### **SPRC Sparks**

By Eric J. Ellman • Feb 14, 2023

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Welcome to SPRC Sparks, here's what's in this edition:

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- 2. Michigan to Automatically Expunge Some Criminal Records Under 'Clean Slate' Program
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 Nationwide Rent Control?
Democrats want Biden to impose rules to limit rent increases across the country.



**Landlords** took it on the chin during COVID and they continue to feel policy aftershocks.

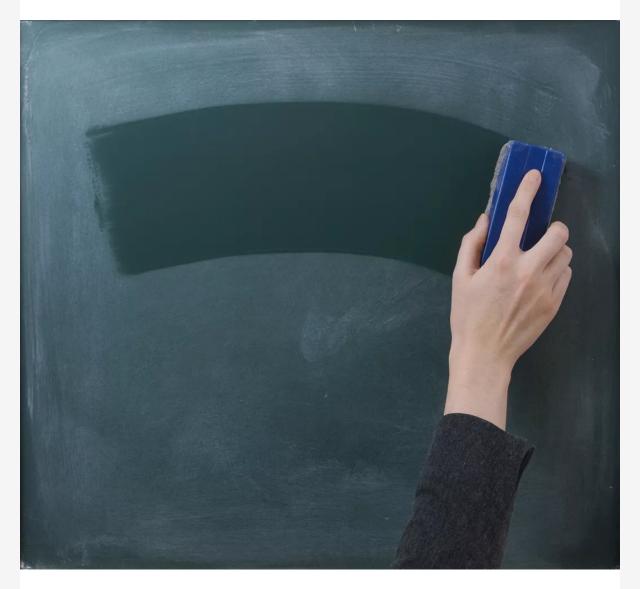
#### The WSJ recently **<u>observed</u>** that

Ideas that start on the progressive fringes have a way of becoming government policy these days, as President Biden's \$400 billion student loan cancellation shows. Lo, Democrats in Congress are now pressing the President to impose rent control nationwide.

Progressives nonetheless want to use rising rents as a pretext to nationalize local housing policy. Fifty Democrats in Congress last week sent a letter urging Mr. Biden "to pursue all possible strategies to end corporate price gouging in the real estate sector and ensure that renters and people experiencing homelessness across this country are stably housed this winter."

**Why this matters:** Landords are our key allies on tenant screening matters, yet ideas like national rent control could distract their interests away from screening onto other matters.

# Michigan to Automatically Expunge Some Criminal Records Under 'Clean Slate' Program



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**Route Fifty** <u>reports</u> that "[a] new system [in Michigan] that will automatically expunge Michigan residents' criminal records based on certain criteria means that as many as 1 million people will have easier access to jobs, housing and education."

According to the story, the Michigan State Police

will use an algorithm coded to the statutory eligibility criteria that will generate a list of convictions eligible for expungement each month, and the courts will use their case management systems to update the files. Assaults, serious misdemeanors and those involving serious injury or the death of another person are among the ineligible convictions.

**John Cooper**, executive director of Safe & Just Michigan said that "[t]he courts will ... ingest this bulk data and apply it to move the relevant records from public to non-public [view] in their systems." The story noted that Michigan has 20 systems, but a <u>statewide one</u> may be in the works.

**The story** adds that the Clean Slate Initiative (CSI), offers a bipartisan policy model that uses technology to automate such clearance. Jesse Kelley, national campaign manager for CSI said that "[i]t is easier when states, particularly when counties, can talk to one another using the same software...That makes it really easy to just implement the code."

**CSI** has "partnered with Code for America (CfA) on the effort. They work with states and counties to use their existing software and information technology, although there are times that something new is necessary..."

The technology breaks down into three components [said a spokesperson for CfA]. First is eligibility determination, second is notifying agencies of the need to update records and third is updating systems so that the records are changed based on the policy.

### In California,

CfA developed technology that would allow district attorneys to upload their bulk dataset that they received, press a few buttons and receive a spreadsheet of everybody who was eligible based on the criteria that they had chosen...It was essentially completing their portion of the upper law in a matter of minutes instead of somebody having to spend days and weeks manually going through."

**The story** also mentioned the work of automatic expungements in Utah and Pennsylvania.

## Man Mistakenly Labeled Felon Says Mix-Up Cost Him Home



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### As reported by Law 360 (paywall)

Michael Handy says SafeRent Solutions LLC failed to follow reasonable procedures, such as manual or in-person review, when collecting consumer data, causing them to mix up another person's name and criminal history with his, according to the complaint filed Wednesday in Georgia federal court. Handy accused the tenant screening company of putting its business interest above consumers' rights because it is cheaper. He says the tenant screening company violated the Fair Credit Reporting Act.

Case: *Handy v. SafeRent Solutions LLC*, U.S. Dist. Ct. (N.D. Ga.), No. 1:23-cv-00576.

Counsel: For plaintiff, Jenna Dakroub of Consumer Attorneys PLC.

## 4. Rental collections trades to credit bureaus down 22%



**In February 2023**, the CFPB issued a <u>report</u> on collections and credit reporting, looking at data from 2018 - 2022.\* Tucked inside the report was a comment that rental and leasing collections constitute the smallest share of all tradelines and the share of rental and leasing collections fell by about 22% from early 2018 to early 2022 (p. 3).

**Why it matters:** Proponents of credit screening bans or regulations for tenancy often point to rental payment collections for support for those bans or regulations. The precipitous decline of rental collections shows that one key argument supporting their legislation loses validity.

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