

## Bad Guy of the Month Club

### A Criminal Record Comparison

We searched 4 popular criminal databases...see what we found!

Orca Information's Database	Nationwide Criminal	Instant Statewide	WA State Patrol
11/16/2009 Domestic Violence Assault 4th Degree, Guilty 11/21/2005 Robbery 1st Degree amended to Robbery 2nd Degree, Guilty 11/13/2009 Domestic Violence Assault 4th Degree, Guilty 4/27/2010 Domestic Violence Assault 4th Degree, Guilty  <b>Idaho Court Records:</b> 4/25/2008 Driving Under the Influence, Guilty	No Records Found.	No Records Found.	No Records Found.

## Health Care Tax Credit For Small Businesses

The IRS has released a draft version of the form that small businesses and tax-exempt organizations will use to calculate the small business health care tax credit when they file income tax returns next year.

The IRS also announced how eligible tax-exempt organizations – which do not generally file income tax returns – will claim the credit during the 2011 filing season.

Small businesses and tax-exempt organizations will use the form to calculate the credit. A small business will then include the amount of the credit as part of the general business credit on its income tax return.

The small business health care tax credit was included in the Affordable Care Act signed by President Barack Obama in March and is effective this year. The credit is designed to encourage small employers to offer health insurance coverage for the first time or maintain coverage they already have.

In 2010, the credit generally is available to small employers that contribute an amount equivalent to at least half the cost of single coverage towards buying health insurance for their employees. The credit is specifically targeted to help small businesses and tax-exempt organizations that primarily employ moderate- and lower-income workers.

For tax years 2010 to 2013, the maximum credit is 35 percent of premiums paid by eligible small business employers and 25 percent of premiums paid by eligible employers that are tax-exempt organizations. Beginning in 2014, the maximum tax credit will go up to 50 percent of premiums paid by eligible small business employers and 35 percent of premiums paid by eligible, tax-exempt organizations for two years.

The maximum credit goes to smaller employers – those with 10 or fewer full-time equivalent (FTE) employees – paying annual average wages of \$25,000 or less.

The credit is completely phased out for employers that have 25 FTEs or more or that pay average wages of \$50,000 per year or more. Because the eligibility rules are based in part on the number of FTEs, and not simply the number of employees, businesses that use part-time help might qualify even if they employ more than 25 individuals.

More information about the credit, including a step-by-step guide and answers to frequently asked questions go to: [www.accountingweb.com/topic/tax/irs-form-helps-small-businesses-claim-new-health-care-tax-credit](http://www.accountingweb.com/topic/tax/irs-form-helps-small-businesses-claim-new-health-care-tax-credit)

## What People in the Know are Saying About ORCA...

“God be with you Rebekah:

Yes, I was qualified for the rental at Hometown Properties. However, I wanted to get a copy of my background check to get some things straightened out. I do appreciate you...you are a rare person in the area of customer service and in the field of investigations.

What I am experiencing and hearing about Hometown, they're a great company. What I have heard and experienced with Orca you are also a great company. If ever your organization seeks works to assist in the area of investigations, please let me know.”

\*Patricia G., MBA

“Rebekah -

You all are amazing! I greatly appreciate what your staff and RHA have done for us. At this time of year, I take a moment out to reflect on things that have been positive in my life. It is because of the support you and your business have given, as well as RHA, that I don't have more issues to deal with. I feel very secure when I receive a report from your company. I know they are thorough. With the aid of your business, I have been able to read in between the lines and not been scammed by bad tenants who never intended on paying rent.

Thanks so much for providing our company- as well as the industry - such excellent service!

I recall when you first started I was impressed with you...you're like the energizer bunny...you keep going and going and going...”

\*CK of Seattle

## ORCA ♦ WISDOM ♦

Light travels faster than sound. This is why some people appear bright until you hear them.



## PORTABLE REPORT LEGISLATION

**Q.** I keep hearing about legislation on a “portable screening report” for tenants. What is it? Is it a good thing or a bad thing?

**A.** It is a **GOOD THING** for rental applicants with a “troubled past” (criminal, evictions, bad references). They want to control the information a landlord can access. They want desperately to limit the criminal and eviction records you can currently buy from a **good** screening company. It is a **BAD THING** for the landlords who want and need to have a “good” background check on rental applicants.

There are two parts to the legislation:

**A. Portable Report** – Tenants would decide what screening company they would buy their Background Investigation Report from, and how much they want to pay for such a report, what kind of report, etc. Once their report was processed, they would then take it (email, hand carry, mail) to as many landlords as they choose. **Landlords would be REQUIRED** to accept this report regardless of lack of quality. If the report lacks the information a landlord needs then **the landlord has to pay** for a report from the screening company they trust – out of his or her own pocket. Tenants could: shop for apartments all they want, **manipulate the information on the report**, easily become a victim of fraud (when they misuse their own confidential information) and then hold one of the many landlords responsible for that fraud. **Negative effects to landlords and tenants are endless.** The second part of the legislation is:

**B. Blocking Landlords from** - Receiving Eviction information on an applicant. They want to eliminate eviction records from any and all court databases available to landlords. Also, when a landlord is called and asked to give a rental reference on a current or previous tenant, that landlord will no longer be allowed to even mention that an eviction action took place (3 Day Notice, 10 Day Notice, Summons and Complaint, Default Judgment, etc....)

### WHO IS SUPPORTING SUCH A REPORT & WHY?

**1. Tenant Advocates** (Northwest Justice Project, Columbia Legal Service, Common Ground – aggressive attorneys and staff - paid from our tax dollars). **Purpose?** They want to see tenants that have been repeatedly denied a rental avoid having to pay multiple screening fees. This seems reasonable superficially. However, when you dig a little deeper and find out why an applicant is repeatedly denied – there is usually good cause for that denial such as criminal behavior and/or eviction actions, negative rental references.

**2. MOCO, Inc.** - A Seattle-based tenant screening company. **Purpose?** To sell a portable report they developed (for profit).

**3. Washington Apartment Association (WAA) - A landlord association.** **Purpose?** They are profiting by selling MOCO’s portable report to their members. 1) They want to make a profit and with the money pay for their lobbyist and; 2) WAA’s past President and current Board of Director’s member owned a tenant screening company. Two years ago he sold it to MOCO, Inc. Since that time he has been under contract with MOCO, Inc. while sitting on the Board of Directors for WAA.

For two or more years these three groups have worked to support and promote this screening report “model”.

The details of the bill have been “developed” in “private and semi-private” meetings. Only those “invited” could attend.

Finally this year I was invited to the October meeting. There MOCO, Inc. received accolades for having dedicated so much time in private and semi-private meetings – with tenant advocates. MOCO was thanked for the extra-effort they put into working with these “free” attorneys developing a portable report pleasing to the tenants (not the landlords).

Below is part of a letter from Julie Johnson, President of the foremost landlord association in the Northwest - Rental Housing Association (RHA). When it comes to fighting hurtful legislation in Olympia, this President and Association and their lobbyists have been the **#1 shakers and movers IN THIS INDUSTRY. RHA is truly, WATCHING YOUR BACKS!**

Dear Landlords,

....In a recent meeting tenant advocates presented landlords with only one solution to the problem of tenants having to pay multiple screening fees - a portable tenant screening report. Landlords and consumer reporting agencies have described in detail why this is not a feasible idea:

**First:** A consumer report needs to be up-to-date. Information regarding a tenant could change within a 30 day window. An eviction in progress would not appear on the report; and a criminal record or debt can show up at any time.....

**Second,** not all consumer reports are the same. Some reports are very basic while others supply a great deal of detail about a person. A consumer reporting agency has the ability to pick what criteria they want their reports to contain. It is then up to the rental property owner to decide which company provides the best information relevant to make an informed decision. Remember, a rental property owner is turning over the keys to a \$100,000 (or more) asset to a total stranger after spending only a short period of time with them and pulling a consumer report. Renting to the right person is the most important decision a landlord can make. Renting to the wrong person can cost an owner thousands of dollars.

**Third,** ....Currently, the landlord orders the report and is held responsible for how that information is used. In a report initiated by the tenant, the tenant makes his/her information available to anyone they choose. What if the “landlord” is not who they purport to be, and is perhaps not a landlord at all? What if the tenant’s information is submitted to multiple landlords and one of them misuses it? Who would be held culpable in the event of fraud? A tenant-initiated report, in fact, places the tenant at greater risk.

**Fourth,** credit bureaus are not allowing the majority of consumer reporting agencies the option of selling a consumer initiated report. As far as I am aware, there is only one company based in Washington with the ability to do this. The proposed legislation, therefore, would essentially put all the other consumer reporting agencies in Washington out of business.

.... RHA cannot support the idea of a portable report.