established for the safety and management of IFR operations.

Class E airspace designations are published in Paragraph 6005 of FAA order 7400.9T, signed August 27, 2009, and effective September 15, 2009, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the Order.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a Regulatory Evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, would not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This proposed rulemaking is promulgated under the authority described in Subtitle VII, Part, A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This proposed regulation is within the scope of that authority as it would establish Class E airspace at Bamberg County Airport, Bamberg, SC.

Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (Air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR Part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND CLASS E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g); 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of Federal Aviation Administration Order 7400.9T, Airspace Designations and Reporting Points, signed August 27, 2009, effective September 15, 2009, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ASO SC E5 Bamberg, SC [NEW]

Bamberg County Airport, SC
(Lat. 33°18′16″ N., long. 81°06′30″ W.)

That airspace extending upward from 700 feet above the surface within a 6.3-mile radius of the Bamberg County Airport.

Issued in College Park, Georgia, on August 12, 2010.

Mark D. Ward,

Manager, Operations Support Group, Eastern Service Center, Air Traffic Organization.

[FR Doc. 2010–21215 Filed 8–26–10; 8:45 am]

BILLING CODE 4910–13–P

FEDERAL TRADE COMMISSION

16 CFR Part 698

RIN 3084-AA94

Summary of Rights and Notices of Duties Under the Fair Credit Reporting Act

AGENCY: Federal Trade Commission

ACTION: Proposed rule; request for comment.

SUMMARY: Pursuant to its responsibilities under the Fair Credit Reporting Act, the Federal Trade Commission (Commission or FTC) is publishing for public comment revised versions of three documents: a summary of consumer rights, a notice of responsibilities for persons that furnish information to consumer reporting agencies, and a notice of responsibilities for persons that obtain consumer reports from consumer reporting agencies. The Commission is proposing the current revisions to incorporate changes in rights and obligations created by several new rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003. The Commission is also proposing revisions to improve the clarity and usefulness of the documents for consumers, furnishers, and users.

DATES: Comments must be received on or before September 21, 2010.

ADDRESSES: Interested parties are invited to submit written comments electronically or in paper form by following the instructions in the **SUPPLEMENTARY INFORMATION** section below. Comments in electronic form should be submitted by using the following weblink: (*https://ftcpublic.commentworks.com/ftc/fcrarevisednotices*) (and following the instructions on the web-based form). Comments filed in paper form should be mailed or delivered to the following address: Federal Trade Commission, Office of the Secretary, Room H-135 (Annex M), 600 Pennsylvania Avenue, NW, Washington, D.C. 20580, in the manner detailed in the **SUPPLEMENTARY INFORMATION** section below.

FOR FURTHER INFORMATION CONTACT: Pavneet Singh, Attorney, Division of Privacy and Identity Protection, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580, (202) 326-2252.

SUPPLEMENTARY INFORMATION:

I. Background

Under section 609(c) of the Fair Credit Reporting Act (FCRA), consumer reporting agencies (CRAs) are required to include a summary of consumer rights with every consumer report they provide to consumers.[1] The Commission is required to provide a model summary of rights (Summary of Rights) to be used for this purpose. In addition, section 607(d)(2) of the FCRA requires the Commission to prescribe the content of notices that CRAs must provide to those who furnish information to them (Furnisher Notice) and to those who obtain consumer reports from them (User Notice).[2]

The Commission originally issued these three documents in 1997.[3] It issued revised versions in 2004[4] to reflect changes made to the FCRA by the Fair and Accurate Credit Transactions Act of 2003 (FACT Act).[5] Since then, the Commission and other financial regulators have finalized new rules under the FACT Act. The Commission is now proposing a newly revised Summary of Rights, User Notice, and

[1] 15 U.S.C. 1681g(c). Under section 609(a) of the FCRA, 15 U.S.C. 1681g(a), CRAs are required to disclose to consumers the information in their files upon request. CRAs generally refer to these disclosures as "file disclosures" and provide them in a different format than the consumer reports they provide to third parties. For purposes of this notice, the term "consumer report" includes a "file disclosure" from a CRA to a consumer.

[2] 15 U.S.C. 1681e(d).

[3] 62 FR 35586 (1997).

[4] 69 FR 69776 (2004).

[5] Pub. L. 108-159, 117 Stat. 1952 (2003).

Furnisher Notice to reflect these new rules, as explained further below.[6] The proposed revised versions are also intended to improve the clarity and usefulness of the documents for consumers, furnishers, and users. For comparison, the 2004 versions of these notices can be found at (*www.ftc.gov/opa/2004/11/facta.shtm*).

II. Summary of the Proposed Revised Notices

A. Summary of Rights (Appendix F to 16 CFR 698)

Section 609(c) of the FCRA requires the Commission to issue a model Summary of Rights, which must include an explanation of (1) the consumer's right to obtain his or her consumer report; (2) the frequency and circumstances under which a consumer may receive free consumer reports under the FCRA; (3) the right of a consumer to dispute incorrect or outdated information in his or her consumer report; and (4) the right of a consumer to obtain a credit score.[7]

With respect to a consumer's right to dispute information in his or her consumer report, on July 1, 2009, the Commission and other federal regulatory agencies issued the Furnisher Direct Dispute Rule, which took effect on July 1, 2010. Prior to the effective date of this Rule, under the FCRA, consumers had a right to dispute the accuracy of information in their consumer reports only by filing a dispute with a CRA. Under the Furnisher Direct Dispute Rule, consumers may dispute the accuracy of information in their consumer report directly with the furnisher of that information as well as the CRA. The proposed revised Summary of Rights reflects this additional dispute right. Because it is difficult to inform consumers fully of their dispute rights in a summary fashion, the proposed revised Summary of Rights also directs consumers to the Commission's website for more information about disputing consumer report errors.[8]

In addition, the proposed revised Summary of Rights reflects changes to improve the clarity and readability of the document. The changes include reordering some of the information provided, as well as making formatting changes and minor wording changes to certain sections.

Finally, in order to keep the Summary of Rights sufficiently brief and to improve its readability, the proposed revised Summary of Rights deletes certain information that the Commission is not required to include. The current Summary of Rights incorporates a list of Federal agencies responsible for enforcing the FCRA, which the CRAs are also required to provide to consumers with their consumer reports. However, the FCRA does not require this list to be included in the Summary of Rights. Accordingly, the Commission proposes not to include this information in the proposed revised Summary of Rights. Instead, the Commission proposes to make available on its website a separate document that lists the Federal agencies responsible for enforcing the FCRA, along with their addresses, phone numbers, and website addresses, which can be updated more easily. CRAs may use this document to satisfy their obligation to provide consumers a list of Federal agencies responsible for enforcing the FCRA.

B. Furnisher Notice (Appendix G to 16 CFR 698)

The proposed revised Furnisher Notice reflects the new duties of furnishers set forth in the Furnisher Direct Dispute Rule described above. It also reflects new duties contained in the Furnisher Accuracy Rule, which became effective on July 1, 2010. The Rule requires furnishers to establish policies and procedures to ensure the accuracy and integrity of the consumer report information they furnish to CRAs, and to consider the guidelines prescribed by the agencies in establishing these policies and procedures. In addition, the proposed revised Furnisher Notice also includes revisions to improve the clarity and readability of the document.[9]

C. User Notice (Appendix H to 16 CFR 698)

The proposed revised User Notice reflects the new duties of users set forth in several of the rules finalized pursuant to the FACT Act. First, effective January 1, 2011, the Risk-Based Pricing Rule will require users of consumer reports to provide risk-based pricing notices in certain circumstances if they extend credit to a particular consumer on less favorable terms than those they offer to others. As an alternative to providing risk-based pricing notices, the Rule permits such users to provide consumers who apply for credit with a free credit score and information about their credit score. Second, if a CRA notifies a user of consumer reports that the address the user provided about a consumer is different from the address in the consumer report, the Address Discrepancy Rule, which became effective on January 1, 2008, requires the user to implement reasonable procedures to verify that the consumer report relates to the correct consumer. Users of consumer reports that verify the address is accurate, and that regularly furnish information to the CRA, have additional responsibilities under the Rule. Finally, the Medical Information Rules, which became effective on April 1, 2006, prescribe the circumstances under which creditors may obtain, use, and share medical information. The proposed revised User Notice has been revised to reflect all of these obligations, as well as to improve the clarity and readability of the document.[10]

III. Request for Comments

The Commission invites comment on all aspects of the proposed revised Summary of Rights, Furnisher Notice, and User Notice. The Commission also invites comment from all interested parties on the following issues:

Summary of Rights (Appendix F)

- Has the existing Summary of Rights been effective in informing consumers about their rights under the FCRA?
- Has the Commission included all of the rights that should be included in the model summary?
- Has the Commission clearly and sufficiently described a consumer's ability to dispute inaccurate consumer report information with both the furnisher of the information and with the CRA? Is it useful to provide a reference to the FTC's website for additional information about disputing such errors?
- Is it appropriate to provide information about the Federal agencies responsible for enforcing the FCRA and the contact information for these agencies in a separate document, which

[6] At this time, the Commission is not issuing a revised version of the identity theft rights summary required by section 609(d) of the FCRA. The Commission is currently undertaking a survey of identity theft victims who contacted the FTC and expects that when completed, the results of that survey may influence any future revisions of the identity theft rights summary. *See* 73 FR 37457 (2009).

[7] Section 609(c) also requires that CRAs notify consumers that they may have additional rights under state law and that the FCRA does not require accurate, current derogatory information to be removed from consumers' files. Thus, the Commission has also included this information in its Summary of Rights.

[8] The Commission is concurrently updating its consumer education materials on disputing errors in credit reports to reflect consumers' new right to dispute inaccurate information directly with furnishers.

[9] These revisions include deleting citation references to the relevant sections of the FCRA from the text of the Notice and placing them in endnotes to make the document easier to read.

[10] As with the Furnisher Notice, these revisions include deleting citation references to the relevant sections of the FCRA from the text of the User Notice and placing them in endnotes.

will be made available on the FTC's website?

- Are there areas where the understandability of the proposed revised Summary of Rights could be improved? Are there any sections for which the language does not accurately convey the substance of the provision? If so, how could such sections be improved?
- The proposed revised Summary of Rights uses the term "credit report" to describe a consumer report under the FCRA because the Commission believes it is the term with which consumers are most familiar. However, as explained in the proposed revised Summary of Rights, consumers may obtain reports that contain non-credit information, such as rental or medical history information. Should an additional or alternate term be used to describe these types of reports? Would it be more effective and is it feasible to create a separate model Summary of Rights to send to consumers who request reports that contain non-credit information?

Furnisher Notice (Appendix G)

- Is the proposed revised Furnisher Notice accurate and easy to understand? In what ways could it be improved?
- The Commission expects that the Furnisher Notice will be sent to a wide range of entities with varying degrees of legal sophistication. Are the duties set forth in the proposed notice clear and understandable? Could the description of the duties be improved?
- Does the deletion of the citations to the relevant sections of the FCRA from the text to the endnotes improve the readability of the document? Or are the citations necessary for furnishers to locate and understand their statutory obligations?

User Notice (Appendix H)

- The proposed revised User Notice discusses the principal portions of the FCRA that impose obligations upon those who receive consumer reports. Should additional information be included in the notice?
- The Commission expects that the User Notice will be sent to a wide range of users with varying degrees of legal sophistication. Are the duties set forth in the proposed notice clear and easy to understand? Could the description of the duties be improved?
- Does the deletion of the citations to the relevant sections of the FCRA from the text to the endnotes improve the readability of the document? Or are the citations necessary for users to locate and understand their statutory obligations?

Interested parties are invited to submit written comments electronically or in paper form. Comments should refer to "FACTA Notices, Project No. P105408," to facilitate the organization of comments. Please note that your comment – including your name and your state – will be placed on the public record of this proceeding, including on the publicly accessible FTC website, at (*http://www.ftc.gov/os/publiccomments.shtm*).

Because comments will be made public, they should not include any sensitive personal information, such as any individual's Social Security number; date of birth; driver's license number or other state identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. Comments also should not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, comments should not include "trade secret or any commercial or financial information which is obtained from any person and which is privileged or confidential" as provided in Section 6(f) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2). Comments containing matter for which confidential treatment is requested must be filed in paper form, must be clearly labeled "Confidential," and must comply with FTC Rule 4.9(c).[11]

Because paper mail addressed to the FTC is subject to delay due to heightened security screening, please consider submitting your comments in electronic form. Comments filed in electronic form should be submitted using the following weblink: (*https://ftcpublic.commentworks.com/ftc/fcrarevisednotices*) (and following the instructions on the web-based form). To ensure that the Commission considers an electronic comment, you must file it on the web-based form at the weblink (*https://ftcpublic.commentworks.com/ftc/fcrarevisednotices*). If this Notice appears at (*http://www.regulations.gov/search/Regs/home.html#home*), you may also file an electronic comment through that website. The Commission will consider all comments that regulations.gov forwards to it. You may also visit the FTC Website at (*http://www.ftc.gov*) to read the Notice and the news release describing it.

A comment filed in paper form should include the "FACTA Notices, Project No. P105408" reference both in the text and on the envelope, and should be mailed or delivered to the following address: Federal Trade Commission, Office of the Secretary, Room H-135 (Annex M), 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. The FTC is requesting that any comment filed in paper form be sent by courier or overnight service, if possible, because U.S. postal mail in the Washington area and at the Commission is subject to delay due to heightened security precautions.

The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives, whether filed in paper or electronic form. Comments received will be available to the public on the FTC website, to the extent practicable, at (*http://www.ftc.gov/os/publiccomments.shtm*). As a matter of discretion, the FTC makes every effort to remove home contact information for individuals from the public comments it receives before placing those comments on the FTC website. More information, including routine uses permitted by the Privacy Act, may be found in the FTC's privacy policy, at (*http://www.ftc.gov/ftc/privacy.htm*).

IV. Communications by Outside Parties to the Commissioners or Their Advisors

Written communications and summaries or transcripts of oral communications respecting the merits of this proceeding from any outside party to any Commissioner or Commissioner's advisor will be placed on the public record.[12]

V. Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. 3501-3521, the Commission reviewed the summary of rights and the furnisher and user notices for compliance with the PRA when it issued them in 1997 and when it revised them in 2004. At both times, the Commission concluded that the summary and notices consisted of information that is supplied by the Federal government. Accordingly, the Commission determined that these notices do not constitute a "collection of information" as this term is defined in the regulations implementing the PRA,

[11] The comment must be accompanied by an explicit request for confidential treatment, including the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. The request will be granted or denied by the Commission's General Counsel, consistent with applicable law and the public interest. *See* FTC Rule 4.9(c), 16 CFR 4.9(c).

[12] *See* 16 CFR 1.26(b)(5).

nor do the financial resources expended in relation to the distribution of these documents constitute a paperwork burden. *See* 5 CFR 1320.3(c)(2). The Commission has reviewed the proposed changes to the current summary and notices. The Commission has concluded, consistent with its analyses in 1997 and 2004, that the proposed summary and notices do not fall within the definition of "collection of information" covered by the PRA because they are "[t]he public disclosure of information originally supplied by the Federal government to the recipient for the purpose of disclosure to the public * * *." 5 CFR 1320.3(c)(2).

VI. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601—612, requires that the Commission provide an Initial Regulatory Flexibility Analysis (IRFA) with any action that may constitute a rule unless the Commission certifies that the action will not have a significant economic impact on a substantial number of small entities. *See* 5 U.S.C. 603—605. The Commission concludes that the proposed revised Summary of Rights, Furnisher Notice, and User Notice will not have a significant economic impact on a substantial number of small entities, as discussed below. Accordingly, this document serves as notice to the Small Business Administration of the agency's certification of no effect. To ensure the accuracy of this certification, however, the Commission requests comment on whether the proposed revised summary or notices will have a significant impact on a substantial number of small entities, including specific information on the number of entities that will be covered by the proposed rules, the number of these entities that are small, and the average annual burden for each entity. To assist commenters, the Commission has prepared the following analysis:

A. Description of the Reasons That Action by the Agency Is Being Taken

The agency has undertaken this proceeding to implement provisions of the FCRA. Specifically, section 609(c) of the FCRA requires the Commission to prepare the Summary of Rights for consumers and section 607(d) requires the Commission to issue the Furnisher Notice and User Notice. All of these documents will be distributed by CRAs.

B. The Proposal's Objectives and Legal Basis

The objective of the Commission's action is the issuance of a proposed revised Summary of Rights, Furnisher Notice, and User Notice to educate consumers, furnishers of information to CRAs, and users of information from CRAs as to their rights or duties under the FCRA. As noted earlier, the legal bases for the proposed summary and notices are sections 609(c) and 607(d) of the FCRA, respectively.

C. Small Entities to Which the Proposed Rule Will Apply

The proposed revised Summary of Rights, Furnisher Notice, and User Notice are to be distributed by CRAs. The consumer reporting industry is composed primarily of "nationwide" CRAs and "nationwide specialty" CRAs, as defined in FCRA sections 603(p) and 603(w), respectively. The Commission believes that the nationwide and nationwide specialty CRAs will be responsible for much of the distribution of the summary and notices. The Commission believes that none of the nationwide CRAs is a "small" entity.[13] There are, however, small CRAs associated with the nationwide CRAs, and there are small, independent CRAs. Based on the membership of the major CRA trade associations, the Commission believes that the total universe of entities potentially covered by the requirement to distribute the summary and notices is between 600 and 1000. The Commission does not know how many of these entities are "small." The Commission invites comments on the number of "small" entities that will be affected by its proposal.

D. Projected Reporting, Recordkeeping, and Other Compliance Requirements

The proposed rule would impose no specific reporting or recordkeeping requirements. CRAs will be required, however, to distribute the prescribed summary and notices. The Summary of Rights will be distributed with each consumer report provided to consumers by CRAs, and will be distributed to large numbers of consumers each year. The CRAs will need to distribute the revised Furnisher Notice and User Notice on a one-time basis to all of the entities that furnish information to a CRA or use information obtained from a CRA, even if they were previously sent a prior version of the notices. However, the Commission does not believe that this requirement will increase in any significant way the burdens already imposed by the FCRA on CRAs. Because the Commission is providing the language for the summary and notices, businesses need not incur legal or other professional costs to develop any new written material. The cost of training employees, if any, should be minimal. Moreover, when the Furnisher Notice and User Notice are distributed electronically, the Commission believes the distribution costs will be negligible.

E. Duplicative, Overlapping, or Conflicting Federal Rules

The Commission has not identified any other federal statutes, rules, or policies that would duplicate, overlap, or conflict with the proposed summary or notices. The Commission invites comment and information on this issue.

F. Significant Alternatives to the Proposed Rule

In some situations, the Commission has considered adopting a delayed effective date for small entities subject to new regulation in order to provide them with additional time to come into compliance. In this case, however, the Commission proposes not to delay the effective date because small entities will be given the texts of the proposed summary and notices to be distributed and will not incur additional costs in developing them.

The Commission seeks comment and information with regard to (1) the existence of small business entities for which distribution of the required Summary of Rights, Furnisher Notices, and User Notices would have a significant economic impact; and (2) suggested alternative methods of compliance that, consistent with the statutory requirements, would reduce the economic impact of the requirements of this proceeding on these entities. If the comments filed in response to this notice identify small entities that are significantly affected, as well as alternative methods of compliance that would reduce the economic impact on such entities, the Commission will consider the feasibility of such alternatives.

List of Subjects in 16 CFR Part 698

Fair Credit Reporting Act, Consumer reports, Consumer reporting agencies, Credit, Trade practices.

Accordingly, pursuant to 15 U.S.C. 1681e and 1681g, the Federal Trade Commission hereby proposes to amend Part 698, chapter 1, title 16, Code of Federal Regulations, as follows:

1. The authority citation for this part continues to read as follows:

Authority: 15 U.S.C. 1681e, 1681g, 1681s, and 1681j; 117 Stat. 1952; Pub. L. 108–159,

[13] CRAs subject to the Commission's jurisdiction with annual receipts of $7 million or less are considered small businesses. A list of the SBA's size standards for all industries can be found at (*http://www.sba.gov/idc/groups/public/documents/sba_homepage/serv_sstd_tablepdf.pdf*) (last visited June 25, 2010).

sections 151, 153, 211(c) and (d), 213, and 311.

2. Revise Appendices F through H to read as follows:

APPENDIX F TO PART 698–GENERAL SUMMARY OF CONSUMER RIGHTS

The prescribed form for this summary is a disclosure that is substantially similar to the Commission's model summary with all information clearly and prominently displayed. A separate list of federal regulators is available at the Commission's website at (*www.ftc.gov/credit*). A summary should accurately reflect changes to those items that may change over time (e.g., dollar amounts or telephone numbers) to remain in compliance. Translations of this summary will be in compliance with the Commission's model, provided that the translation is accurate and that it is provided in a language used by the recipient consumer.

BILLING CODE 6750–01–S

Para informacion en español, visite www.ftc.gov/informesdecredito o llame gratuitamente al 1-877-382-4357.

Your Rights Under the Fair Credit Reporting Act

If you've ever applied for a credit card, a loan or insurance, there's a file about you called a credit report. Your credit report has information on where you have lived, whether you pay your bills on time and how much you owe to creditors, and whether you've been sued or filed for bankruptcy. Consumer reporting companies maintain files about you and sell the information in them to creditors, insurers, employers and other businesses that, in turn, use the information to evaluate your applications for credit, insurance, employment or a lease.

The federal Fair Credit Reporting Act (FCRA) gives you the right to:

- **GET** your credit report
- **GET** your credit score
- **FIX** mistakes in your credit report
- **STOP** pre-approved offers of credit

→ GET YOUR CREDIT REPORT

- You can get a free credit report every 12 months from each of the three nationwide consumer reporting companies — Equifax, Experian and TransUnion. To order, visit **www.annualcreditreport.com** or call **1-877-322-8228**.
- You can contact any consumer reporting company to get an additional free credit report if:
  - you are the victim of fraud;
  - you are on public assistance; or
  - you are unemployed but expect to apply for employment within 60 days.
- You can get a free credit report if someone has taken action against you, such as denying credit, because of information in your credit report. You should get a notice that includes information about how to get your free report so you can make sure the information used to take action against you is accurate.
- You can get a free report every 12 months from nationwide specialty consumer reporting companies that sell a specific type of information about you, like your check-writing, rental, insurance or medical history.
- You can always buy a copy of your report from any consumer reporting company.

➔ GET YOUR CREDIT SCORE

- Your credit score is a number that reflects the information in your credit report. It can affect whether you get a loan and how much you will have to pay for the loan. You can order a credit score from consumer reporting companies that create or distribute scores. You may have to pay for your credit score.

➔ FIX MISTAKES IN YOUR CREDIT REPORT

- Contact the consumer reporting company that provided the report and ask for an investigation.
- Write a letter to the company that provided the information about you (such as your credit card company), tell them about the mistake, and ask them to correct it.
- Inaccurate, incomplete, or unverifiable information must be corrected or deleted, usually within 30 days.
- Accurate negative information stays in your credit report for seven years as long as it can be verified, even if you have paid the debt. Bankruptcies can be reported for 10 years; criminal convictions can be reported indefinitely.
- For more information about how to fix mistakes in your credit report, visit **www.ftc.gov/credit**.

➔ STOP PRE-APPROVED OFFERS OF CREDIT

- Companies may use your credit report to send you "pre-approved" offers of credit or insurance that you did not ask for. You may choose to stop these offers by calling **1-888-5-OPTOUT (1-888-567-8688)**. You may have to provide your Social Security Number to ensure proper identification.
- Put your phone number on the national Do-Not-Call registry to stop most telephone sales calls. To register, visit **www.ftc.gov/donotcall** or call **1-888-382-1222**.

ADDITIONAL RIGHTS:

- You must agree in writing before a consumer reporting company can give out information in your credit report to your employer or to a potential employer. For more information about credit reports and employment, visit **www.ftc.gov/credit**.
- You have a right to sue in federal or state court for certain violations of the FCRA.
- Identity theft victims and active duty military personnel have additional rights. For more information, visit **www.ftc.gov/idtheft**.
- State law may give you other rights; contact your state or local consumer protection agency or your state Attorney General for information (**www.naag.org**).

APPENDIX G TO PART 698–NOTICE OF FURNISHER RESPONSIBILITIES

The prescribed form for this disclosure is a separate document that is substantially similar to the Commission's model notice with all information clearly and prominently displayed. Consumer reporting agencies may limit the disclosure to only those items that they know are relevant to the furnisher that will receive the notice.

NOTICE TO FURNISHERS OF INFORMATION TO CONSUMER REPORTING AGENCIES: YOUR OBLIGATIONS UNDER THE FAIR CREDIT REPORTING ACT

The federal Fair Credit Reporting Act (FCRA)[1] protects the privacy and accuracy of information in a consumer report. If you provide information about someone to a consumer reporting agency (CRA), the FCRA considers you a "furnisher" of information and spells out your responsibilities. The text of the FCRA is set forth in full at the Federal Trade Commission's website at www.ftc.gov/credit.[2] In addition, rules and guidelines of the FTC and federal financial regulators issued pursuant to the FCRA may also apply.[3] State law may impose additional responsibilities.

Here is a summary of your responsibilities as a furnisher:

TO PROVIDE ACCURATE INFORMATION

You must establish and implement reasonable written policies and procedures to ensure the accuracy and integrity of the consumer information you provide to a CRA. The policies and procedures must be appropriate to the nature, size, complexity and scope of your activities. In establishing your policies and procedures, you must consult and consider the guidelines issued by the FTC or, if you are a bank, thrift, or national credit union, your financial regulator. In general, you'll need to (1) identify practices or activities that can compromise the accuracy or integrity of information you provide to CRAs; and (2) evaluate the effectiveness of your existing policies, procedures and mechanisms to address these practices or activities and make changes if warranted. You must review your policies and procedures periodically and update them as necessary.

You must not provide to a CRA information that you know – or have reason to know – is inaccurate. However, you are not subject to this requirement if you clearly and conspicuously specify a mailing address that consumers can use to let you know that their information is inaccurate. If a consumer tells you their information is inaccurate, and it is inaccurate, you must not furnish it.

If a consumer disputes the accuracy or completeness of information you provided to a CRA, you must not report it to a CRA without noting the dispute.

If you report information about a delinquent account that's placed for collection, charged to profit or loss, or subject to a similar action, you must notify the CRA of the month and year the delinquency began. This will ensure that CRAs use the correct date when computing how long negative information can be kept in a consumer's file.

If you regularly furnish information to CRAs, you have additional duties to ensure accuracy:

You must promptly correct and update inaccurate information when a consumer or a CRA notifies you that you have provided inaccurate information. In addition, if you independently learn that you have provided inaccurate information, you must correct and update that information.

You must notify the CRAs when a consumer voluntarily closes a credit account. Unless it is clearly disclosed that the account was closed by the consumer – not the creditor – users of consumer reports may interpret a closed account as a sign of bad credit.

TO INVESTIGATE DISPUTES

If a consumer notifies you in writing that you provided inaccurate information about them to a CRA, you must:

- review all relevant information provided by the consumer and conduct a reasonable investigation. This requirement does not apply if the dispute should be directed to the CRA (for example, if it involves information derived from public records, or requests for a consumer report), if the dispute comes from a credit repair organization, or if the consumer's claim is frivolous. However, if you determine that the consumer's claim is frivolous, you must notify the consumer of that determination within five business days;

- report the results of your investigation to the consumer in a timely way; and

- promptly report the correct information to CRAs if the information is inaccurate.

If a CRA notifies you that a consumer disputes the accuracy or completeness of information you provided, you must:

- review all relevant information provided by the CRA, including information provided by the consumer, and conduct a reasonable investigation;

- report the results of your investigation to the CRA that referred the dispute in a timely way;

- report the results of your investigation to all nationwide CRAs to which you provided the information, if the investigation establishes that the information was incomplete or inaccurate; and

- promptly modify or delete the information in your files, or block it from being reported if the investigation finds the item to be inaccurate, incomplete or unverifiable.

IN THE EVENT OF IDENTITY THEFT

If a CRA notifies you that information you have provided is the result of identity theft, you must have reasonable procedures to respond and to ensure that you do not furnish that information again. If the information relates to a debt, you may not sell, transfer or place that debt for collection, except in limited circumstances.

If a consumer submits an identity theft report directly to you stating that information you have is wrong because of identity theft, you must not furnish that information to any CRA unless you know or are told by the consumer that the information is correct. You may specify an address for receiving such reports.

SPECIFIC TYPES OF FURNISHERS HAVE ADDITIONAL RESPONSIBILITIES UNDER THE FCRA

If you are a financial institution that extends credit and regularly furnishes information to a nationwide CRA, you must provide consumers with written notice if you provide negative information to such a CRA.[4]

If your primary business is providing medical services, products or devices, you (or your agent or assignee) must notify all the CRAs to which you furnish information that you are a medical information furnisher for purposes of the FCRA. This notice allows CRAs to protect the information you provide from unlawful disclosure.

This notice is only a summary of your responsibilities under the FCRA. You must comply with all applicable provisions of the FCRA and the appropriate rules of the FTC and the federal financial regulators, including those issued after this notice was prescribed in 2010. You should become familiar with these laws and may want to consult with a lawyer to ensure your compliance. Failure to comply with the FCRA can result in state or federal government enforcement actions, as well as private lawsuits. The FTC's Web site, www.ftc.gov/credit, has more information about the FCRA, including publications for businesses, information about the FTC's and other regulators' jurisdiction, and the full text of the FCRA.

Endnotes

1. 15 U.S.C. 1681-1681x.

2. These responsibilities are found primarily in Section 623 of the FCRA, 15 U.S.C. 1681s-2.

3. These rules and guidelines are available at: 16 CFR 660; 12 CFR 41; 12 CFR 222; 12 CFR 334; 12 CFR 571; 12 CFR 717.

4. The Federal Reserve Board has prescribed model disclosures at 12 CFR 222, App. B.

APPENDIX H TO PART 698–NOTICE OF USER RESPONSIBILITIES

The prescribed form for this disclosure is a separate document that is substantially similar to the Commission's notice with all information clearly and prominently displayed. Consumer reporting agencies may limit the disclosure to only those items that they know are relevant to the user that will receive the notice.

NOTICE TO USERS OF CONSUMER REPORTS: YOUR OBLIGATIONS UNDER THE FAIR CREDIT REPORTING ACT

The federal Fair Credit Reporting Act (FCRA)[1] protects the privacy and accuracy of the information in a consumer report. If you use these reports, the FCRA charges you with some important responsibilities. The text of the FCRA is set forth in full at the Federal Trade Commission's website at www.ftc.gov/credit. In addition, rules and guidelines of the FTC and financial regulators issued pursuant to the FCRA may also be applicable; a list of these is available at the end of this notice. State law may impose additional responsibilities. If you provide information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher of information.

Here is a summary of your responsibilities as a user of consumer reports:

OBTAINING CONSUMER REPORTS

You can obtain a consumer report only if you have a "permissible purpose." Under the FCRA, permissible purposes are:

- to extend credit in response to an application or to review or collect on a customer's credit account
- to hire or promote an employee, if the employee has given consent in writing
- to provide insurance in response to a consumer application
- in connection with a business transaction initiated by a consumer, when there is a legitimate need
- as ordered by a court or a federal grand jury subpoena
- as instructed by a consumer in writing
- for government officials:
  - to determine a consumer's eligibility for a license or other benefit, where the law requires you to consider the consumer's financial responsibility or status;
  - in connection with child support payments;
  - in connection with government-sponsored individually-billed travel charge cards; or
  - in preparation for or in connection with the resolution or liquidation of a failed financial institution by the Federal Deposit Insurance Corporation or the National Credit Union Administration

- for current insurers or potential investors or servicers:
- in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation

You must certify why you are requesting the report and that you will not use it for any other purpose.

USING INFORMATION IN A CONSUMER REPORT

You must notify consumers if you take an adverse action against them based on information in their report. An adverse action is one with a negative impact – for example, denial or cancellation of credit or insurance, or denial of employment or promotion.

If you take an adverse action based either in whole or in part on information in a consumer report, you must notify the consumer, in writing, orally or electronically, and include:

- the name, address and telephone number of the CRA that supplied the report. If it is one of the three nationwide CRAs – TransUnion, Experian, or Equifax – you must include its toll-free telephone number;
- a statement that the CRA that supplied the report did not decide to take the adverse action and that it cannot give the specific reasons for the adverse action; and
- a notice of the consumer's right to a free report from the CRA if they ask for it within 60 days, and the right to dispute the accuracy or completeness of any information the CRA provided.

If you deny credit – or increase its cost – for personal, family, or household purposes based either in whole or in part on information about a consumer from a source other than a CRA, you must tell the consumer about the right to know the nature of the information you used to take the adverse action as long as the consumer asks for it in writing within 60 days. For example, you may have gotten the information from a reference – like a landlord or employer – that the consumer listed on an application for credit. If the consumer asks in writing about the nature of the information you used to make your decision, you have to respond within a reasonable time. If the adverse action is based on information from an entity affiliated with you by common ownership or control, you have to respond within 30 days.

If you use a consumer report to determine the cost of credit, you may be required to provide a "risk-based pricing notice." If the terms of the offer of credit are less favorable than

the terms available to a substantial portion of the consumers to whom you extend credit (such as offering credit with a higher APR), you generally must give the consumer a "risk-based pricing notice." As an alternative to providing risk-based pricing notices, you may provide all consumers who apply for credit with a free credit score and information about their score.

If you use credit scores to make or arrange loans secured by certain residential real property, you must provide consumers with their credit score for free, along with a "Notice to the Home Loan Applicant."[2] If you also choose to provide consumers with a notice of their credit score as an alternative to the "risk-based pricing notice" as described above, you generally must combine these credit score notices into a single notice.

If you see a "fraud alert" or "active duty military alert" on a consumer report, you may not extend credit, unless you take reasonable steps to verify the applicant's identity. For a consumer report with an "initial" fraud or active duty alert, you must have reasonable policies or procedures in place to verify the applicant's identity or you must contact the consumer who placed the alert at a telephone number in the fraud alert. When consumer reports have "extended" fraud or active duty alerts, you cannot extend credit unless you have called the consumer who placed the alert at the telephone number provided.

If a nationwide CRA says the address you provide about a consumer is not the same as the address in the consumer report, you must follow reasonable procedures to verify that the consumer report relates to the right consumer. Reasonable procedures could include comparing the information in the consumer report with information (1) in your own files, (2) obtained by third party sources, or (3) that you get directly from the consumer. If you have confirmed that the address the consumer provided is accurate, and you regularly furnish information to the CRA, you may have additional obligations.

You must take reasonable precautions when you dispose of consumer report information. Reasonable measures include:

- burning or shredding papers that have consumer report information;
- destroying or erasing electronic files or media with consumer report information so the information can't be read or reconstructed; and
- hiring a reputable document destruction contractor to dispose of relevant material.

If you receive medical information, there are limits on how you can use it. For example, you may not use it to take someone's health, condition or history, type of treatment, or prognosis into account in determining eligibility for credit. But you may use it to make such a determination if the information is the kind routinely used to do that – for example, information related to medical debts or expenses. You may not share medical information except when the disclosure is necessary to determine eligibility or is otherwise allowed by law, and you may not share someone's medical information among affiliates, except under specific circumstances.

FOR EMPLOYERS

Before you order a consumer report about a current or potential employee, you must:

- give the consumer a written notice that a report may be used (the notice should not deal with any other subject);
- get the consumer's written permission to ask a CRA for the report; and
- certify to the CRA that you have given the consumer notice, that you have gotten the consumer's permission, that you will not use the information in violation of any federal or state equal opportunity law or regulation, and that you will provide the consumer with a copy of the report and a summary of their FCRA rights before you take any adverse action based on the consumer report.

Before you take an adverse action, you must provide a copy of the consumer report to the consumer, as well as the summary of rights and notice of the adverse action.

If you are an employer in the trucking industry, special rules apply if the only interaction between you and the consumer is by mail, telephone or computer. In these cases, the current or potential employee may give consent orally or electronically, and you may provide adverse action notices orally, in writing or electronically. The consumer may contact you for a copy of any report you use to make a decision.

If you intend to use an investigative consumer report – where personal interviews are the source of information about someone's character, general reputation, personal characteristics and mode of living – you must:

- give written notice to the consumer that you may request or have requested an investigative consumer report, and include a statement that the consumer has a right to request additional disclosures of the nature and scope of the investigation and a summary of their rights (the CRA that conducts the investigation provides the summary);
- certify to the CRA that you have made the disclosure and that you will make additional disclosures about the nature and scope of the investigation if the subject asks; and
- mail or deliver the additional disclosures to the consumer within five days of a request.

If you suspect misconduct by an employee, including violations of any laws or of your written rules or policies, the report of your investigation is not treated as a consumer report, as long as you do not share it with anyone except the employee, a self-regulatory agency, a governmental organization, or as otherwise required by law. If you take an adverse action as a result of your investigation, you must provide the employee with a summary of the inquiry.

FOR THOSE WHO USE "PRESCREENED" LISTS:

If you use limited consumer report information to make unsolicited "prescreened" offers of credit or insurance, you must:

- establish the criteria you will use both to make the offer and to grant credit or insurance before you make the offer;
- maintain the criteria on file for three years from the date the offer is made; and
- provide a clear and conspicuous statement on each written solicitation that:
  - information in a consumer report was used in connection with the transaction;
  - the consumer received the offer because they met the criteria for credit worthiness or insurability used to screen for the offer;
  - the consumer may not get credit or insurance if you determine that they don't meet your pre-established criteria or furnish the required collateral; and
  - the recipient may choose not to receive prescreened offers in the future by contacting the CRA at an address or toll-free number established for this purpose, and that to opt out of offers from all the nationwide CRAs, the toll-free number is 1-888-5-OPT-OUT.

The FTC has requirements for the format, type, size and manner of this statement in its "Pre-Screen Opt-Out Notice" Rule.

FOR RESELLERS:

If you obtain a consumer report for resale, you must:

- disclose the identity of the end-user to the CRA;
- tell the CRA each permissible purpose for which the report will be furnished to the end-user; and
- establish and follow reasonable procedures to ensure that (1) reports are resold for permissible purposes only, including procedures to obtain the identity of all end-users and their certifications of each purpose for which the reports will be used; and (2) the reports will not be used for any other purpose. Resellers must make reasonable efforts to verify this information before selling a report.

If a consumer disputes the accuracy of information in a consumer report you prepared, you must determine who is responsible within five business days of receiving the notice of dispute. If you are responsible for the mistake, you must correct or delete the information. If you aren't, you must send the dispute to the source CRA. When that CRA notifies you of the results of an investigation, you must convey the information to the consumer

immediately.

If you receive fraud alerts or active duty alerts from another CRA, you must include them in your reports.

Here are the citations for certain rules that apply to users of consumer reports:

Risk-Based Pricing Notices Rule	16 CFR 640.1 - 640.6, 698; 12 CFR 222.70 - 222.75
Address Discrepancy Rule	16 CFR 681.1; 12 CFR 41.82; 12 CFR 222.82; 12 CFR 334.82; 12 CFR 571.82; 12 CFR 717.82
Medical Information Rules	12 CFR 41.30 - 41.32; 12 CFR 571.30 -571.32; 12 CFR 222.30 - 222.32, 232.1 - 232.4; 12 CFR 334.30 - 334.32; 12 CFR 717.30 - 717.32
Pre-Screen Opt-Out Notice Rule	16 CFR 642.1 - 642.4, 698

This notice is only a summary of your responsibilities under the FCRA. You must comply with all applicable provisions of the FCRA and the appropriate rules of the FTC and the federal financial regulators, including those issued after this notice was prescribed in 2010. You should become familiar with the laws and may want to consult with a lawyer to ensure your compliance. Failure to comply with the FCRA can result in state or federal government enforcement actions, as well as private lawsuits. In addition, anyone who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. The FTC's Web site, www.ftc.gov/credit, has more information about the FCRA, including publications for businesses, information about the FTC's and other regulators' jurisdiction, and the full text of the FCRA.

Endnotes

1. 15 U.S.C. 1681-1681x.

2. The text of this notice can be found in Section 609 of the FCRA, 15 U.S.C. 1681g.

By direction of the Commission.

Donald S. Clark,

Secretary

[FR Doc. 2010–21202 Filed 8–26–10; 7:35 am]

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DEPARTMENT OF LABOR

Employment and Training Administration

20 CFR Part 672

RIN 1205–AB49

YouthBuild Program

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice of proposed rulemaking with request for comments.

SUMMARY: The Employment and Training Administration (ETA) of the U.S. Department of Labor (Department) is issuing this Notice of Proposed Rulemaking (NPRM) to implement the YouthBuild Transfer Act of 2006 (Transfer Act), which establishes the YouthBuild program in the Department under subtitle D of Title I of the Workforce Investment Act of 1998 (WIA) as amended. The proposed rule clarifies the requirements of the Transfer Act for YouthBuild program providers and participants. The proposed rule would set standards under which YouthBuild program providers would carry out the goals of the program, which are to assist at-risk youth in obtaining a High School diploma or GED and acquiring occupational skills training that leads to employment through the construction/rehabilitation of housing for low-income or homeless individuals and families in the community.

DATES: Interested persons are invited to submit comments on this proposed rule. To ensure consideration, comments must be received on or before October 26, 2010.

ADDRESSES: You may submit comments, identified by Regulatory Information Number (RIN) 1205–AB49, by any one of the following methods:

Federal e-Rulemaking Portal: http://www.regulations.gov. Follow the Web site instructions for submitting comments.

Mail and hand delivery/courier: Written comments, disk, and CD–ROM submissions may be mailed to Thomas M. Dowd, Administrator, Office of Policy Development and Research, U.S. Department of Labor, 200 Constitution Avenue, NW., Room N–5641, Washington, DC 20210.

The Department will not accept e-mailed or faxed comments.

Instructions: Label all submissions with RIN 1205–AB49.

Please submit your comment by only one method. Please be advised that the Department will post all comments received on *http://www.regulations.gov* without making any change to the comments, or redacting any information. The *http://www.regulations.gov* Web site is the Federal e-rulemaking portal and all comments posted there are available and accessible to the public. Therefore, the Department recommends that commenters safeguard any personal information such as Social Security Numbers, personal addresses, telephone numbers, and e-mail addresses included in their comments as such information may become easily available to the public via the *http://www.regulations.gov* Web site. It is the responsibility of the commenter to safeguard any such personal information.

Also, please note that due to security concerns, postal mail delivery in Washington, DC may be delayed. Therefore, the Department encourages the public to submit comments on *http://www.regulations.gov.*

Docket: All comments on this proposed rule will be available on the *http://www.regulations.gov* Web site and can be found using RIN 1205–AB49. The Department also will make all the comments it receives available for public inspection by appointment during normal business hours at the above address. If you need assistance to review the comments, the Department will provide you with appropriate aids such as readers or print magnifiers. The Department will make copies of the rule available, upon request, in large print, Braille and electronic file on computer disk. The Department will consider providing the rule in other formats upon request. To schedule an appointment to review the comments and/or obtain the rule in an alternative format, contact the Office of Policy Development and Research at (202) 693–3700 (this is not a toll-free number). You may also contact this office at the address listed.

FOR FURTHER INFORMATION CONTACT: Thomas M. Dowd, Administrator, Office of Policy Development and Research, U.S. Department of Labor, 200 Constitution Avenue, NW., Room N–5641, Washington, DC 20210; telephone (202) 693–3700 (this is not a toll-free number).

Individuals with hearing or speech impairments may access the telephone number above via TTY by calling the toll-free Federal Information Relay Service at (800) 877–8339.

SUPPLEMENTARY INFORMATION:

The Preamble of this proposed rule is organized as follows:

I. Background—provides a brief description of the development of the proposed rule
II. Section-by-Section Review of the Proposed Rule—summarizes and discusses the structure and requirements of the YouthBuild Program
III. Administrative Section—sets forth the applicable regulatory requirements

I. Background

On September 22, 2006, the YouthBuild Transfer Act, Public Law 109–281 (Transfer Act) was signed into law. The Transfer Act authorizes grants for job training and educational activities for at-risk youth who, as part of their training, help construct or rehabilitate housing for homeless individuals and families and low-income families in their respective communities. Participants receive a combination of classroom training, job skills development, and on-site training in the construction trades.

The White House Task Force for Disadvantaged Youth recommended transferring the administration of the YouthBuild program, also known as "Hope for Youth", from the U.S. Department of Housing and Urban Development (HUD) to the Department. *The White House Task Force for Disadvantaged Youth Final Report.* Pg. 4, October 2003.

The transfer allows for greater coordination of the YouthBuild program with Job Corps, WIA Youth Programs, the workforce investment system, including local workforce investment boards (WIBs), One-Stop Career Centers, and their partner programs (for example, Federal, State, and local education agencies), while at the same time retaining many of the same affordable housing goals as under the HUD program. The Transfer Act transfers the authority for the YouthBuild program from the Cranston-Gonzalez National Affordable Housing Act (49 U.S.C. 12899 *et seq.*) (Cranston-Gonzales Act) to subtitle D of Title I of WIA and it makes modifications and changes to the programs that focus on increasing the skilled workforce available for the construction trades.

In addition to transferring the administration of the program from HUD to the Department, the Transfer Act expands the activities authorized under the YouthBuild program to include many activities authorized under the WIA Title I youth formula program. The transfer maintains all the goals of the YouthBuild program as