

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

August 24, 2006

**BANKING SUPERVISION AND REGULATION:  
REPORT ISSUED ON FCRA DISPUTE  
PROCESS**

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

**Agencies Issue Report on Compliance with Consumer Dispute Provisions of FCRA**

The Federal Trade Commission (FTC) and Federal Reserve Board on Wednesday issued a joint report to Congress on compliance with the consumer dispute provisions of the Fair Credit Reporting Act (FCRA).

The Fair and Accurate Credit Transactions Act of 2003 (FACT Act), which generally amends the FCRA, required the FTC and the Board to conduct a study of the extent to which consumer reporting agencies and furnishers of information to consumer reporting agencies (CRAs) complied with certain FCRA requirements.

The study found that although most consumer disputes appear to be processed within the statutory timeframe, there is disagreement as to the adequacy of the investigations performed by the CRAs and by the furnishers of information.

The resulting report recommends no additional administrative or legislative action at this time to amend the dispute process. Rather, the FTC and the Board believe that recent FACT Act provisions intended to enhance the customer dispute process should be given time to take effect. The FTC and the Board will continue to monitor the performance of the dispute process, explore possible enhancements, and make recommendations for action, if appropriate.

**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>.

For additional information about the report on compliance with consumer dispute provisions of FCRA, please contact our Banking Supervision and Regulation Department at (415) 974-3028.

FEDERAL RESERVE BANK OF SAN FRANCISCO

Attachment: [FCRA Dispute Process Report](#)