

WASHINGTON-The Fair and Accurate Credit Transactions Act passed the house last night by a vote of 392-30. Congressman Spencer Bachus, chairman of the Subcommittee on Financial Institutions and Consumer Credit, was the lead sponsor of the bill. The FACT Act, or H.R. 2622, is the result of a powerful bi-partisan effort to renew our national credit system while at the same time providing powerful and innovative consumer protections.

"The national uniform credit reporting system has lowered costs and increased choice and convenience for American consumers", Bachus said. Much like the national interstate highway system allows for quick and easy travel across state lines, a national uniform credit reporting system allows for consumers to receive credit in a cost effective and timely fashion. H.R. 2622 renews the national credit system and adds tough new safeguards against identity theft ."

According to Secretary of the Treasury John Snow, "On June 30, I outlined an Administration proposal with far-reaching consequences for all Americans. It

would broaden the availability of credit, give consumers greater access to their credit records, and equip consumers and law enforcers with important new tools in the fight against identity theft. Tonight, by an overwhelming bipartisan vote, the House of Representatives approved legislation to implement our proposal. I congratulate the House on this prompt action. Americans need these tools, and the House has acted without delay."

Listed below are the benefits of H.R. 2622

- Benefits consumers and our economy by making the advantages of our nationwide credit system permanent.

- Creates powerful consumer protection tools, including:

- ü Allowing consumers to place "fraud alerts" in their credit reports to prevent identity thieves from opening accounts in their names, including special provisions to protect active duty military personnel;

- ü Allowing consumers to block information from being given to a credit bureau and from being reported by a credit bureau if such information results from identity theft;

- ü Providing identity theft victims with a summary of their rights;

- ü Giving consumers the right to see their credit scores;

- ü Giving all consumers the right to a free copy of their credit report;

- ü Restricting access to consumers' sensitive health information;

- ü Simplifying the way consumers can limit unsolicited marketing offers;

- ü Ensuring improved accuracy of credit reporting procedures; and

- ü Providing consumers with one-call-for-all protection by requiring credit bureaus to share consumer calls on identity theft, including requested fraud alert blocking.

- Imposes meaningful new obligations on financial institutions to prevent identity theft and to ensure

accuracy, including:

- ü Requiring creditors to take certain precautions before extending credit to consumers who have placed "fraud alerts" in their files;

- ü Prohibiting merchants from printing more than the last 5 digits of a payment card on an electronic receipt;

- ü Requiring banks to develop policies and procedures to identify potential instances of identity theft;

- ü Requiring financial institutions to reconcile potentially fraudulent consumer address information;

- ü Ensuring lenders notify consumers before submitting negative credit information; and

ü Requiring lenders to disclose their contact information on consumer reports.