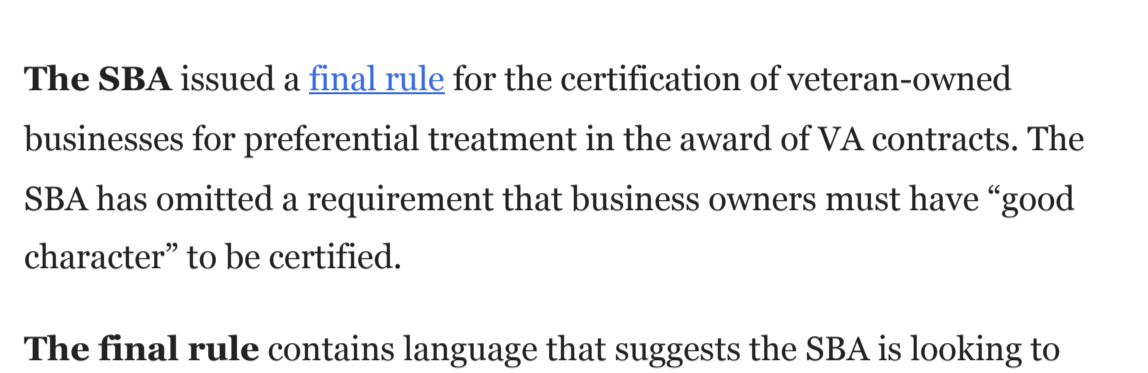
1. Eugene's cap on rental screening fees sparks lawsuit from property management groups
2. Small Business Assn. lowers barriers to entry
3. Columbia City (MO) Citizen Police Review Board appointee background check policy questioned at council meeting
4. Law review article (Eric Dunn) takes on rental application fees
5. JPMorgan Chase wants to disrupt the rent check with its payments platform for landlords and tenants
6. CFPB seeks a "rental housing expert"

## 1. Lawsuit in Eugene, OR over cap on tenant screening fee



As [reported](#) by the Register-Guard, "[t]wo property management groups [in Oregon] are [suing](#) Eugene over what they describe as an 'arbitrary cap on rental screening fees passed over the summer.'" That cap is set by law at \$10.00 ([Sec. 8.425](#)). The story also describes a laundry list of current and proposed protections for renters in the city. The case is *Thorin Properties v. Eugene* and it is pending in the Circuit Court of Oregon for Lane County.

## 2. Small Business Assn. lowers barriers to entry



The **SBA** issued a [final rule](#) for the certification of veteran-owned businesses for preferential treatment in the award of VA contracts. The SBA has omitted a requirement that business owners must have "good character" to be certified.

The **final rule** contains language that suggests the SBA is looking to create consistency across its other lending programs. On that point, the Collateral Consequences Resource Center said that it aims to next have the SBA "remove the 'good character' restrictions from its larger 8(a) business development program, where they have explicitly limited opportunities for justice-affected individuals for more than three decades. After that, the SBA must consider whether similar 'good character' requirements can be justified in its lending and disaster assistance programs, in light of their explicit exclusion of justice-affected individuals and disparate impact on minority business owners."

## 3. Columbia City (MO) Citizen Police Review Board appointee background check policy questioned at council meeting

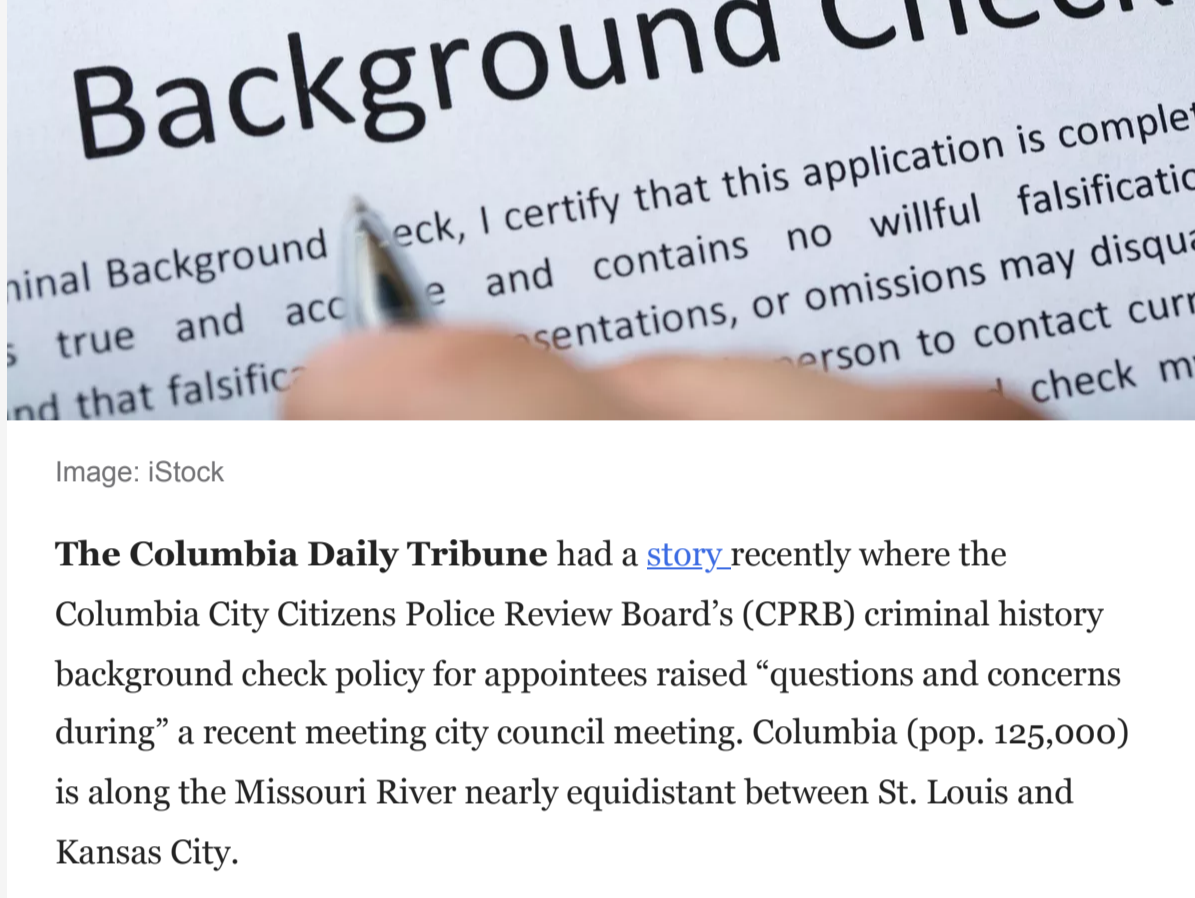


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The **Columbia Daily Tribune** had a [story](#) recently where the Columbia City Citizens Police Review Board's (CPRB) criminal history background check policy for appointees raised "questions and concerns during" a recent meeting city council meeting. Columbia (pop. 125,000) is along the Missouri River nearly equidistant between St. Louis and Kansas City.

**According to the story**, CPRB appointees must undergo a criminal history check through the Columbia Police Department. To start the process, "a person's fingerprints, run through the Missouri Highway Patrol, for document accuracy..." But, since April 2022,

The police department...has done name-based background checks on open records, rather than the criminal history checks, which can pull in closed, out-of-state or FBI records. A report the police department provides to the council about appointees is based only on the open records.

The authorization for a fingerprinting terminal was voted down Monday and brought forth more questions about the background check policy and whether it even is needed. Background checks on open records still will happen, but now the police department cannot do the more stringent criminal history check via fingerprints.

**But**, City Attorney Nancy Thompson said that "name-based general background checks do not have the guaranteed accuracy of criminal history."

**There is a backstory** that was highlighted by the Tribune. The "CPRB is the only city board or commission with a criminal history background check for appointees, based on information presented Monday. It has not met since August due to internal struggles and several member resignations."

A background check requirement gives the sense of intimidation, residents said. People who would like to join may not submit their name over their past history because they it could impact an appointment was another sentiment expressed.

Third Ward council member Roy Lovelady could not see how requiring a background check with fingerprinting builds trust by the community of the police department, he said.

CPRB appointees should "have no serious criminal record," as noted in the staff memo to council, but a serious criminal record is undefined and thus subjective, Thompson said. Those with prior convictions have served on the CPRB, she said, answering a question from Fifth Ward council member Matt Pitzer.

### The article continues

First Ward Council Member Pat Fowler and Fourth Ward Council Nick Foster aim to learn more about reasons why the background check policy was adopted in the first place.

There are a couple paths forward, Thompson said. One is to end the background check requirement or remove the criminal history check and rely on general name-based checks instead.

Those are discussions and potential ordinance changes for a different council meeting, though.

**Why it matters:** Background checks, with or without fingerprints, are often a lightning rod for attention. Clearly, in spite of evidence to the contrary, some people also believe that a name-based check is not as accurate as a fingerprint check.

## 4. Law review article (Eric Dunn) takes on rental application fees

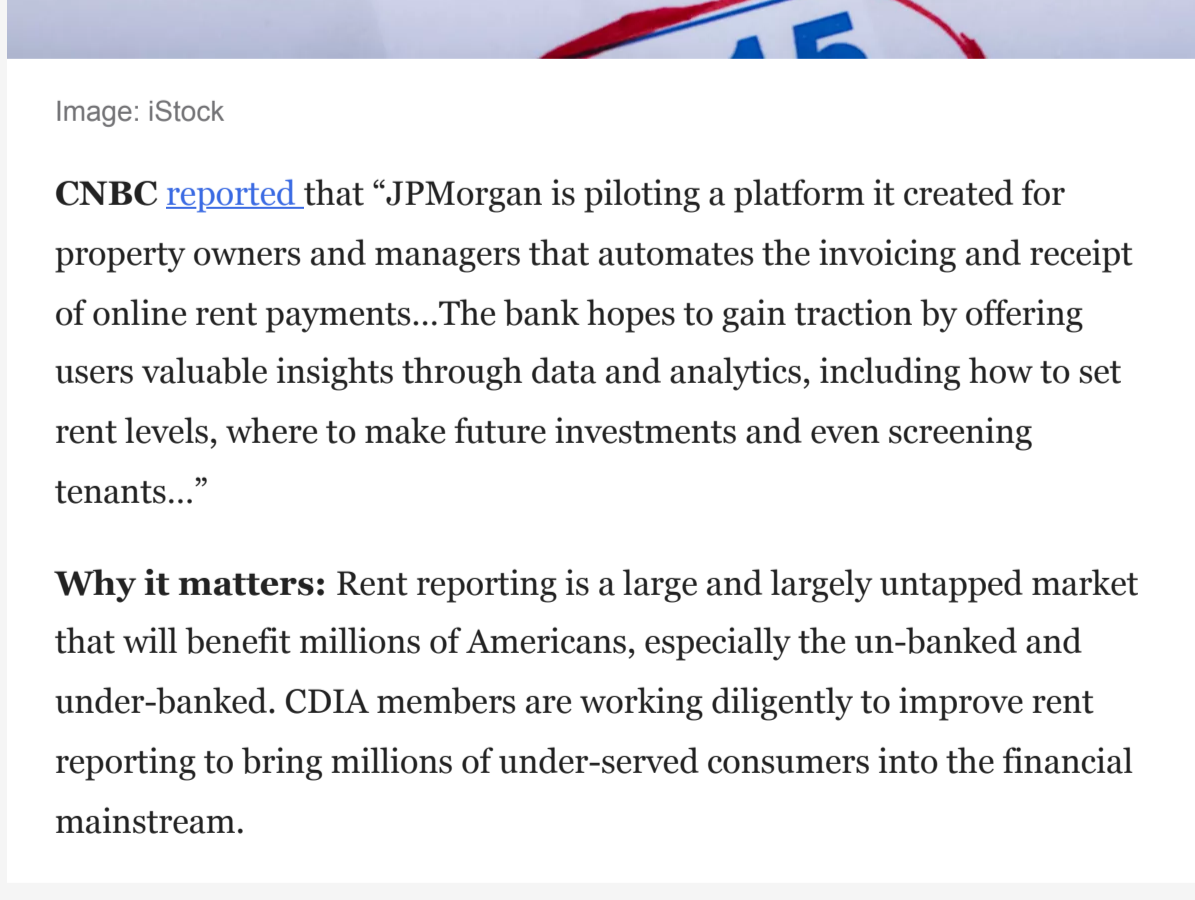


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A [law review article](#) by Eric Dunn appeared in the fall of 2022 from the [Georgetown Journal on Poverty Law and Policy](#) where he "explains the most significant problems that arise from rental application fees and suggests three key responses for fair housing and consumer advocates..." Dunn is a passionate advocate at the National Housing Law Project (NHLP).

**Why it matters:** CDIA members perform tenant screening services for landlords and property managers. Proposals that limit the ability to charge for a complete tenant screening report could expose landlords and their tenants to increased risks.

## 5. JPMorgan Chase wants to disrupt the rent check with its payments platform for landlords and tenants

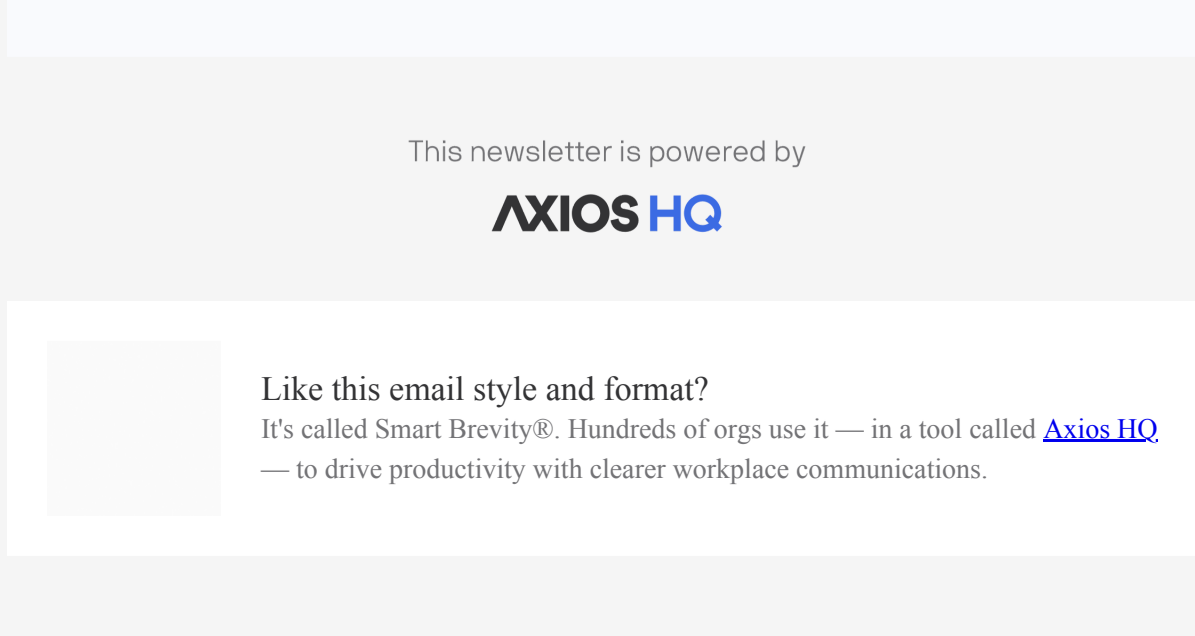


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**CNBC reported** that "JPMorgan is piloting a platform it created for property owners and managers that automates the invoicing and receipt of online rent payments...The bank hopes to gain traction by offering users valuable insights through data and analytics, including how to set rent levels, where to make future investments and even screening tenants..."

**Why it matters:** Rent reporting is a large and largely untapped market that will benefit millions of Americans, especially the un-banked and under-banked. CDIA members are working diligently to improve rent reporting to bring millions of under-served consumers into the financial mainstream.

## 6. CFPB seeks a rental housing expert



The **CFPB** has advertised a job posting for a [rental housing expert](#) as it likely steps up its work on tenant screening.

**Why it matters:** Tenant screening continues to be in the Bureau's crosshairs and this new job posting is an example of what is likely its ongoing work in that area.

That's it for now, let us know below if this edition was useful...

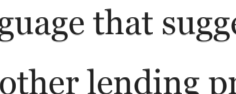
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