



# SB 694, SB 695, SB 696 FACT SHEET 2025 LEGISLATIVE SESSION

## WHAT THE BILLS DO

The proposed pieces of legislation - SB 694, SB 695, and SB 696 - **seek to improve transparency in consumer reporting and safeguard consumers by minimizing the impact of outdated or incorrect criminal history information.**

- **SB 694** increases transparency in the sale and dissemination of criminal history information by the Department of Public Safety;
- **SB 695** ensures that a consumer who successfully disputes an incorrect record receives a corrected report, accessible online and free of charge;
- **SB 696** prevents consumer reporting agencies (CRAs) from reporting criminal history information that did not lead to a conviction or deferred adjudication (e.g., arrest, charge, or indictment).

These bills aim to improve the accuracy of criminal background checks and support those who face challenges because of their record(s).

## RESEARCH SUPPORTING POLICY CHANGE

**More than 9 million Texans have a criminal record, including arrests that ultimately result in a dismissal.**<sup>1</sup> As a result, even individuals who are legally innocent of a crime may have criminal history information appear on a consumer report.

A recurring issue with criminal background checks is the inconsistency and inaccuracy of information provided by consumer reporting agencies. Consumer reporting agencies (CRAs) are entities that gather and assess credit information to create reports on consumer's (criminal) backgrounds.<sup>2</sup> CRAs typically rely on a person's name, date of birth, and Social Security number to gather information.<sup>3</sup> They can also purchase criminal history information from Texas state agencies, including but not limited to: the Department of Public Safety, the Criminal Justice Department, and county and district courts.<sup>4</sup> Even for individuals who secure record relief through expunctions or non-disclosure orders, CRAs' databases may still display outdated or irrelevant arrests and charges.

The impact of a criminal record extends far beyond what might seem immediately apparent. Housing, employment, and education are three critical pillars for reintegration into society and long-term success. **Nearly 9 out of 10 employers, 4 out of 5 landlords, and 3 out of 5 colleges rely on background checks when screening applicants.**<sup>5</sup> Additionally, almost 40 percent of schools do not admit students who have not completed their term of community supervision which creates another obstacle to upward mobility.<sup>6</sup> The presence of a criminal record (accurate or not) can disqualify otherwise qualified candidates and reduce their access to stable jobs, safe housing, and higher education opportunities. These individual consequences produce negative outcomes for our state as a whole. Denying opportunities to millions of Texans with a criminal record stifles our economic growth and undermines our state's efforts to reduce recidivism.



use background checks to screen for applicants' records



of registered Texas voters agree that the state should remove barriers to reentry

Texans from all backgrounds understand the difficulties associated with having a criminal record and overwhelmingly support initiatives that promote positive reentry. **Seven in ten Texans say that denying people opportunities for housing, education, and employment hinders their reintegration efforts.**<sup>7</sup> Moreover, two-thirds of registered voters in Texas agree that the state should take action to remove these barriers to reentry.<sup>8</sup>

## RECOMMENDATION

Texas Appleseed recommends that the Texas Legislature adopt and implement SB 694, SB 695, and SB 696, to: 1) enhance transparency in consumer reporting and 2) protect consumers by limiting the reach of inaccurate or outdated criminal history information. Benefits of passing SB 694, SB 695, and SB 696 include:

- ✔ **Breaking down barriers to success for people affected by outdated or irrelevant criminal records.**
- ✔ **Reducing recidivism by allowing people with a criminal record quicker access to housing, education, and employment.**
- ✔ **Promoting economic growth by enabling more Texans to participate in the workforce.**

## REFERENCES & ENDNOTES

<sup>1</sup> Data request to Texas Department of Public Safety. (2022). Total number of people in Texas who currently have any type of criminal history record that has not been expunged or sealed, as of March 31, 2022. Data on file with authors.

<sup>2</sup> Federal Credit Reporting Act, 15 U.S.C. §1681a(f).

<sup>3</sup> Duane, M., La Vigne, N., Lynch, M., & Reimal, E. (2017). Criminal background checks: Impact on employment and recidivism. Urban Institute Justice Policy Center. Retrieved from [https://www.urban.org/sites/default/files/publication/88621/2001174\\_criminal\\_background\\_checks\\_impact\\_on\\_employment\\_and\\_recidivism\\_1.pdf](https://www.urban.org/sites/default/files/publication/88621/2001174_criminal_background_checks_impact_on_employment_and_recidivism_1.pdf).

<sup>4</sup> Pahl, S. (2014). Interim testimony 2014: Senate committee on State Affairs, Texas Criminal Justice Coalition. Testimony on file with authors.

<sup>5</sup> Lo, K. (2020). Expunging and sealing criminal records: How jurisdictions can expand access to second chances. Center for American Progress. Retrieved from [https://www.americanprogress.org/wpcontent/uploads/2020/04/04-23\\_Expunging-and-Sealing.pdf](https://www.americanprogress.org/wpcontent/uploads/2020/04/04-23_Expunging-and-Sealing.pdf).

<sup>6</sup> Center for Community Alternatives. (n.d.). The use of criminal history records in college admissions: Reconsidered. Retrieved from [https://www.prisonpolicy.org/scans/communityalternatives/reconsidered\\_criminal\\_hist\\_rec\\_in\\_college\\_admissions.pdf](https://www.prisonpolicy.org/scans/communityalternatives/reconsidered_criminal_hist_rec_in_college_admissions.pdf).

<sup>7</sup> Clean Slate Texas. (n.d.). Texans' support for change. Retrieved from <https://www.cleanslatetexas.org/texans-support-for-change>.

<sup>8</sup> Ibid.



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