

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	07/28/14	Open	Action	07/28/14

Subject: Waive the First Reading of RT Ordinance 14-08-01 Criminal Background Check
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**ISSUE**

Whether to repeal and replace Ordinance No. 05-05-01, which sets forth the parameters under which RT may conduct criminal background checks on prospective employees and concessionaires, with an ordinance that expands the scope of background checks for applicants for employment and incrementally restricts the scope of background checks and exclusionary criteria for Concessionaires.

**RECOMMENDED ACTION**

Motion: Waive the First Reading of An Ordinance Authorizing Background Checks On Certain Job Applicants and Certain Prospective Concessionaires.

**FISCAL IMPACT**

Waiver of the First Reading will have no fiscal impact. Adoption of the Ordinance, which would require RT to conduct background screening of all job applicants, will result in increased costs to RT. These costs have been budgeted for the current fiscal year.

**DISCUSSION**

In 1977, the RT Board of Directors adopted an Ordinance requiring Criminal Background Checks on certain employees (primarily bus and light rail operators and mechanics). In 2005, the Ordinance was expanded to include prospective concessionaires. Currently, the background checks are limited to obtaining the Summary Criminal History Information from the California Department of Justice. During 2013, RT staff and management discussed the need to secure the services of a third party vendor to complete more comprehensive pre-employment background checks. The extent of the background screening would vary based upon the position sought, but would include, for all applicants: (1) Name and alias verification and validation; (2) Social Security verification and validation; (3) Address verification and validation; (4) Employment History verification and validation; and (5) County Criminal Records Search; and, for some applicants: (6) National Criminal Records Search; (7) Federal Criminal Records Search; (8) Out of State Motor Vehicle Records Search; (9) Credit Checks; (10) Sex Offender Registry Search; (11) Education and Credential verification; and (12) International Records search. In anticipation of changes to the Criminal Background Check Ordinance, a Request for Quotes (RFQ) was released on December 19, 2013, and a vendor has been selected. Prior to the implementation of the expanded program, the Board must repeal and replace the current Background Check Ordinance, No. 77-2.

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Approved: \_\_\_\_\_ Presented: \_\_\_\_\_

Final Revised 7/28/14  
 General Manager/CEO

Director, Human Resources  
 J:\Board Meeting Documents\2014\12 July 28, 2014\Waive First Reading of Background Ordinance 7\_7\_14 Revised 72814.doc

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Pursuant to state law, RT cannot access the state Summary Criminal History Information unless the Board identifies, in the ordinance, the specific conduct that would be disqualifying. Consequently, the current Ordinance identifies the specific criminal conduct that will result in “Mandatory Denial” or “Discretionary Denial” from employment. Unfortunately, this requirement limits Staff flexibility to modify the exclusionary requirements over time as new positions are added, newly-relevant criminal statutes are enacted, or RT’s determination of the “business necessity” for an exclusion changes. To provide the desired flexibility, Staff is recommending that the Summary Criminal History Information not be sought and that RT rely, instead, on the third party background screening company to provide criminal history records. The Summary Criminal History Information would still be obtained for prospective Concessionaires.

The revised ordinance would (1) authorize the General Manager/CEO or his/her designee to conduct third party background checks on prospective employees; (2) require the General Manager/CEO to adopt a policy and procedures for implementing the provisions of the ordinance that would identify the nature and extent of the screening for each position, the results that would be disqualifying, and a process for applicants to challenge a disqualification; (3) require the General Manager/CEO to comply with all applicable laws concerning background screening of employees and (4) require the General Manager/CEO and his/her designee to retain the criminal background check information in accordance with State and Federal law as well as RT’s Record Retention Policy.

The revised ordinance would also make two substantive changes to the Concessionaire provisions. The Ordinance currently requires that all Concessionaires (a term broadly defined to include all individuals and entities that provide retail or other authorized services to RT employees, guests, invitees, patrons, customers, users or other individuals) undergo a background check, based on the assumption that they will have unsupervised access to RT patrons. Staff believes this is overly broad and proposes instead to vest discretion in the General Manager/CEO to determine, based on the specific circumstances, whether a Criminal Background Check is required for a particular Concessionaire. The second change would modify the drug conviction exclusion for prospective Concessionaires. Currently, the Ordinance prohibits a Concessionaire from receiving a “Certificate to Operate Concession” if the Concessionaire has a misdemeanor conviction for drug use. Again, Staff feels that this exclusion is more broad than needed to protect RT patrons and proposes to instead exclude only those Concessionaires with a ~~conviction(s) for violation of Health and Safety Code Section 11352, which prohibits sale or transportation of narcotics.~~ **felony drug conviction or charge.**

Before an RT ordinance may be adopted, it must first be introduced. Staff recommends that the Board approve a motion waiving the first reading of an Ordinance Authorizing Background Checks on Certain Job Applicants and Certain Prospective Concessionaires.

ORDINANCE NO. 14-08-01

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

August 11, 2014

**AN ORDINANCE AUTHORIZING BACKGROUND CHECKS ON JOB APPLICANTS  
AND CRIMINAL BACKGROUND CHECKS ON CERTAIN PROSPECTIVE  
CONCESSIONAIRES**

THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT  
DO ORDAIN AS FOLLOWS:

**SECTION 1:**

This Ordinance is adopted by the Board of Directors of the Sacramento Regional Transit District pursuant to *California Public Utilities Code* Section 102107 and *California Penal Code* Sections 11105, 11105.02, and 13300, to repeal and replace Ordinance 05-01-01 with this Ordinance.

**SECTION 2:**

RT Ordinance No. 05-05-01 is hereby repealed and replaced with the following:

I.

**PREAMBLE**

This ordinance is adopted by the Board of Directors of the Sacramento Regional Transit District pursuant to *California Public Utilities Code* Section 102107 and *California Penal Code* sections 11105, 11105.02, and 13300. Nothing herein contained is to be construed to limit RT's recruiting practices except as specifically set forth herein. Further, nothing contained herein, in any way, restricts RT's right to terminate or otherwise discipline an employee.

II.

**DEFINITIONS**

A. **Summary Criminal History Information:** That record of information maintained by the Attorney General or local criminal justice agency pertaining to the identification and criminal history of any person, such as name, date of birth, physical description, date of arrest, arresting agency, and booking numbers, charges, dispositions and similar data about such person.

B. Records Security Officer: The General Manager/CEO or his/her designee, whose responsibility it is to assure confidentiality, security and proper destruction or disposal of all criminal history information in accordance with all applicable state and federal laws.

C. Concessionaire: That entity or entities, which includes, but is not limited to, owners, partners, affiliates, associates, employees, other independent contractors and those who meet the definition of *California Labor Code* section 432.7(k) (1), and who will be working with, through or for the entity to provide retail or other authorized services to RT employees, guests, invitees, patrons, customers, users or other individuals.

D. RT Customers: Those individuals who are employees, guests, invitees, patrons, customers, users or other individuals who are legally on RT premises, and may include more vulnerable members of the public who use RT premises, services, or use the Concessionaire services at the RT property or properties.

### III.

#### BACKGROUND SCREENING OF JOB APPLICANTS

In recruiting future employees of RT, the General Manager/CEO, or her/his designee, must conduct a background screening of all applicants. The nature and extent of the background screening will vary depending on the position for which the applicant applied. The General Manager/CEO must establish a written policy and procedures for background screening that include: (1) the nature and extent of the screening for each job category; (2) criminal offenses that will be disqualifying, including consideration of the time that has elapsed since conviction; and (3) for positions subject to a credit check, what items on a credit report will be disqualifying. The General Manager/CEO must ensure that the adopted policy and procedures and their implementation are consistent with all applicable laws and regulations governing background screening and disqualification from employment. The policy and procedure must ensure that any disqualification is job related for the position in question and consistent with business necessity. The policy and procedures must provide an opportunity for an individualized assessment for people excluded by the screening to determine whether the policy as applied is job related and consistent with business necessity. The individualized assessment should consist of: notice to the individual that he or she has been screened out because of a criminal conviction; an opportunity for the individual to demonstrate that the exclusion should not be applied due to his or her particular circumstances; and consideration as to whether the additional information provided by the individual warrants an exception to the exclusion and shows that the policy as applied is not job related and consistent with business necessity.

### IV.

#### REQUIREMENTS FOR A "CERTIFICATE TO OPERATE CONCESSION" FOR PROSPECTIVE CONCESSIONAIRES AND RT BOARD OF DIRECTORS FINDINGS OF FACT

A prospective Concessionaire cannot be considered for a license or any other right to operate a concession on RT property without first receiving a "Certificate to Operate Concession" from RT.

The Board of Directors finds that because the Concessionaire because Concessionaires may work independently without supervision and will have access to RT Customers, some of whom may be particularly vulnerable, RT must ensure that Concessionaires are of the highest caliber and RT Customers are not placed at risk of harm. For each prospective Concessionaire, the General Manager/CEO, or his or her designee, will determine whether the Concessionaire will have access to vulnerable members of the public in an unsupervised setting. If so, the General Manager/CEO will require a background check for that Concessionaire. The Board of Directors finds that in order to protect RT Customers, the following are considered “crimes of interest” in accordance with *California Penal Code* sections 11105 and 11105.02 and the General Manager/CEO must not issue a “Certificate to Operate Concession” to a prospective Concessionaire that has been convicted of such “crimes of interest.”

A. The Concessionaire has Summary Criminal History Information that shows any criminal conviction or arrest for which the person was incarcerated or released on bail, or on his or her own recognizance pending trial, for offenses involving crimes against children, molestation or other such offenses. Because RT is a public conveyance and the Concessionaire will have unfettered access to unaccompanied minors, the elderly or other vulnerable members of the public, RT must enforce this requirement to protect RT Customers.

B. The Concessionaire has Summary Criminal History Information that shows any criminal conviction or arrest for which the person was incarcerated or released on bail, or on his or her own recognizance pending trial, for offenses involving fraud or financial crimes. Because RT is a public conveyance and the Concessionaire will have unfettered access to unaccompanied minors, the elderly or other more vulnerable members of the public, RT must enforce this requirement to protect RT Customers. In addition, because the Concessionaire is not supervised and is in direct contact with RT customers, this requirement is necessary to further protect RT and RT Customers from the risk of financial loss.

C. The Concessionaire has Summary Criminal History Information that shows any criminal conviction or arrest for which the person was incarcerated or released on bail, or on his or her own recognizance pending trial, for ~~offenses involving narcotics offenses as defined in *Health and Safety Code* section 11352.~~ **a felony drug conviction or charge.** Because RT is a public conveyance and the Concessionaire will have access to unaccompanied minors, the elderly or other more vulnerable members of the public, RT must enforce this requirement to protect RT Customers.

D. The Concessionaire has Summary Criminal History Information that shows any criminal conviction or arrest for which the person was incarcerated or released on bail, or on his or her own recognizance pending trial, for offenses involving moral turpitude. Because RT is a public conveyance and the Concessionaire may have unfettered access to unaccompanied minors, the elderly or other more vulnerable members of the public, RT must enforce this requirement to protect RT Customers. RT is further authorized to reject the application of such a prospective Concessionaire based upon California Labor Code section 432.7(l) (1).

V.

AUTHORIZATION TO ACQUIRE PROSPECTIVE CONCESSIONAIRE'S SUMMARY  
CRIMINAL HISTORY INFORMATION

The General Manager/CEO, or her/his designee, is authorized to acquire the fingerprints and or photographs or any other information requested pursuant to *California Penal Code* Sections 11105 and 11105.02 of a prospective Concessionaire requesting a "Certificate to Operate Concession", and to submit said information and/or prints to the Attorney General or any local criminal justice agency to acquire the applicant's Summary Criminal History Information for use in screening the prospective Concessionaires in accordance with the standards set forth in this Ordinance.

VI.

EMPLOYMENT FORMS

RT must not reject an applicant for employment for failure to disclose, through any written form or verbally, information concerning arrest or detention that did not result in conviction and RT must not use any record of arrest or detention which did not result in conviction as a factor in determining any condition of employment, including hiring, promotion, termination, or any apprenticeship training program, or any other training program, leading to employment, .

As used in this Section, a conviction includes a plea, a verdict, or finding of guilt, regardless of whether sentence is imposed by the Court. Nothing in this Section prevents RT from asking an employee or applicant for employment about an arrest for which the employee or applicant is out on bail or on his/her own recognizance pending trial.

VII.

NOTIFICATION OF DENIAL OF APPLICATION FOR A "CERTIFICATE TO OPERATE  
A CONCESSION" TO PROSPECTIVE CONCESSIONAIRE AND REVIEW PROCESS  
FOR SUCH DENIAL

If RT denies a prospective Concessionaire's application for a "Certificate to Operate Concession" based upon the Summary Criminal History Information, the General Manager/CEO or her/his designee, must promptly provide a written statement of the denial, the "Notice of Denial". The Concessionaire may request review, only by written notification to the General Manager/CEO or her/his designee, within 10 days of the date of the Notice of Denial. The prospective Concessionaire will have 90 days from the date of the prospective Concessionaire's request for review to submit a corrected record or other evidence pertaining to the accuracy or completeness of the Summary Criminal History Information. RT will render its decision within 20 days after receipt of any additional evidence timely submitted by the prospective Concessionaire. RT will notify the prospective Concessionaire in writing and this will be the final decision on the prospective

Concessionaire's application for a "Certificate to Operate Concession."

VIII.

RECORDS SECURITY OFFICER

The General Manager/CEO, or his/her designee, must designate a Records Security Officer who must handle the background screening information and assure that each personnel file which contains such information is arranged so that any background screening information is sealed in an envelope with a notation thereon indicating those persons who are specifically authorized to open the envelope and gain access to the information.

The Records Security Officer will also handle the Summary Criminal History Information for prospective Concessionaires, and must ensure that all copies of the Summary Criminal History Information are destroyed no later than 30 days after the final decision is made on the Concessionaire's application for a "Certificate to Operate Concession".

The Records Security Officer must assure confidentiality, security and proper destruction or disposal of all background screening material, including criminal history information, in accordance with all applicable state and federal laws.

IX.

TRAINING OF RECORDS SECURITY OFFICER

The General Manager/CEO, or his/her designee ensure that the Records Security Officer receives training in the issues involving and handling of the above-referenced Criminal History Information from the Criminal Records Security Unit, Department of Justice, State of California.

X.

COSTS OF ACQUISITION

The General Manager/CEO is hereby authorized to pay all costs associated with the acquisition of Summary Criminal History Information for Concessionaires. The fees or charges are valid expenditures of RT funds.

XI.

FINDING OF NECESSITY-CONCESSIONAIRES

In accordance with the *California Penal Code* sections 11105.02 and 13300(c)(10), this Board finds that access to Summary Criminal History Information is needed in order to assist RT in screening prospective Concessionaires.

XII.

“CERTIFICATE TO OPERATE CONCESSION” DOES NOT CONSTITUTE A  
GUARANTEE, PROMISE OR EXPECTATION OF A CONCESSION LICENSE,  
AGREEMENT OR RIGHT

The fact that a prospective Concessionaire receives a “Certificate to Operate Concession” does not constitute a guarantee, promise or expectation of a concession license, agreement or right. The “Certificate to Operate Concession” allows the prospective concessionaire to be eligible to apply for a concession license, agreement or right to operate at an RT property or properties.

XIII.

ADMINISTRATIVE PROCEDURES AND IMPLEMENTATION

The General Manager/CEO is authorized to prepare administrative procedures and regulations to carry out the intent of this Ordinance and implement the provisions stated herein. The procedures must secure the confidentiality of background screening and Criminal History Information and otherwise ensure the compliance with all applicable federal, state and local laws.

XIV.

SAVINGS CLAUSE

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decisions shall not affect the validity of the remaining portions of this ordinance. The Board of Directors of Sacramento Regional Transit District hereby declares that it adopts this ordinance and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

**SECTION 3:** This ordinance shall become effective immediately upon its enactment for the reason that vacancies currently exist in positions of services to the public, caused by attrition, and completion of filling said vacancies is pending the availability of background screening information and Summary Criminal History Information.



**SECTION 4:** This Ordinance must be published in the official newspaper in Sacramento County following its passage.

Passed and adopted at a regular meeting of Sacramento Regional Transit District on this \_\_\_\_ day of \_\_\_\_\_, 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary