

AI Alert: CFPB Tightens FCRA Rules for Employers

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On Friday, we shared insights on the CFPB's recent circular regarding the Fair Credit Reporting Act's (FCRA) application to employer background checks and algorithmic tools. This development has significant implications for employers and software providers alike, marking a shift in how technology used for employment purposes is regulated under the FCRA.

The CFPB's new stance could potentially categorize certain monitoring and performance tools as consumer reporting tools, necessitating compliance with FCRA requirements. Employers should take note and review the tools they use, ensuring they align with these updated regulations.

For a comprehensive look at the changes and their implications, check out the full post [here](#).