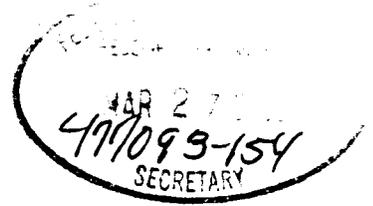




March 14, 2000

Secretary  
Federal Trade Commission  
Room H-159, 600 Pennsylvania Ave, N.W.  
Washington, DC 20580



RE: Gramm-Leach-Bliley Act Privacy Rule,  
16 CFR Part 313 – Comment

PMB #294

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Dear Sir or Madam,

I am writing to express my concern with the proposed regulations to implement Title V of the Gramm-Leach-Bliley Act of 1999.

My company provides the valuable and much-needed service of pre-employment background screening. Our clientele consists of small and medium sized companies, large national and international corporations as well as city governments. We work with the Human Resource departments in each of these to provide background information on their prospective employees. These background checks include, but are not limited to, criminal histories, credit reports, social security number verification, driving records as well as contacting prior employers.

The information we provide in the background screening, along with the personal interviews of applicants, provides employers with the best possible picture of their candidate. Without out the background screening information, or with only a small portion of it, the employers would have to rely completely on the interview and gut feeling to make their hiring decisions. We need look no further than our courts to see the volumes of cases being filed concerning negligent hiring, sexual harassment and cases involving workplace violence, to see that mere gut feeling is not enough on which to base hiring and promotion decisions.

One of the areas covered in the Gramm-Leach-Bliley Act deals with credit bureaus and the release of name and address information they have in their files. While I am a proponent of not having all of my personal information available to every Tom, Dick and Harry out there, I also balance that with the realization that locking away all personal information, in all cases, no matter the situation, serves the greatest benefit to those who would deceive us.

Background screening companies such as ourselves, currently obtain name and address information from the credit bureaus based on the social security number provided by the applicant. We crosscheck the names and addresses we receive with those given on the employment application. This tells us 1) if the applicant been truthful regarding former addresses and 2) whether there are additional locations that we should check for possible criminal history information. Credit bureaus

are the best, and often times, the only source for this information. I can not begin to tell you how many times an applicant has “forgotten” to tell us one of the states he/she lived in or “forgotten” to tell us about another last name they have used, only for us to then find criminal history records for that individual in the forgotten state or under the forgotten name. We would have completely missed those records had we not had the information from the credit bureaus concerning names and addresses. Employers would have been hiring people convicted of physical assaults, sexual assaults, theft, and felony drug charges, with no idea the applicant had been covering up the information and in some cases, blatantly lying on the employment application.

There will always be those individuals who will find a way around the rules or regulations and will obtain personal information about someone. Even if we prohibit companies such as credit bureaus from providing names and address, there is not doubt in my mind that, for a price, you could still get the information. In the mean time, to prevent against a comparatively small number of situations where personal information is used inappropriately, we would take away an extremely valuable tool for businesses. We would be providing a false sense of security for a few, while preventing employers of all sizes, in all types of businesses, in all the towns and cities across the country, from being able to make informed, educated hiring decisions. The results could be anywhere from more turnover in a business to increased losses due to theft and embezzlement, to increased situations of harassment and violence in the workplace. All of this going back to making a bad hiring decision, one made on gut feeling alone.

The vast majority of employers do not have access to the various sources needed to conduct background screening, nor do they have the time to research and develop sources on their own. Background screening companies such as ours, provide an easily accessible solution, but only so long as we can get the information that is important to our clients.

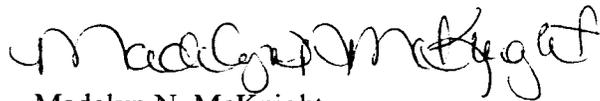
Credit bureaus should not come under the definition of “financial institutions.” You cannot go to them and open a savings or checking account. They do not provide loans, investments or financial advice. They are a self-made warehouse of information and are in business solely to provide that information to other businesses and authorized parties as a tool, be it for loan, credit or insurance underwriting or employment/promotion decisions. In addition, all of the credit bureaus have procedures, requirements and restrictions already in place that satisfactorily limit 1) who can obtain information on a person, and 2) how that information can and cannot be used.

If names and addresses from are to be considered “non-public personal information”, where does that leave telephone books? They provide names, addresses AND a telephone number! Under the guise of privacy, shouldn't all of that be prohibited as well?

In closing, I ask that you not include credit bureaus in the interpretation of "financial institutions" and that you not prohibit credit bureaus from providing name and address information. This particular restriction would ultimately prove worse for the majority of people in our society by handicapping businesses than for the few individuals it might otherwise affect.

Thank you so much for your time and consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Madelyn N. McKnight". The signature is fluid and cursive, with the first name "Madelyn" being more prominent than the last name "McKnight".

Madelyn N. McKnight  
President  
E.M.P. Information Access