

## Recommendations to ensure AI systems help close the racial wealth gap.

The evidence presented in this report demonstrates that without deliberate and outcome-oriented interventions, AI will likely amplify the racial wealth gap rather than narrow it. To be clear, this does not have to be a foregone conclusion. AI technologies can produce positive outcomes when developed, tested, and adopted with principled and civil-rights-protective guardrails. But without safeguards, governance, and corrective measures, AI risks reinforcing existing disparities under the guise of neutrality and efficiency.

To address these concerns, transparency and accountability in algorithmic decision-making must be established across these three domains - housing, lending, and jobs - that contribute to the racial wealth gap.

### Recommendations for Prospective Tenants

- **Ask for screening criteria before applying or paying any fees.** Landlords can provide a written tenant-selection plan that explains how applications are evaluated, including what credit score thresholds, income requirements, or background check criteria they use. Consumers should request their tenant-selection plan before applying or paying a non-refundable fee. If a landlord cannot or will not share how they screen applicants, consumers should consider that to be a red flag.
- **If an applicant is denied, they should request an explanation and a copy of the screening report.** Federal law requires landlords to send applicants an adverse action notice when a tenant-screening report contributed to a denial. That law also gives applicants the right to obtain a free copy of that report within 60 days. Consumers should review it carefully for errors, including eviction filings that were dismissed, criminal records that are sealed or were expunged, or entries that may belong to someone else. Applicants have the right to dispute inaccurate information directly with the screening company. In practice, corrections often come too late to affect the immediate housing decision, which is why requesting the report and flagging errors as early as possible in the housing search matters.

- **Request an explanation of negative information in the screening record.** If an application includes an eviction filing, a gap in employment, or other potentially disqualifying information, applicants can ask to provide context before a final decision is made. Many landlords are not required to do this, but asking—and doing so in writing—creates a record and may prompt a more individualized review. Some jurisdictions, including those with fair-chance housing laws, require landlords to consider applicant explanations.
- **Document everything.** Applicants should save confirmation emails, denial letters, receipts for application fees, and any written or verbal communication with landlords or property managers, noting the name of any screening company referenced in the denial. If an applicant believes they were treated unfairly, this documentation is what fair housing organizations and legal advocates will need to help pursue a complaint or challenge the outcome.

## Recommendations for Homebuyers

- **Request a full explanation of any credit or loan denial.** If an applicant is denied a mortgage, personal loan, or other credit product, lenders are required under federal law to disclose the specific reasons for the denial. Applicants should not accept a vague response. They should insist on receiving the denial in writing, including the specific factors that affected the decision, and should ask whether an automated underwriting system was used. Applicants are entitled to a free copy of their credit report if it was used in the decision.
- **Request a “Reconsideration of Value” if the home may have been undervalued due to bias.** The request should be in writing and cite specific, comparable sales the appraiser or model may have overlooked. Applicants should document the request and response. If applicants believe discrimination occurred, they can file a complaint with the CFPB, the Department of Housing and Urban Development (HUD), or their state’s fair housing agency. Keeping records of any AVM-generated estimates alongside the final appraisal can help establish a pattern if there is a need to escalate.
- **Review their credit report regularly and dispute errors promptly.** Credit reports may contain outdated, inaccurate, or incomplete information that is affecting the ability to access housing, loans, and in some cases, employment. Consumers are entitled to a free credit report from each of the three major bureaus (Equifax, TransUnion, and Experian) every year at AnnualCreditReport.com. Applicants should look for inaccurate accounts, payments incorrectly marked as late, and debts that have already been resolved. Applicants should dispute any errors directly with the bureau in writing and keep records of each dispute.

- **Ask whether cashflow data or positive-only rent reporting can be considered.** If an applicant has a limited credit history or a thin credit file, they can ask lenders whether they accept bank account transaction data as an alternative indicator of financial responsibility. This approach gives applicants control over data and does not risk embedding negative payment information into the credit report. Some lenders and credit-scoring models also accept positive-only rent payment data, which may reflect creditworthiness more accurately than a traditional score alone, though evidence on its impact is mixed, and full-file rent reporting can carry significant risks.
- **Know that student loan debt and other structural factors may be working against you unfairly.** Research shows that automated credit systems can penalize borrowers for carrying student loan debt, even when payments are current, which is a pattern that disproportionately affects Black borrowers. If a borrower believes a denial does not accurately reflect their financial situation, they should ask the lender if a human underwriter can review the file.

## Recommendations for Job Seekers and Employees

- **Ask potential employers directly whether automated tools are used to screen applications.** Many employers use applicant-tracking systems that filter resumes based on keyword matches before any human ever sees them. In some states, employers are required to disclose when AI tools are used to screen applications. Even where no such requirement exists, applicants can ask whether applications will be reviewed by a person, though employers are not universally required to answer. Applicants should check whether their state has AI disclosure laws that apply to hiring.

- **Tailor resumes to the job posting language, but keep a record of original materials.** Because automated screening tools often search for exact keyword matches, using the same language as the job posting can help get through to a human reviewer. However, job seekers should not discard the original resume and should keep records of everything submitted, including the version of the job posting posted at the time of applying. If a position turns out to be a “ghost posting” or if there is no response after repeated applications, your records can support a complaint to the FTC (visit [reportfraud.ftc.gov](https://reportfraud.ftc.gov)) or the state attorney general’s consumer protection office. If an automated screening tool seems to have excluded you based on race or another protected characteristic, you can file a charge with the Equal Employment Opportunity Commission (EEOC). Federal anti-discrimination laws apply to AI-driven hiring tools regardless of whether the employer built the tool itself. State laws in Illinois, Colorado, and New York provide additional protections against discriminatory AI hiring tools. Organizations like the National Employment Law Project can also connect you with resources and support in navigating algorithmic hiring and management practices.
- **Current employees should ask how AI tools are being used to evaluate performance.** In some states, including California, Colorado, and New York, workers have enforceable rights to know what data is collected about them and how they are used. In states without these protections, there is currently no federal law requiring employers to disclose this information, though workers can still ask and document the response. Employees should ask what data is collected, how they influence compensation, scheduling, or performance reviews, and whether employees have the right to review or correct those data. Put questions in writing so there is a record of the response.
- **Keep records of job search and workplace interactions.** Document applications submitted, responses received, interview stages reached, and any communications about hiring decisions or workplace evaluations. If an applicant believes they were passed over for a job, demoted, disciplined, or terminated in a way that seems unfair or inconsistent with performance, this documentation is essential for pursuing a complaint with the EEOC or a state labor agency, and for connecting with a workers’ rights organization that can help assess options.