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**Joint Release**

**Board of Governors of the Federal Reserve System  
Federal Deposit Insurance Corporation  
National Credit Union Administration  
Office of the Comptroller of the Currency  
Office of Thrift Supervision**

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For immediate release

November 17, 2005

### **Agencies Finalize FACT Act Rules on Medical Information**

The federal bank, thrift, and credit union regulatory agencies today issued final rules under the Fair Credit Reporting Act (FCRA) that create exceptions to the statutory prohibition against obtaining or using medical information in connection with credit eligibility determinations. The final rules, which are substantially identical to the interim final rules issued by the agencies in June 2005, also address the sharing of medically related information among affiliates.

The effective date for these final rules is April 1, 2006.

Section 411 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act) amended the FCRA to provide that a creditor may not obtain or use medical information in connection with any determination of a consumer's eligibility, or continued eligibility, for credit, except as permitted by regulations. The FACT Act requires the agencies to prescribe regulations that permit creditors to obtain and use medical information for credit eligibility purposes when necessary and appropriate to protect legitimate operational, transactional, risk, consumer, and other needs. The proposed rules were published for comment on April 28, 2004 and interim final rules were adopted by the agencies on June 10, 2005.

The final rules issued today permit creditors to obtain and use medical information that is typically considered in credit underwriting. Under the final rules, all creditors can rely upon the exceptions for obtaining and using medical information.

Section 411 of the FACT Act also amended the FCRA to limit the ability of creditors and others to share medically related information among affiliates, except as permitted by the statute, regulation, or order. The final rules specify the circumstances in which certain creditors may share medically related information among affiliates without becoming consumer reporting agencies.

The final rules are being issued by the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration, Office of the Comptroller of the Currency, and Office of Thrift Supervision. The rules of each agency are substantively identical.

The Federal Register notice is attached.

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Attachments:

Federal Register Citation - PDF 300k (PDF Help)

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