
Fair & Accurate Credit Transactions Act (FACTA)

*A Quick Summary of the Still
Incomplete 2003 FCRA Amendment*

FACTA First Facts

Amends the Fair Credit Reporting Act with a Hodge Podge of loosely related Directives.

Congress assigned responsibility for creation of Regulations to various Federal Agencies, which has resulted in a prolonged delay of its total implementation.

FACTA in Practice

- *Among the FACTA regulations that have been initiated since 2004, we have:*
 - *Fraud Alerts & Active Duty Alerts*
 - *Credit Score Disclosures*
 - *Disclosure of Negative Information*
 - *Opt Out Provisions for Prescreening*
 - *Disposal of Confidential Information*
 - *Affiliate Sharing Procedures*
-

Still on the Sidelines

- *Risk Based Pricing Disclosures were proposed under FACTA, but in four plus years there appears to have been little positive action in the preparation of regulations to implement this section of the Act.*
-

Red Flags

However, the Red Flag portion of FACTA has been completed and is due to become effective on November 1, 2008.

These regulations contain various elements for which lenders will need to account, including Address Mismatches and other triggers that might indicate Fraud or Identity Theft potential.
