

Press Releases

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OTS 08-051 - OTS Issues New Examination Procedures on Identity Theft Red Flags and Address Discrepancies

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CONTACT: William Ruberry
(202) 906-6677

Washington, D.C. — The Office of Thrift Supervision (OTS) issued examination procedures today on identity theft and address discrepancies.

OTS examiners will use these procedures, developed jointly with the other federal banking agencies, during examinations of OTS-supervised financial institutions beginning November 1, 2008, when the underlying identity theft rules and guidelines take effect.

The revised examination procedures follow a joint rulemaking in November 2007 by the OTS, the other federal banking agencies and the Federal Trade Commission on identity theft “red flags” and address discrepancies. To help savings associations prepare for complying with the new rules, the OTS held an industry conference call in August 2008.

The rules require financial institutions and creditors to establish a written Identity Theft Prevention Program to combat identity theft. The rules also require issuers of credit cards and debit cards to develop policies and procedures for scrutinizing requests for a change of address that are followed closely by a request for an additional card or replacement card. In addition, the rules require institutions to develop and apply policies and procedures for handling notices of address discrepancies received from consumer reporting agencies.

The rules implement the Fair and Accurate Credit Transactions Act, which amended the Fair Credit Reporting Act.

The rules are described in OTS Regulatory Bulletin RB 37-27 (<http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2008-51a.pdf>).