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|  | INDIANA DEPARTMENT OF CHILD SERVICES TITLE IV-D POLICY MANUAL | |
| | Chapter 12: Enforcement | Effective Date: 09/05/2019 |
| | Section 5.1: Consumer Credit Reporting | Version: 1.0 Revision Date: 08/26/2019 |

BACKGROUND

The federal government requires each state to have laws and procedures in place to provide for and improve the effectiveness of the Title IV-D Program.¹ Title IV-D Agencies are required to make information regarding the amount of overdue support owed by an obligor available to consumer reporting agencies.² In Indiana, the Child Support Bureau (CSB) is charged with establishing credit bureau reporting procedures in accordance with federal requirements.³

POLICY

When a child support obligor has an arrearage of at least \$1,000.00 on a Title IV-D case, CSB will initiate reporting of the obligor’s child support arrearage to a credit reporting agency. Submission of past due child support amounts is an automated data matching process through the statewide child support system and the credit reporting agencies. CSB sends a report the first business day of every month to the credit reporting agency of all obligors who have surpassed the arrearage threshold.

After an obligor’s arrearage meets the reporting threshold and CSB submits information about an obligor’s past due child support amounts to the credit reporting agency, CSB will continue to submit the obligor’s arrearage information to the credit reporting agency until one (1) or more of the following conditions occur:

1. The arrears balance is reduced to \$0.00;
2. A “STOP” has been placed on the SPLH or ARCB enforcement screens of the statewide child support system;
3. The interstate status changes to INIT; or
4. The case is closed to Title IV-D services.

REFERENCES

- [IC 31-25-4-22](#): Disclosure of information to consumer reporting agencies; procedures
- [15 U.S.C. § 1681c](#): Requirements relating to information contained in consumer reports
- [15 U.S.C. § 1681i](#): Procedure in case of disputed accuracy
- [42 U.S.C. § 666](#): Requirement of statutorily prescribed procedures to improve effectiveness of child support enforcement
- [45 C.F.R. § 302.70](#): Required State laws

PROCEDURE

¹ 42 U.S.C. § 666; 45 C.F.R. § 302.70
² 42 U.S.C. § 666(a)(7); 45 C.F.R. § 302.70(a)(7)
³ IC 31-25-4-22

1. Prior to Submission: Notice of Intent to Report Arrearages

When an obligor's arrearage becomes equal to or greater than \$1,000.00 on a Title IV-D case, the statewide child support system will automatically generate a "Notice of Intent to Report Child Support Arrearage to Credit Reporting Agency" (Notice of Intent). These notices are created by the statewide child support system, and print automatically at the Title IV-D Prosecutor's Office. Once printed at the Title IV-D Prosecutor's Office, the NOI must be promptly mailed to the obligor's address listed in the statewide child support system.

The NOI advises the obligor of the current arrearage listed in the statewide child support system, that the arrearage is currently subject to being reported to the credit reporting agency, and provides instructions for requesting a review of the information to be reported. The obligor has 20 days from the date the Notice of Intent is mailed by the Title IV-D Prosecutor to contact the Title IV-D Prosecutor and request a review on the basis that:

- a. The individual is not the person to whom the notice applies;
- b. The person is the correct obligor, but does not agree there is an arrearage that is equal to or greater than \$1,000.00; or
- c. The individual does not agree with the amount listed on the Notice of Intent, and is objecting to the accuracy of the information.

2. Failure to Respond to the Notice of Intent

If the obligor does not respond to the NOI within 20 days of the notice being mailed by the Title IV-D Prosecutor, then the obligor's arrearage listed on the NOI will be reported to the credit reporting agency.

3. Obligor Response to the Notice of Intent

If the obligor responds to the NOI to request a review from the Title IV-D Prosecutor, then the Title IV-D Prosecutor must promptly verify the obligor's demographic information and arrearage in the statewide child support system. The Title IV-D Prosecutor is strongly encouraged to notify the obligor of the results of the review.

a. Information Verified on Review

If the obligor's demographic and arrearage information is correct in the statewide child support system and the obligor's arrearage should be submitted to the credit reporting agency, nothing further is required by the Title IV-D Prosecutor to permit submission of the information to the credit reporting agency. The Title IV-D Prosecutor is strongly encouraged to notify the obligor of the decision to report their arrearage to the credit reporting agency as stated in the NOI.

b. Arrearage Corrected Based on Review; Arrearage Still Qualifies for Submission

If upon the Title IV-D Prosecutor's review it is determined that the obligor's arrearage is incorrect in the statewide child support system, the Title IV-D Prosecutor shall update the statewide child support system with the correct arrearage information. If the corrected arrearage amount still meets the threshold for reporting, nothing further is required by the Title IV-D Prosecutor to permit the reporting of the corrected arrearage.

The Title IV-D Prosecutor is strongly encouraged to notify the obligor of the decision to report the corrected arrearage to the credit reporting agency.

c. Arrearage Corrected Based on Review; Does Not Meet Submission Threshold

If upon the Title IV-D Prosecutor's review it is determined that the obligor's arrearage is incorrect in the statewide child support system, the Title IV-D Prosecutor shall update the statewide child support system with the correct arrearage information. If the corrected arrearage does not meet the reporting threshold, the case will not be reviewed for future submission by the statewide child support system until the following month. No further actions are required by the Title IV-D Prosecutor once the arrears have been corrected in the statewide child support system, and the case no longer meets the reporting threshold.

d. Individual is Not the Person to Whom the Notice Applies

If upon the Title IV-D Prosecutor's review it is determined that the person who received the NOI is not the obligor to whom the notice applies, the Title IV-D Prosecutor shall place a "STOP" on the enforcement screen of the statewide child support system. The Title IV-D Prosecutor is also strongly encouraged to contact CEU through a secure email to advise of the incorrect obligor being submitted to the credit reporting agency.

4. Disputes after Submission to the Credit Reporting Agency

An obligor has the right to dispute incomplete or inaccurate information on their credit report.⁴ The obligor may file their dispute directly with the credit reporting agency, with the Title IV-D Prosecutor who is enforcing their order, or with CSB. The Fair Credit Reporting Act (FCRA) has clear instructions for both the obligor and the data furnisher on how to submit and respond to the dispute. CSB is the data furnisher for post-submission reporting to the credit reporting agency. The FCRA requires that a response be submitted to the credit reporting agency for all disputes (made to either CSB, the Title IV-D Prosecutor, or the credit reporting agency) within 30 days of the obligor's dispute date.⁵ Failure to respond to disputes could jeopardize Indiana's ability to report arrearage to the credit reporting agency as an enforcement tool.

a. Obligor Disputes Through the Credit Reporting Agency

If an obligor disputes the reported information for any reason directly through the credit reporting agency, the credit reporting agency notifies CSB of the dispute through e-Oscar, an electronic monitoring and reporting tool. CEU is responsible for monitoring and responding to all disputes on e-Oscar. Once notified of a dispute, CEU will send a secure email to the Title IV-D Prosecutor enforcing the child support order to alert them of the obligor's dispute. The Title IV-D Prosecutor shall promptly review the arrears balances and demographic information in the statewide child support system and respond to CEU through a secure email by the date specified in the original email. The Title IV-D Prosecutor's response to CEU should indicate if the reported arrearage and the obligor's demographic information are correct.

⁴ 15 U.S.C. § 1681i(a)(1)(A)

⁵ 15 U.S.C. § 1681i(a)(1)(A)

If the Title IV-D Prosecutor fails to respond to CEU by the date that is provided on the original email from CEU, then CEU shall respond to the credit reporting agency's dispute, as is required by the FCRA.⁶ CEU's response to the credit reporting agency will advise that the obligor's arrearage and demographic information on the statewide child support system was correct as of the date it was reported.

b. Obligor Disputes Directly to CSB or Title IV-D Prosecutor

An obligor may dispute reported account information directly with the data furnisher in addition to the credit reporting agency.

If the obligor disputes the reported arrearage to CSB directly, CEU will send a secure email to the Title IV-D Prosecutor enforcing the child support order to alert them of the obligor's dispute. The Title IV-D Prosecutor shall promptly review the arrears balances in the statewide child support system and respond to CEU through a secure email by the date specified in CEU's original email. The Title IV-D Prosecutor's secure email response to CEU should indicate if the reported arrearage and the obligor's demographic information are correct. If the Title IV-D Prosecutor fails to respond to CEU by the date that is provided on CEU's original secure email, then CEU shall respond to the obligor's dispute through e-Oscar that the information on the statewide child support system was correct as of the date it was reported, as is required by the FCRA.⁷ At the conclusion of the review, CEU will notify the obligor of the results.

If the obligor disputes the reported arrearage to the Title IV-D Prosecutor directly, the Title IV-D Prosecutor shall contact CEU by phone to alert them to the dispute. CEU will then send a secure email to the Title IV-D Prosecutor with instructions to review the obligor's demographic and arrearage information, and a date that the Title IV-D Prosecutor should reply to CEU by. The Title IV-D Prosecutor shall promptly review and verify all demographic and arrearage information in the statewide child support system as requested by CEU, and respond to CEU through a secure email by the date requested by CEU. CEU will send a written response to the obligor at the address listed in the statewide child support system with the results of the review.

5. Correcting and Updating Information after Dispute Review

If the reported arrearage is disputed by the obligor through the Title IV-D Prosecutor, the credit reporting agency, or CSB was determined to be incorrect at the time of reporting, the Title IV-D Prosecutor shall correct all balances in the statewide child support system. The Title IV-D Prosecutor is strongly encouraged to contact CEU by secure email advising of any corrections made to the arrears balance on the statewide child support system due to the obligor's dispute.

If the obligor's arrearage at initial submission still qualified for credit reporting, then CEU will notify the credit reporting agency of the corrected arrears balance, and continue reporting the obligor as required.

⁶ 15 U.S.C. § 1681i(a)(1)(A)

⁷ 15 U.S.C. § 1681i(a)(1)(A)

If the obligor's arrearage at initial submission did not meet the threshold for credit reporting but is equal to or greater than \$1,000.00 at the time of the review, then CEU will notify the credit reporting agency of the corrected arrears balance, and continue reporting the obligor as required.

If a dispute is received that the reported arrearage does not belong to the person making the dispute, the Title IV-D Prosecutor shall take necessary steps to verify the demographic information of both the person making the dispute, as well as the obligor on the statewide child support system. If it is determined that child support arrearage information was reported for an incorrect individual, the Title IV-D Prosecutor shall place a "STOP" on the enforcement screen of the statewide child support system. The Title IV-D Prosecutor is strongly encouraged to contact CEU by secure email advising that an incorrect obligor was reported to the credit reporting agency.

If the reported arrearage is disputed by the obligor through the Title IV-D Prosecutor, the credit reporting agency, or CSB was determined to be incorrect at the time of reporting, the Title IV-D Prosecutor shall correct all balances in the statewide child support system. If neither the obligor's corrected arrearage at initial submission nor the current corrected arrearage qualify for submission, the Title IV-D Prosecutor shall contact CEU through secure email advising that the obligor's arrearage has been corrected in the statewide child support system, and the obligor's arrearage does not currently meet the criteria for credit reporting. CEU will take the necessary steps to remove the previously reported arrearage information from the obligor's credit report. The Title IV-D Prosecutor is strongly encouraged to monitor future arrearage balances and notify CEU if the obligor's arrearage threshold is subsequently met. Contacting CEU is necessary in order to initiate a new credit reporting submission process for an obligor who previously had an incorrect arrearage reported to the credit reporting agency and had the incorrect child support arrearage information removed from submission to the credit reporting agency.

FORMS AND TOOLS

Notice of Intent to Report Child Support Arrearage (ENFA0048)

[Stop on Enforcement Work Report](#)

[Appeals Processing Guide](#)

FREQUENTLY ASKED QUESTIONS

1. Q. How long does a child support debt remain on an obligor's credit report after the obligor has been removed from further reporting?
 - A. Child support debt will remain on an obligor's credit report for seven (7) years after the date of last reporting. After seven (7) years, the debt will no longer appear on an obligor's credit report.⁸
2. Q. How can an obligor have child support arrearage deleted from their credit report?
 - A. Once an arrearage is reported to the credit reporting agency, the arrearage cannot

⁸ 15 U.S.C. § 1681c(c)

be deleted from the obligor's credit report unless the person reported was the incorrect obligor or the arrearage never qualified for initial reporting. Keeping the reported arrearage on an obligor's credit report will help improve an obligor's credit score. When the Title IV-D case returns to paying status, the obligor's credit report will reflect that the reported delinquency has payments being made towards the debt.

3. Q. May the Title IV-D Prosecutor delay an obligor from being reported to the credit reporting agency?
 - A. If the Title IV-D Prosecutor chooses to delay future reporting of an obligor's arrearage to the credit reporting agency, they are strongly encouraged to place a "STOP" on the enforcement screen of the statewide child support system. Placing a "STOP" on the enforcement screen of the statewide child support system will prevent the obligor from all future reporting to the credit reporting agency.

One example of when the Title IV-D Prosecutor could place a "STOP" on the enforcement screen of the statewide child support system to prevent future credit reporting agency could be on a recently established order that created a retroactive arrearage that is greater than the threshold for credit reporting. In such a situation, the Title IV-D Prosecutor may consider placing a "STOP" on the enforcement screen to prevent initial reporting of the obligor's arrears that are created by the retroactive order. The Title IV-D Prosecutor is strongly encouraged to monitor the case for any arrearage that accumulates post order that would qualify for credit reporting.

4. Q. Can the obligor be submitted to the credit reporting agency in the future if the Title IV-D Prosecutor removes a "STOP" on credit bureau reporting?
 - A. Yes. If the Title IV-D Prosecutor determines the obligor's arrearage should be reported to the credit reporting agency, the "STOP" can be removed from the enforcement screen of the statewide child support system. The Title IV-D Prosecutor must contact CEU advising that the "STOP" has been removed from the statewide child support system. CEU must manually re-insert an obligor's arrearage into the file that is sent to the credit reporting agency. Once CEU manually inserts the obligor back into the reporting file, future credit bureau reporting will resume as required.⁹
5. Q. What happens if a universal "STOP" is placed on all enforcement actions? Is credit reporting affected?
 - A. Yes. Placing a universal "STOP" on all enforcement activity will prevent all future reporting of the obligor's arrears to the credit reporting agency. If the Title IV-D Prosecutor determines the obligor's arrearage should be reported to the credit reporting agency, the "STOP" can be removed from the enforcement screen of the statewide child support system. The Title IV-D Prosecutor must contact CEU through secure email advising that the "STOP" has been removed from the enforcement screen of the statewide child support system. Removing the "STOP" or adding "SBMT" to the enforcement screen of the statewide child support system will not add the obligor back the file that is sent to the credit reporting agency; the obligor must manually be re-inserted into the reporting file by CEU to have their arrearses

⁹ 15 U.S.C. § 1681i(a)(5)(B); 45 C.F.R. § 302.70(a)(7)

reported after a “STOP” has been removed. Once CEU manually inserts the obligor back into the reporting file, future credit bureau reporting will resume as required.¹⁰

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| RELATED INFORMATION |
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N/A

¹⁰ 15 U.S.C. § 1681i(a)(5)(B); 45 C.F.R. § 302.70(a)(7)