

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

February 18, 2009

**BANKING SUPERVISION AND REGULATION:
GUIDELINES ON IDENTITY THEFT RED FLAGS AND
OTHER REGULATIONS UNDER THE FAIR CREDIT
REPORTING ACT**

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, and Foreign Bank Offices
in the Twelfth Federal Reserve District

**Interagency Examination Procedures for Identity Theft Red Flags and Other Regulations under the
Fair Credit Reporting Act**

The Federal Financial Institutions Examination Council's Task Force on Consumer Compliance approved the attached examination procedures for regulations implementing three provisions of the Fair Credit Reporting Act (FCRA), as amended by the Fair and Accurate Credit Transactions Act. The three provisions address:

1. Duties of users regarding address discrepancies (12 CFR 222.82) (address discrepancy rule);
2. Duties regarding the detection, prevention and mitigation of identity theft (12 CFR 222.90) (identity theft red flags rule); and,
3. Duties of card issuers regarding changes of address (12 CFR 222.91) (card issuer rule).

The address discrepancy rule requires a user of consumer reports, including a financial institution, to:

- develop reasonable policies and procedures for confirming that the consumer report is for the consumer whose report was requested;
- develop reasonable policies and procedures for supplying a consumer's address, that the user has reasonably confirmed is accurate, to a consumer reporting agency.

The identity theft red flags rule requires a financial institution to:

- periodically determine whether it offers or maintains accounts covered by the regulation;
- develop and implement a written identity theft prevention program that is designed to detect, prevent, and mitigate identity theft in connection with any new or existing covered account; and,
- have management periodically report on the status, condition and results of the program to the board of directors or equivalent committee.

The card issuer rule requires credit and debit card issuers to develop:

- reasonable policies and procedures to assess the validity of a change of address that is followed closely by a request for an additional or replacement card.

Safety-and-soundness examiners with experience in operational risk will review institutions for compliance with the identity theft red flags rule. Consumer compliance examiners will review institutions for compliance with the address discrepancy and card issuer rules.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information, please contact one of the following:

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Attachments: [FFIEC Guidelines on Identity Theft Red Flags and FCRA](#)