



CDSS

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DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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EDMUND G. BROWN JR.
GOVERNOR

REASON FOR THIS TRANSMITTAL

- ☒ State Law Change
☒ Federal Law or Regulation
Change
☐ Court Order
☐ Clarification Requested by
One or More Counties
☒ Initiated by CDSS

February 28, 2014

ALL COUNTY LETTER (ACL) NO. 14-23

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE FISCAL OFFICERS
ALL CHIEF PROBATION OFFICERS
ALL INDEPENDENT LIVING PROGRAM MANAGERS
ALL INDEPENDENT LIVING PROGRAM COORDINATORS
ALL COUNTY TRANSITIONAL HOUSING COORDINATORS
ALL TITLE IV-E AGREEMENT TRIBES

SUBJECT: FOSTER YOUTH CREDIT REPORTS

REFERENCE: CHILD AND FAMILY SERVICES IMPROVEMENT AND INNOVATION
ACT (PUBLIC LAW (P.L.) 112-34); FEDERAL PROGRAM
INSTRUCTION LOG NO. ACYF-CB-PI-12-07; CALIFORNIA WELFARE
AND INSTITUTIONS CODE (W&IC) SECTIONS 10618.6 AND 16501.1

The purpose of this letter is to provide counties with instructions for the following:

- Requesting credit reports on behalf of foster youth aged 16 and 17;
- Providing assistance to Nonminor Dependents (NMDs) in requesting their credit reports;
- Ensuring the minor foster youth and NMDs receive assistance in interpreting their credit reports and clearing any inaccuracies; and
- Documenting the above.

This letter supersedes ACL 13-31.

Background

On September 30, 2011, P.L. 112-34, the Children and Family Services Improvement and Innovation Act, was signed by President Obama. In part, it requires that each foster youth who has reached age 16 receive a free copy of any credit report each year

until discharged from care. It also requires the foster youth to receive assistance in interpreting and resolving any inaccuracies in the credit report.

On May 28, 2012, the Administration for Children and Families issued Program Instruction No. ACYF-CB-PI-12-07, which, along with providing implementation guidance, clarified that the foster youth must receive credit reports from all three nationwide Credit Reporting Agencies (CRAs) (i.e., TransUnion, Equifax, and Experian).

On September 30, 2012, California Senate Bill No. 1521 (Chapter 847, Statutes of 2012) was chaptered, which amends W&IC section 10618.6 to comply with federal law. It requires the County Welfare Department and County Probation Department, or the California Department of Social Services (CDSS) (if an electronic batch request process is available), to request a credit report from each of the three CRAs annually on behalf of each youth in foster care, aged 16 and 17, while under court jurisdiction. It also requires the county agency to assist NMDs in requesting the three credit reports and to ensure the minor youth and NMDs receive assistance in interpreting and resolving any inaccuracies in their credit reports.

Process for Obtaining Credit Reports – Foster Youth Aged 16 and 17

The CDSS has worked with the CRAs to establish an electronic batch process for minors in foster care in California. The CDSS has agreed to send electronic batch requests for credit reports on behalf of youth in foster care aged 16 and 17 in order to obtain credit inquiry results and inform counties as to which credit reports, if any, they must request.

Counties were surveyed and asked to indicate whether or not they wanted to be included in CDSS' electronic batch request process. Currently, approximately 53 counties have elected to have CDSS utilize the batch process for requesting credit reports for 16 and 17 year old foster youth in their counties. If a county is currently participating in CDSS' batch process and would like to be excluded, or if a county is not currently participating and would now like to participate in the batch process, the county's Welfare Director or Probation Chief must send an email to the CDSS Child Welfare Data Analysis Bureau at CWSdata@dss.ca.gov stating its intent and provide an effective date for the change.

Each quarter, CDSS will extract information from the Child Welfare Services/Case Management System (CWS/CMS) on all youth in foster care, aged 16 and 17, under the jurisdiction of counties that have elected to participate in CDSS' electronic batch request process. The information will include specific data elements needed by TransUnion, Experian, and Equifax in order to generate a notice that specifies whether or not credit history exists. The CDSS will transmit the data to each CRA by accessing a website

operated and maintained by the CRA and uploading a file containing the necessary data. TransUnion is expected to provide each credit report requested, or notice that no report exists, to CDSS within 48 hours, Equifax within 72 hours, and Experian within 24 hours.

Upon receiving responses from the CRAs, CDSS will produce a list for each participating county that identifies, by case IDs, the foster youth aged 16 and 17 who either have or do not have a credit report from each CRA. The lists will be sorted by participating county and will be posted on the Child Welfare Data County extranet site located at <http://www.cdsscounties.ca.gov/cwdab/>, which was designed to make child welfare data reports easily accessible to counties. Participating counties will be notified when lists are posted on the extranet site. A password is required to access the extranet site and will be issued to the Point of Contact identified by each county. Questions regarding the extranet site may be directed to CWSdata@dss.ca.gov.

Minors should not have a credit report. When there is an indication of a credit report, as identified on the lists posted on the extranet site, participating counties must request that credit report directly from the appropriate CRAs.

Counties not participating in CDSS' electronic batch request process must request credit reports directly from all three CRAs for youth in foster care, aged 16 and 17, while under the jurisdiction of the juvenile court.

To request credit reports from TransUnion and Equifax, each county must open an electronic account with each of those two CRAs. (Equifax charges a one-time fee of \$500.) Below is their contact information for opening the electronic accounts:

TransUnion
Angela Pescatore
(714) 680-7268
fostercare@transunion.com

Equifax
Nicole Mills/Kathryn Brock
(800) 874-5606
cfs@equifax.com

To request credit reports from Experian, counties have the option of either opening an electronic account with Experian or manually requesting the credit reports. To open an electronic account, please contact Paul Hernandez at paul.a.hernandez@experian.com or (972) 390-3710. The procedure for requesting a credit report by mail from Experian is as follows:

1. On agency letterhead, draft a letter explaining that the credit report is being requested on behalf of a foster youth;
2. Include the youth's full name, current address, Social Security Number, and date of birth in the letter;

3. If the youth has been at the current address for less than two years, include up to two previous addresses in the letter;
4. Attach a copy of the court order, with sensitive information redacted (except for full name), showing the youth is in the placement and care responsibility of the child welfare or probation agency;
5. Mail the letter with attachment to the following address:

Experian National Consumer Assistance Center
PO Box 9701
Allen, Texas 75013

It may take up to three weeks to receive the credit reports through the manual request process.

The majority of youth will not have an account, and the existence of an account on a foster youth's credit report does not necessarily indicate that there is an inaccuracy or that the foster youth is a victim of identity theft. In order to make that determination, the county will have to check with the youth and provide him/her with a copy of his/her credit report. The county must ensure that foster youth receive assistance with interpreting the credit report and clearing any inaccuracies. The county may provide foster youth with such assistance directly or refer youth to an agency that provides such services (see below). Copies of the credit reports must be made available to youth at no cost to them.

Confidentiality of Credit Reports

The credit report is a confidential document. It must not be attached to the court report or any other court filing or be otherwise distributed. The social worker/probation officer must take necessary steps to prevent improper disclosure or misuse of information contained in the credit report. These steps may include, but are not limited to, keeping credit reports in a separate and sealed part of the file; keeping credit reports separate from the file in a locked location, etc. Youth should also be advised about the sensitive nature of credit information and how to keep the credit report safe.

Assisting NMDs with Obtaining Credit Reports

The process of obtaining credit reports for NMDs is different than for minors. Whereas requests are made on behalf of minors, NMDs may request and receive the credit reports themselves. However, the social worker or probation officer must ensure the NMD receives assistance in requesting and reviewing the reports. The level of assistance the NMD receives should be based on the NMD's developmental needs and may include, but is not limited to, the following:

- Referring the NMD to the www.annualcreditreport.com website, where the NMD may obtain and complete the request form, obtain the telephone number for requests, or use the secure website to request the credit reports,
- Assisting the NMD with accessing the www.annualcreditreport.com website and completing the credit report application online,
- Providing the NMD with a request form and assisting him or her with completing the form, as needed,
- Providing the NMD with the telephone number for making a request and assisting him or her through the call, as needed, or
- Securing written authorization from the NMD for the child welfare or probation agency to receive the credit reports on his/her behalf.

Understanding financial management and the risk of identity theft is vital as the NMD becomes more independent. The social worker or probation officer should explain to the NMD why obtaining a copy of one's credit report is important. If an NMD is resistant to requesting a credit report, the social worker or probation officer should continue to work with the NMD and address issues related to the credit report results during monthly face-to-face visits.

Assistance with Interpreting Credit Reports and Resolving Inaccuracies

Federal and California laws require that foster youth receive assistance in interpreting the credit reports and resolving any inaccuracies. The county welfare or probation department is responsible for ensuring minor youth and NMDs receive assistance with interpreting the credit reports and resolving any inaccuracies. Counties have the flexibility to determine what type of assistance works best with youth, considering the existing services in the county. If an inaccurate account exists on a foster youth's credit report, the county may refer the youth to a remediation agency that will assist the youth with interpreting the credit report and clearing any inaccuracies. One option is to conduct an internet search for governmental or nonprofit agencies that provide the same service, also at no charge. In doing so, care should be taken in selecting entities that provide actual hands-on service, rather than merely guidance. The following links may be helpful:

http://www.nfcc.org/rpc/member_locator/find.cfm
http://www.justice.gov/ust/eo/bapcpa/ccde/cc_approved.htm

Documentation in CWS/CMS

For minor foster youth, the following must be documented in CWS/CMS:

- Credit reports were requested from all three CRAs at no cost to the youth;

- Credit reports were received from the CRAs and the date(s) received;
- Credit reports were provided to the youth and the date(s) provided;
- If credit reports contain any accounts, how the county ensured the youth received assistance with interpreting credit reports and resolving inaccuracies, including referrals made for assistance and any resulting actions; and
- Any communication from CDSS indicating youth does or does not have credit report, as determined by the CRAs.

For NMDs, the following must be documented in CWS/CMS:

- Efforts the county has made to assist the NMD in obtaining credit reports;
- If credit reports contain any accounts, how the county ensured the NMD received assistance with interpreting credit reports and resolving inaccuracies, including referrals made for assistance and any resulting actions;
- Any barriers to obtaining credit reports and steps that will be taken to resolve them; and,
- If NMD refuses to request credit reports, the efforts made to assist the NMD in requesting the credit reports and understanding the value of being knowledgeable about one's own credit.

Until changes are implemented in CWS/CMS to allow this information to be documented in the system, counties should document the information in the Contact Notebook. Add an Associated Service for Case Management Services with a Service Type of Other. Document the credit report information in the Narrative section. Changes to CWS/CMS are tentatively scheduled for release in November 2014. These changes will allow counties to document the above information in a systematic manner.

It would be considered good practice to help educate the NMD about the value of being knowledgeable about his or her own credit. Accordingly, the objective of obtaining the credit reports could be a goal in the NMD's Transitional Independent Living Plan (TILP). The TILP also provides an opportunity to document which individuals will assist the NMD with obtaining and interpreting the credit reports and resolving any inaccuracies.

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Inquiries

Please send any inquiries regarding this ACL to the CDSS Independent Living Program Policy Unit email box at ilppolicy@dss.ca.gov.

Sincerely,

Original Document Signed By:

GREGORY E. ROSE
Deputy Director
Children and Family Services Division