

FEDERAL RESERVE BANK OF SAN FRANCISCO
101 MARKET STREET, SAN FRANCISCO, CALIFORNIA

February 12, 2004

**BANKING SUPERVISION AND REGULATION:
FACT ACT**

To State Member Banks, Bank
Holding Companies, U.S. Branches
and Agencies of Foreign Banks,
and Others Concerned,
in the Twelfth Federal Reserve District

Final Approval of FACT Act Rules (Dockets R-1172 and R-1175)

The Federal Reserve Board has approved final rules to establish effective dates for all provisions of the Fair and Accurate Transactions Act of 2003 (FACT Act) that do not have a statutorily prescribed effective date. These regulations are being issued jointly with the Federal Trade Commission.

The recently enacted FACT Act amended the Fair Credit Reporting Act (FCRA) and required the Board and the FTC to adopt final rules establishing the effective dates for certain provisions of the FACT Act. In mid-December, the Board and the FTC jointly adopted interim final rules that established December 31, 2003 as the effective date for the preemption provisions of the FACT Act as well as provisions authorizing the agencies to adopt rules or take other actions to implement the FACT Act. The agencies now have adopted final joint rules with the same schedule of effective dates contained in the interim rules.

Also in mid-December, the Board and the FTC jointly issued for comment proposed joint rules that would establish a schedule of effective dates for other provisions of the FACT Act that do not contain effective dates. After reviewing the comments on the proposal, the agencies now have adopted joint final rules that establish March 31, 2004 as the effective date for the provisions of the FACT Act that do not require significant changes to business procedures. With respect to other provisions that likely entail significant changes to business procedures, the joint final rules make these provisions effective on December 1, 2004, to allow industry a reasonable time to establish systems to comply with the statute.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's Internet site, at <http://www.frbsf.org/banking/letters>. Paper copies of Docket R-1172/1175 are available from our Corporate Services Department. To request copies to be sent by mail, please call (415) 974-2060.

For additional information about the approval of the final rules, please contact our Banking Supervision and Regulation Department at (415) 974-2920.

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[Attachment: Docket R-1172/1175](#)