

FTC Seeks Comment on Identity Theft Detection Rules

The Federal Trade Commission is [seeking comment](#) on whether the agency should make changes to [rules requiring that financial institutions and creditors take certain steps](#) to detect signs of identity theft affecting their customers.

As part of the Commission's periodic review of all its rules and guides, the FTC is seeking comment on whether any modifications should be made to the Red Flags Rule and the Card Issuers Rule. The Red Flags Rule requires financial institutions and some creditors to implement a written identity theft prevention program designed to detect the "red flags" of identity theft in their day-to-day operations, take steps to prevent it, and mitigate its damage. The Card Issuers Rule requires that debit or credit card issuers implement policies and procedures to assess the validity of a change of address request if, within a short period of time after receiving the request, the issuer receives a request for an additional or replacement card for the same account. The Card Issuers Rule bars a card issuer from issuing an additional or replacement card until it has notified the cardholder about the request or otherwise assessed the validity of the address change.

Identity theft was the second biggest category of [consumer complaints made to the FTC in 2017](#) and the third biggest topic of complaints through the first three quarters of 2018.

The questions on which the FTC is seeking comment include:

- Is there a continuing need for the specific provisions of the Rules?
- What benefits have the Rules provided to consumers?
- What significant costs, if any, have the Rules imposed on consumers?
- What significant costs, if any, have the Rules imposed on businesses, including small businesses?
- Are there any types of creditors that are not currently covered by the Red Flags Rule but should be, because they offer or maintain accounts that could be at risk of identity theft?

The request for comment on the two Rules will be published in the Federal Register shortly, along with instructions on how to submit comments. The deadline for submitting comments is February 11, 2019.

The Commission vote to approve publishing the request for comment in the Federal Register was 5-0.

The Federal Trade Commission works to [promote competition](#), and [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). Like the FTC on [Facebook](#), follow us on [Twitter](#), read our [blogs](#), and [subscribe to press releases](#) for the latest FTC news and resources.

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