

Sterling Infosystems, Inc.

On November 22, 2019, the Consumer Financial Protection Bureau (Bureau) filed a proposed stipulated judgment with Sterling Infosystems, Inc. (Sterling), a privately-held Delaware corporation headquartered in New York. Sterling's primary business is to prepare background screening reports on individual job applicants to assist employers in employment-making decisions. In its complaint, the Bureau alleged that Sterling violated the Fair Credit Reporting Act by (1) failing to employ reasonable procedures to ensure the maximum possible accuracy of the information about consumers it included in the consumer reports it prepared; (2) failing to maintain strict procedures to ensure that public record information about consumers that it included in consumer reports it prepared was complete and up to date or notify consumers, at the time that such information was reported, of the fact that public record information was being reported; and (3) reporting criminal history information and other adverse information about consumers outside of the reporting period allowed by the FCRA.

If entered by the court, the proposed stipulated judgment and order requires Sterling to pay \$6 million in monetary relief to affected consumers and a \$2.5 million civil money penalty to the Bureau. The proposed stipulated judgment also includes injunctive relief to prevent the claimed illegal conduct from recurring.

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ACTION DETAILS

Category

Federal district court case

Court

United States District Court for the Southern District of New York

Institution type

Nonbank

Status

Post Order/Post Judgement

File number

1:19-cv-10824

Topics

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Date filed

NOV 22, 2019

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