



National Council of HUD Locals

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES
AFFILIATED WITH AFL-CIO

Council 222 P.O. BOX 9762 ALEXANDRIA, VA 22304

Date: May 28, 2025

Memorandum For: Lori Michalski, Office of the Chief Human Capital Officer

Through: Dan Raymond, Acting Deputy Director, Office of the Chief Human Capital Officer

From: Antonio F. Gaines, President, AFGE National Council 222 /s/

Through: Veronica Bobbitt, Chief Steward, AFGE National Council 222 /s/

Subject: Demand to Bargain – Implementation of Trusted Workforce 2.0 and the Record of Arrest and Prosecution Back (Rap Back) Program

In accordance with Article 49, Section 49.04(1) of the HUD-AFGE Agreement (the “Agreement”) and the Federal Labor-Management Relations Statute at 5 U.S.C. § 7114(a) and (b) and §7106(b)(2) and (3), enclosed please find AFGE Council 222’s (the “Union”) demand to bargain and preliminary bargaining proposals in response to management’s (the “Agency”) intent to implement Trusted Workforce 2.0 and the Record of Arrest and Prosecution Back (Rap Back) Program.

These proposals include the requirements of [Executive Order 13764](#), relevant provisions of the HUD-AFGE Agreement, and applicable Federal Labor Relations Authority (FLRA) regulations and case law. The premiere focus of bargaining must be to ensure equitable and robust employee protections and union rights while the Agency modernizes vetting processes such as security clearances, suitability, fitness, and credentialing.

The Department shall establish a fair and impartial process for addressing delinquent debt identified during continuous vetting under Executive Order 13764, ensuring that employees are not deemed unsuitable for employment solely due to financial delinquency without opportunity for corrective action. This process will include acceptable repayment plans negotiated between the employee and the creditor, which the Department shall recognize as sufficient to maintain suitability, consistent with 5 U.S.C. § 7371, 5 CFR § 731.202, and the HUD/AFGE CBA.

Proposal 1: Transparent Continuous Vetting Process with Employee Notification and Representation

The Department shall implement a continuous vetting program for bargaining unit employees as mandated by Executive Order 13764, Sections 1.3(f) and 2.1(d). Employees will receive written notification at least 14 calendar days prior to the initiation of continuous vetting activities, specifying the scope, frequency, and data sources, in line with 5 U.S.C. 7114(b)(4) and FLRA case law. Employees have the right to union representation during any investigatory meeting

related to continuous vetting findings that may lead to adverse actions, as guaranteed by Article 6, Section 6.08 and 5 U.S.C. 7114(a)(2)(B) (Weingarten rights). The Department shall provide annual training on continuous vetting processes, including employee rights and privacy protections, to be conducted on duty time, as per Article 29, Section 29.01 and FLRA precedent. Any adverse findings from continuous vetting will be subject to the negotiated grievance procedure (Article 51) and arbitration (Article 52), ensuring due process consistent with 5 U.S.C.7121.

Proposal 2: Mandatory Reciprocity for Suitability and Fitness Determinations

The Department shall adopt a policy mandating reciprocal recognition of prior favorable suitability and fitness determinations from other federal agencies, as required by Executive Order 13764, Section 2.2. Reciprocity will be automatic unless the Department provides a written justification within 10 working days detailing why the prior determination is insufficient, consistent with Article 4, Section 4.04 and 5 U.S.C. 7114(a)(2)(A). Employees subject to new investigations due to non-reciprocity will receive all relevant documentation and have the right to appeal through the grievance procedure (Article 51), as per 5 U.S.C. 7121. The Union will be notified of proposed changes to suitability or fitness criteria and participate in pre-decisional discussions, as mandated by Article 3, Section 3.01 and FLRA case law. The Department shall provide quarterly reports to the Union on reciprocity decisions, including accepted and denied cases, as required by Article 4, Section 4.08 and 5 U.S.C. 7114(b)(4).

Proposal 3: Robust Privacy Safeguards for Vetting Data

The Department shall implement privacy protections for bargaining unit employees' vetting data as required by Executive Order 13764, Section 1.1(e). Vetting reports and investigative materials will be stored in a Privacy Act-compliant system with restricted access, as per Article 6, Section 6.06(6)(a) and 5 U.S.C. 552a. Employees will be notified within 5 working days of any external release of vetting data (except where legally prohibited) and have the right to review and correct inaccuracies, supported by Article 6, Section 6.04 and FLRA case law. The Department shall provide the Union with annual copies of System of Records Notices for vetting databases, as mandated by Article 4, Section 4.08 and 5 U.S.C. 7114(b)(4). In case of a vetting data breach, the Department will notify affected employees and the Union within 24 hours and provide remedial measures (e.g., credit monitoring) at no cost, consistent with FLRA precedent.

Proposal 4: Notification and Opportunity for Corrective Action

1. The Department shall notify employees in writing within 5 working days of identifying delinquent debt (over 120 days) during continuous vetting, as required by Article 4, Section 4.04 (Proper Notice) and 5 U.S.C. § 7114(b)(4). The notification shall include:
 - Details of the debt (amount, creditor, delinquency period).
 - A statement of the employee's right to negotiate a repayment plan with the creditor.
 - Information on the right to Union representation during any related investigatory meetings, per Article 6, Section 6.08 (Right to Representation in Investigatory Interviews) and 5 U.S.C. § 7114(a)(2)(B) (Weingarten rights).
 - Employees shall have 90 calendar days from notification to initiate a repayment plan with the creditor, during which no suitability determination deeming them ineligible for employment will be made, consistent with Article 6, Section 6.01 (fair and equitable treatment).

2. Acceptance of Repayment Plans:

- The Department shall recognize any repayment plan agreed upon between the employee and the creditor as sufficient to resolve the delinquency for suitability purposes, provided the plan demonstrates good-faith effort to address the debt (e.g., regular payments, debt consolidation, or settlement agreements). This aligns with 5 CFR § 731.202(b)(7), which considers financial responsibility holistically, including mitigating factors like repayment efforts.
- The Department shall not require full debt resolution (i.e., payment in full) as a condition of suitability, as such a requirement would be overly punitive and inconsistent with Article 6, Section 6.05 (employee morale) and FLRA precedent on equitable treatment (e.g., Department of the Navy, Naval Air Station Pensacola, 62 FLRA 293 (2007)).
- Employees shall submit documentation of the repayment plan to the Department within 10 working days of its establishment, and the Department shall confirm receipt and suitability compliance within 5 working days, per Article 4, Section 4.04.

3. Union Involvement and Transparency:

- The Department shall notify the Union concurrently with the employee when delinquent debt is identified, providing non-confidential details (e.g., nature of the debt issue without personal identifiers), as required by Article 4, Section 4.08 (HUD and Other Surveys) and 5 U.S.C. § 7114(b)(4).
- The Union shall have the right to participate in pre-decisional discussions on debt-related suitability policies, per Article 3, Section 3.01 (Labor Management Forum) and Executive Order 13522, to ensure corrective action plans are fair and consistently applied.
- The Department shall provide quarterly reports to the Union on debt-related vetting outcomes, including the number of employees notified, repayment plans accepted, and suitability determinations, consistent with Article 4, Section 4.08.

4. Due Process and Grievance Rights:

- Any adverse suitability determination based on delinquent debt shall be subject to the negotiated grievance procedure (Article 51) and arbitration (Article 52), as guaranteed by 5 U.S.C. § 7121. Employees shall receive written justification for any ineligibility finding, detailing why the repayment plan was deemed insufficient, per Article 12, Section 12.03 (disciplinary action notice requirements).
- The Department shall provide employees with access to all vetting data related to debt findings, allowing corrections of inaccuracies, as mandated by Article 6, Section 6.04 (Employee's Personnel Records) and 5 U.S.C. § 552a (Privacy Act).

5. Privacy Protections:

- Debt-related vetting data shall be stored in a Privacy Act-compliant system with restricted access, per Article 6, Section 6.06(6)(a) and 5 U.S.C. § 552a. Employees shall be notified within 5 working days of any external release of debt data (except

where legally prohibited), consistent with Proposal 3 and FLRA case law (e.g., U.S. Department of Justice, INS, 52 FLRA 1038 (1997)).

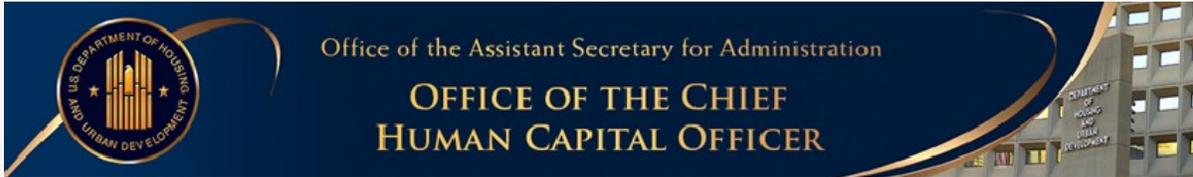
- In case of a data breach involving debt information, the Department shall notify affected employees and the Union within 24 hours and provide remedial measures (e.g., credit monitoring) at no cost, per Proposal 3.

6. Training and Employee Support:

- The Department shall provide annual training on debt-related vetting policies, including employee rights to negotiate repayment plans and maintain suitability, conducted on duty time, as per Article 29, Section 29.01 (Training and Career Development).
- The Department shall establish a financial counseling program, accessible on duty time, to assist employees in negotiating repayment plans, consistent with Article 11, Section 11.01 (Employee Assistance Program) and Article 59, Section 59.03 (Morale/Quality of Work Life)

These preliminary proposals are intended to clarify the impact and implementation of the Trusted Workforce and Rap Back Program for Bargaining Unit Employees (BUEs). In accordance with Article 49, Section 49.06(i) of the Agreement, the Union reserves the right to submit additional bargaining proposals until negotiations commence or based on new information received during negotiations. Agency response to these submitted proposals, in accordance with Article 49, should be sent to Veronica Bobbitt, Chief Steward, AFGE HUD Council 222, by email at presidentlocal911@gmail.com.

From: HUD Office of the Chief Human Capital Officer <OCHCO@public.govdelivery.com>
Sent: Tuesday, May 13, 2025 9:06 AM
To: Bobbitt, Veronica S
Subject: Strengthening Workforce Security – What You Need to Know



Strengthening Workforce Security – What You Need to Know

To All HUD Staff:

To improve workplace security and streamline background checks, HUD is implementing **Trusted Workforce 2.0** and the **Record of Arrest and Prosecution Back (Rap Back) program**. These updates make vetting more efficient and help ensure a safe, trustworthy workforce.

Trusted Workforce 2.0 simplifies security clearance and background check processes, while **Rap Back** provides real-time alerts on relevant criminal activity for enrolled personnel.

Both programs follow [Executive Order 13467](#), which updates federal policies to improve hiring and security procedures.

Read on to learn more about these changes and what they mean for you.

Trusted Workforce 2.0

What's Changing

- **Continuous Vetting** replaces periodic background checks with real-time monitoring, helping security officials quickly spot potential risks and protect HUD employees, sensitive data, and federal buildings.
- **Automated Security Processes** make it easier to gather and store background check documents, like fingerprint results and investigation reports, in one secure system.

Why It Matters

- **Stronger Security** – Ensures ongoing trust in personnel and reduces insider threats.
- **Faster Background Checks** – Cuts down on delays by automating document collection and verification.

- **Easier Job Moves** – Allows employees and contractors with approved background checks to switch roles without unnecessary rechecks.

What You Need to Know

Staying compliant means:

- Participating in background checks (fingerprints, employment history).
- Reporting changes that could affect suitability and security clearance (arrests, financial issues, foreign travel).
- Following security policies, protecting sensitive information, and completing required training.

Not complying could lead to **disciplinary action, hiring delays, or missed security deadlines** set by the Defense Counterintelligence and Security Agency (DCSA). Further guidance on reporting procedures is forthcoming.

Rap Back: Ongoing Criminal Record Monitoring

The **Record of Arrest and Prosecution Back (Rap Back)** program helps HUD stay informed about new criminal activity after an initial background check.

- HUD enrolled **employees** in June 2024 and completed enrollment for **contractors** earlier this month.
- Affected employees and contractors will be contacted until enrollment is complete. Please respond promptly to **Personnel Security Division** requests.

Join an Information Session On Trusted Workforce and Rap Back

Get answers to your questions:

Wednesday, May 21 | 1:00–2:00 PM EST | [Join Here](#)
Wednesday, August 6 | 1:00–2:00 PM EST | [Join Here](#)

Factors That May Impact Your Background Investigation

Several key factors can influence whether your background investigation is adjudicated favorably or unfavorably.

Tax Payment Reminder

Paying federal and state income taxes is your duty. As an Executive Branch employee, you must:

- Ensure correct tax withholding.
- File your tax returns on time.
- Make timely payments and review your returns for accuracy.

- Be cautious of tax scams and contact the IRS if you need help.

Federal Employees and Marijuana

Even though many states allow marijuana for medical or recreational use, federal law still prohibits it. As a federal employee, including those at HUD, you must remain drug-free (including marijuana) on and off duty. Violations can lead to disciplinary action, loss of a security clearance, unfavorable personnel security suitability determination, or termination from HUD and federal service. If you need help with substance use, call 1-800-662-HELP.

Financial Irresponsibility

Federal Employment Suitability Guidelines require federal employees to maintain financial responsibility.

Any consumer account that is **120 days or more past due** is considered **bad debt** and may impact your eligibility. To be deemed suitable for employment, you must **resolve** financial issues such as:

- court judgments,
- bankruptcies,
- liens,
- federal debt,
- defaulted student loans,
- overdue child support, and
- unpaid taxes—regardless of the amount.

This policy aligns with **OPM standards** and is designed to mitigate financial risk while ensuring the integrity of the federal workforce.

Questions?

For questions, email psdtrustedworkforce@hud.gov or psdrapback@hud.gov. Thank you for your cooperation in keeping HUD secure.

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