

## CREDIT REPORT FACT SHEET

# Family Maintenance Enforcement Program

### What is a credit report and why do you make it?

A credit report is a document we send to a credit reporting agency whenever a payor is more than \$2,000 behind in maintenance payments.

The credit report is automatic, and applies to any payor – even a payor who has been making regular arrears payments – who is more than \$2,000 in arrears.

We make a credit report because maintenance is a debt that – just like credit card charges, a car loan or a mortgage – must be paid.

Potential lenders need to know all the debts that a payor may owe, so that the lender can decide whether the payor will be able to pay back any additional loans or charges.

### How does a credit reporting agency work?

Credit reporting agencies (also known as credit bureaus) maintain detailed credit history information, using records supplied by financial institutions, credit card companies and stores that issue their own credit cards.

When someone applies for a new credit card, a bank loan, mortgage or line of credit, the company will call a credit reporting agency to check out that person's credit history – to find out the person's current debt load and whether

or not the person has ever defaulted on a payment in the past. The information contained in the credit history may make it difficult for the person to get a credit card, bank loan or mortgage.

Other people, such as potential employers or landlords, may also want to know a person's credit history (as an indication of reliability), and may ask for permission to check his or her credit rating with a credit reporting agency.

### When will you make the credit report?

We will report a payor to a credit bureau when the payor has been enrolled with the FMEP for 90 days or more, and owes \$2,000 or more in arrears. The report will include the payor's name, date of birth, address, social insurance number and the amount of arrears.

Once it receives a credit report, the credit reporting agency will inform potential credit

grantors – and anyone else authorized to ask about the payor's credit history – of the amount the payor owes in arrears.

We will send monthly updates to the credit reporting agency showing the current amount of arrears. As the arrears are paid, the updates will show the balance going down.

### Will the payor have an opportunity to pay off the arrears, before a report is made?

Yes. We will send the payor a notice offering the payor a grace period of one month. If the payor

brings the arrears to less than \$2,000 within that one month period, we will not file the report.

## How long will the report stay on file?

The report will remain part of the payor's credit history for six years – even if the arrears drop below \$2,000.

If the court order or agreement is withdrawn from the FMEP, the credit report may remain on the payor's credit history for six years from the original reported date.

## Can the payor question or explain the credit report?

If the payor believes he or she was less than \$2,000 in arrears at the time we first made the credit report, the payor may ask us to review the account. If we discover the arrears were in fact less than \$2,000 (the payor made a payment directly to the recipient, for example, that we did not know about), we will advise the

credit reporting agency to erase the report.

The payor may also choose to file a statement with the credit reporting agency (maximum 100 words) explaining the debt. The agency will provide this statement with the rest of the payor's credit history.

### Note to Payors:

You can order a statement of your maintenance payments and current account balance. You can also view a statement on-line by visiting our website. You can ask us to mail or fax it to you or to your bank or other financial institution, to provide an up-to-date look at your account status.

## How can I get more information about the credit report?

For general information about credit reporting and a variety of other topics go to our website [fmep.gov.bc.ca](http://fmep.gov.bc.ca) or call InfoLine:

Metro Vancouver: 604 775-0796  
Greater Victoria: 250 356-5995  
Elsewhere in BC: 1-800-668-3637

For specific information about your case, sign into your web account on our website, or call an Enquiry Representative at one of our offices:

Lower Mainland Client Office  
604 678-5670 or 1-800-663-9666

Victoria Client Office  
250 220-4040 or 1-800-663-3455

Northern & Interior Client Office  
250 434-6020 or 1-800-663-3933

For information about family justice issues and services, visit the BC Government's Family Justice website.

### Tips for Payors

- We asked that you send your payments to FMEP using online or telephone banking through your financial institution. See your Notice of Filing or go to our website for more information on this payment method.
- If you are unable to send your payments electronically, you can mail cheques made payable to the recipient to:  
FMEP Payment Services  
Box 9233,  
Victoria BC V8W 9J1
- Please be sure to send your payments with enough time for them to be received at FMEP by the due date.
- Do not pay the recipient directly. You are required by law to send all maintenance payments to FMEP.
- We cannot change your maintenance order or agreement. If you are having trouble making your scheduled maintenance payments, you may need to obtain a new court order or agreement. In the meantime, we are required to make sure you pay the maintenance you owe now.
- If you have fallen behind in your payments, please contact us. We will work with you to develop a plan for paying the arrears in addition to making your ongoing maintenance payments.

