

111TH CONGRESS  
2D SESSION

# H. R. 6420

To amend the Fair Credit Reporting Act with respect to the applicability  
of identity theft guidelines to creditors.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 17, 2010

Mr. ADLER of New Jersey (for himself, Mr. BROUN of Georgia, and Mr. SIMP-  
SON) introduced the following bill; which was referred to the Committee  
on Financial Services

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## A BILL

To amend the Fair Credit Reporting Act with respect to  
the applicability of identity theft guidelines to creditors.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Red Flag Program  
5       Clarification Act of 2010”.

6       **SEC. 2. SCOPE OF CERTAIN CREDITOR REQUIREMENTS.**

7       (a) AMENDMENT TO FCRA.—Section 615(e) of the  
8       Fair Credit Reporting Act (15 U.S.C. 1681m(e)) is  
9       amended by adding at the end the following:

1           “(4) DEFINITIONS.—As used in this subsection,  
2       the term ‘creditor’—

3           “(A) means a creditor, as defined in sec-  
4       tion 702 of the Equal Credit Opportunity Act  
5       (15 U.S.C. 1691a), that regularly and in the  
6       ordinary course of business—

7           “(i) obtains or uses consumer reports,  
8       directly or indirectly, in connection with a  
9       credit transaction;

10          “(ii) furnishes information to con-  
11       sumer reporting agencies, as described in  
12       section 623, in connection with a credit  
13       transaction; or

14          “(iii) advances funds to or on behalf  
15       of a person, based on an obligation of the  
16       person to repay the funds or repayable  
17       from specific property pledged by or on be-  
18       half of the person;

19          “(B) does not include a creditor described  
20       in subparagraph (A)(iii) that advances funds on  
21       behalf of a person for expenses incidental to a  
22       service provided by the creditor to that person;  
23       and

24          “(C) includes any other type of creditor, as  
25       defined in that section 702, as the agency de-

1           scribed in paragraph (1) having authority over  
2           that creditor may determine appropriate by rule  
3           promulgated by that agency, based on a deter-  
4           mination that such creditor offers or maintains  
5           accounts that are subject to a reasonably fore-  
6           seeable risk of identity theft.”.

7           (b) EFFECTIVE DATE.—The amendment made by  
8           this section shall become effective on the date of enact-  
9           ment of this Act.

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