

About FACT Act

The 161-page Fair and Accurate Credit Transactions (FACT) Act of 2003 is an amendment to the present Fair Credit Report Act (FCRA) (the act in place to regulate credit-reporting agencies). This new law will be an important tool in the fight against identity theft. The procedures and policies outlined in the Act will be adopted by December 2004.

FACT Act Facts

These will affect insurers, lenders, collection agencies, employers and rental agencies. It will also affect all companies that furnish information for posting to consumer reports; compile and maintain consumer report information; or use consumer reports. Among other things, the new law:

- Consumers will be able to receive a free copy of their credit report annually upon request from every major consumer reporting agency
- Consumers may receive additional free reports if identity theft is suspected
- Identity theft victims will only have to make one call to receive advice, set off a nationwide fraud alert, and protect their credit rating
- Identity theft victims who file police reports will be able to block fraudulent information from appearing on their credit reports
- Identity theft victims will have access to business records that list an identity thief's fraudulent transactions
- Credit reporting agencies must ensure that all credit requests are legitimate after a credit report has been flagged for suspected identity theft
- Creates new restrictions on the sharing of personal information for marketing purposes among affiliated companies
- Active duty military personnel may place special alerts on their files when they are deployed overseas
- Only the last five credit card number digits may be listed on store receipts
- Lenders and credit agencies must take action even before an identity theft victim is aware of the crime
- Debt collectors must inform a creditor of fraudulent information
- Limits use of medical information
- Changes the FCRA status of some employee investigations
- Changes the notice requirements for users of consumer reports

- o Creates numerous studies and rule making proceedings which will be ongoing in 2004