



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4022 (Substitute H-2 as passed by the House)
Sponsor: Representative Robert L. Kosowski
House Committee: Families, Children, and Seniors
Senate Committee: Families, Seniors and Human Services

Date Completed: 5-5-16

CONTENT

The bill would create the "Foster Child Identification Theft Protection Act" to require the Department of Health and Human Services (DHHS) to do the following:

- **Annually request a credit report for each foster child who was at least 14 but younger than 18 and under the Department's care or supervision.**
- **Work with a foster child and a consumer reporting agency if a credit report showed fraudulent activity in the child's name.**
- **Assist a youth who was 18 or older and had been in the foster care system to obtain a copy of his or her credit report, unless the youth opted not to receive the Department's assistance.**
- **Recommend to a foster child's permanent caregiver that a credit check be performed, when a child under 14 left foster care.**
- **Keep records regarding a foster child's credit report.**

The bill also would require a foster child's caseworker to discuss the child's credit report with him or her periodically, and inform the child of what was being done on his or her behalf regarding the report.

The bill would take effect 90 days after its enactment.

Credit Report Request

The DHHS annually would have to request from at least one consumer reporting agency a credit report on each child who was at least 14 years old but younger than 18 and was placed under the Department's care or supervision for foster care.

If a credit report indicated the appearance of fraudulent activity in the foster child's name, the DHHS would have to work with the foster child and the consumer reporting agency to address and remove the fraudulent activity from the child's credit report. Subject to State and Federal confidentiality laws, the Department also could report the fraudulent activity to a law enforcement agency for investigation.

For a youth aged 18 or older who was placed under the care or supervision of the DHHS for foster care, the Department would have to assist the youth in obtaining a copy of his or her credit report. The youth could choose to opt out of receiving that assistance, and the Department would have to note the youth's choice to opt out in his or her case record.

When a child younger than 14 left foster care, the DHHS would have to recommend to the child's permanent caregiver that a credit check be performed on the child to ascertain whether there was possible fraudulent activity in the child's credit history.

"Credit report" would mean any written, oral, or other communication of information by a consumer reporting agency bearing on a consumer's creditworthiness, credit standing, or credit capacity. "Consumer reporting agency" would mean any person who, for monetary fees or dues or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit-related information or other information on consumers for the purpose of furnishing credit reports to third parties.

Records & Discussion with Foster Child

The DHHS would have to keep in a foster child's case record documentation of all requests and correspondence regarding the child's credit report and a copy of any credit report received regarding that child.

A foster child's caseworker would have to discuss the credit report with the child periodically and inform him or her of what actions were being taken on behalf of the child regarding his or her credit report.

The Department would have to maintain an electronic record to comply with the proposed Act.

"Caseworker" would mean an individual employed by the DHHS or a child placing agency for the purpose of placing children in homes for foster care or investigating and certifying individuals or homes for foster care. "Child placing agency" would mean that term as defined in the child care licensing Act (i.e., a governmental organization or an agency organized under the Nonprofit Corporation Act for the purpose of receiving children for placement in private family homes for foster care or for adoption).

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: John Maxwell

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.