



Highlights of [GAO-05-710](#), a report to congressional committees

Why GAO Did This Study

The Fair and Accurate Credit Transactions (FACT) Act of 2003 which amended the Fair Credit Reporting Act (FCRA), contains provisions intended to help consumers remedy the effects of identity theft. For example, section 609(e) of the amended FCRA gives identity theft victims the right to obtain records of fraudulent business transactions, and section 609(d) requires the Federal Trade Commission (FTC) to develop a model summary of identity theft victims' rights. This report provides information on (1) outreach efforts to inform consumers, businesses, and law enforcement entities about section 609(e); (2) the views of relevant groups on the provision's expected impact; and (3) FTC's process for developing its model summary of rights and views on the summary's potential usefulness.

www.gao.gov/cgi-bin/getrpt?GAO-05-710.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Richard J. Hillman at (202) 512-8678 or hillmanr@gao.gov.

IDENTITY THEFT

Some Outreach Efforts to Promote Awareness of New Consumer Rights Are Under Way

What GAO Found

Some efforts to educate consumers, business entities, and local law enforcement officials about their rights and obligations under section 609(e), which grants identity theft victims access to fraudulent business transaction records, were under way as of June 2005—notably by the FTC, U.S. Postal Inspection Service, International Association of Chiefs of Police, and National Credit Union Administration. For example, FTC had a number of outreach efforts on section 609(e) including coverage in conferences and presentations as well as information available through its Web site, toll-free hotline, and identity theft publications. While many of the other federal regulators and law enforcement agencies have undertaken outreach efforts on identity theft, most did not specifically include information on section 609(e). FTC staff indicated that the public education campaign on identity theft prevention mandated to be implemented by December 2005 by the FACT Act will also include coverage of section 609(e).

According to FTC, law enforcement agency officials, and consumer advocacy group representatives we spoke with, section 609(e) should help victims to remedy the effects of identity theft more quickly. Other cited benefits include allowing victims to build stronger cases that could assist law enforcement agencies in developing intelligence data for their investigations. However, due to the limited experience with victims attempting to obtain business records, it is too early to assess the actual effectiveness of the section 609(e) provisions. Consumer groups and state agencies identified some potential problems with the timeliness of business transaction data and the extent of documents needed to verify a victim's identity theft claim. Given the newness of the provision, additional experience is needed to verify the validity of these potential concerns or other concerns not yet anticipated. FTC staff told us that as part of their overall FACT Act outreach efforts, they intend to monitor the implementation of section 609(e) to determine whether the provision is working as intended.

Most of the agencies and groups we spoke with had favorable views of FTC's process to develop the model summary of identity theft victim rights mandated under section 609(d). FTC published its final form of the summary on November 30, 2004, and as required by FTC's guidance, the three national credit reporting agencies told us they began distributing a summary to consumers who contacted them with identity theft concerns before January 31, 2005. While most of the groups that we contacted felt that FTC had been responsive to their comments, consumer advocacy groups identified two potential concerns. These potential concerns center on the limited availability of a Spanish version of the summary of rights and the clarity of the model summary of rights to the general population. However, due to the limited time that the summary has been available, it is too early to determine the extent of any implementation issues.