




DEPARTMENT OF HUMAN SERVICES

Wes Moore, Governor · Aruna Miller, Lt. Governor · Rafael López, Secretary

Policy Number:	SSA/CW #24-02
Policy Title:	Identity Theft, Consumer Credit Report and Repair for Youth
Release Date:	November 1, 2024
Effective Date:	November 15, 2024
Approved By:	Dr. Alger Studstill, Jr.  Executive Director Social Services Administration
Revision Date(s):	September 26, 2024
Supersedes:	SSA #14-07
Originating Office:	Out-of-Home Care
Summary of Change:	Updated definitions and identity theft procedures.
Required Actions:	Review Updated Credit Reports Requirements for Foster Youth
Key Words:	Identity Theft, Consumer Credit Report
Related Federal Law	Child and Family Services Improvement and Innovation Act Public L Law (P.L.) 112-34) section to 42 U.S.C 675(5)
Related State Laws	Commercial Law § 14-1212.3.
COMAR	N/A
State Plan Implications?	Yes

PURPOSE AND SUMMARY

Local Departments of Social Services (LDSSs) are responsible for providing consumer credit report information for youth/young adults in out-of-home care or under the guardianship of a local department of social services (LDSS). This policy outlines the steps the LDSS and the Social Services Administration (SSA) will follow to access consumer credit reports for these youths. Additionally, the policy provides instructions to the LDSS for accessing free consumer credit reports, reviewing consumer credit reports with youth/young adults in out-of-home care, and, if necessary, how to correct inaccurate information found in the consumer credit report.

RELATED LAWS AND REGULATIONS

On October 1, 2011, the Child and Family Services Improvement and Innovation Act, Pub. Law 112-34 (2011) added a new section to 42 U.S.C 675(5)(I) to assure that children in out-of-home care aged 14 or older receive an annual copy of their free consumer credit report until they exit care. Under the Act, youth in out of home care are entitled to assistance interpreting and resolving any inaccuracies in their reports. In regards to identity theft, Md. Law requires your local police to take a report of identity theft and give you a copy regardless of where the crime occurred (Md. Code, Criminal Law Article section 8-304).

DEFINITIONS

Child Identity Theft – The fraudulent use of a minor’s personal information, usually for financial gain, such as acquiring credit cards or applying for loans.

Credit Freeze – Sometimes called a “security freeze,” a block that prevents prospective creditors from accessing a credit file.

Credit Report – A communication from a consumer reporting agency bearing on a consumer’s creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living used or collected to evaluate a consumer’s eligibility for such things as credit, insurance or employment purposes.

Consumer Credit Reporting Agencies (CRAs) – Also known as “credit bureaus,” are agencies that collect information from various sources and provide credit information on individual consumers in the form of consumer credit reports and scores.

Updated: September 26, 2024; Replaces SSA #14-7 Identity Theft, Credit Report and Repair for Youth; Identity Theft, Consumer Credit Report and Repair for Youth
Issued: November 1, 2024

Fraud Alert – A notice placed on a consumer credit report alerting potential creditors to verify a consumer’s identity before opening a new account, issuing an additional card, or increasing the credit limit on an existing account.

Federal Trade Commission (FTC) – enforces federal consumer protection laws that prevent fraud, deception and unfair business practices. The FTC administers a wide variety of laws and regulations, including the Identity Theft Act, and Fair Credit Reporting Act.

Youth – An individual in out of home care between the ages of 14 and 17.

Young Adult – An individual in out of home care between the ages of 18 and 21.

PROCEDURES AND TIMEFRAMES

Youth (Aged 14 - 17) In Out-of-Home Care

DHS/SSA staff will provide LDSS with consumer credit reports for these youths annually. Because youth younger than 18 are not eligible to enter into legal contracts for credit, they should not have consumer credit reports on file. As a result, by requesting a consumer credit report for a youth in out-of-home care, DHS will confirm that such a report does not exist. If a consumer credit report exists for a youth, an LDSS will likely need to correct information and take action to protect the youth’s identity and future creditworthiness. The process is as follows:

- a. DHS staff will obtain consumer credit reports from the three major CRAs for these youth and provide them to LDSSs through a secured email.
- b. LDSS caseworkers must discuss consumer credit reports with each youth, emphasizing the importance of credit as part of their financial education.
- c. During these discussions, the caseworker should ask questions to ascertain why the youth has a credit report. Reasons include a parent or other individual putting a utility bill in the youth’s name, opening a credit card using the youth’s social security number, using a youth’s information to obtain goods or services, putting a lease in a youth’s name or using the child’s social security number in a rental application.
- d. Because identity theft can negatively affect a credit score if a credit report shows that someone has used the child’s identity or

social security number for any reason, the caseworker must work with the youth to file a dispute with the respective CRAs within 30 days of the finding. This process starts with notifying the Federal Trade Commission through their [website](#). When disputing a credit report, the caseworker should:

- a. Obtain and attach supporting documents;
- b. Send the CRAs a copy of the child's birth certificate or other age document (i.e., state ID) to establish that the youth is a minor and, if necessary, be prepared to establish that the child is in the LDSS care so that the caseworker may act on the youth's behalf; and
- c. Request the removal of any erroneous information from the consumer credit report.
- d. Follow up on the report.
- e. Report the crime to the local law enforcement agency.
- f. The LDSS should request a credit freeze for the youth.
- g. LDSS must document the discussion and any subsequent actions in contact notes and the Maryland Youth Transition Plan under Financial Empowerment. Upload the credit reports and letters of dispute in the electronic system of record.
- h. Upon resolution, the LDSS should begin the process to unfreeze the credit report.

Young Adults (Aged 18-20) In Out-of-Home Care

DHS cannot obtain credit reports for young adults. The LDSS must assist a young adult in obtaining a credit report annually, preferably from an official credit reporting website until the young adult is no longer in care as follows:

- a. The LDSS must provide a young adult with clear instructions on how to get a free credit report and, if necessary, allow the young adult computer access,
- b. The LDSS must discuss the credit report with the young adult and emphasize the importance of credit as part of their financial education,
- c. If a credit report contains inaccuracies, including any signs of identity theft, the caseworker must work with the youth to file a dispute within 30 days with the CRA that issued the report. This process starts with notifying the Federal Trade Commission through their [website](#). The caseworker should assist the young adult in:
 - a. Obtaining and attaching supporting documents;
 - b. Requesting the removal of any erroneous information

- from the consumer credit report and follow up on the report
- c. Reporting the crime to the local police department.
 - d. The LDSS should assist the youth in obtaining a credit freeze.
 - e. LDSS must document the discussion and any subsequent actions in contact notes and the Maryland Youth Transition Plan under Financial Empowerment. Upload the credit reports and letters of dispute in the electronic system of record.
 - f. If a young adult decides not to obtain a credit report or refuses to address credit inaccuracies and/or identity theft, the LDSS must document this decision in contact notes and the Maryland Youth Transition Plan under Financial Empowerment in the electronic system of record. The LDSS should inform the young adult about the potential consequential impact of this decision.

ALIGNMENT WITH PRACTICE MODEL AND DESIRED OUTCOMES

This policy supports the goals of the practice model for timely and lasting permanency through the collaboration with and empowerment of youth ages 14-21 and young adults ages 18-20 in out-of-home care to plan for their financial future. It is individualized and strength based to become more involved in the process of identifying credit reporting, resolving inaccuracies, removing erroneous information, and further protecting identities.

DOCUMENTATION

The LDSS must maintain a copy of credit report from all three agencies annually for each youth out-of-home care. The information should be uploaded into the electronic system of record. For young adults, the LDSS must document the agency's efforts to assist them in acquiring credit reports and any subsequent action.

RELATED INFORMATION

[Consumer credit report Tipsheet](#)
[Practice Guidance](#)