Prepared Statement of
t he Federal Trade Commission

on

The Fair Credit Reporting Act

Before the

Senate Committee on Banking, Housing, and Urban Affairs

Washington, D.C.
July 10, 2003

Mister Chairman and members of the Committee, my name is Timothy J. Muris, and I am Chairman of the Federal Trade Commission ("Commission" or "FTC"). I am pleased to present the Commission's views on amending the Fair Credit Reporting Act ("FCRA").[(1)] The Commission endorses the FCRA amendments and other statutory changes proposed by the Treasury Department on June 30, 2003, including permanent renewal of the uniform national standards in Section 624 of the FCRA.

The national consumer reporting framework the FCRA established has played a central role in the expansion of consumer credit, which in turn has contributed so much to the nation's economy. Making the uniform national standards permanent would help ensure the continued effectiveness of our national consumer reporting system.[(2)]

At the same time, it is critical that our credit system protect the rights of consumers in the privacy, security, and accuracy of their financial information. More types of businesses are using consumer reports than ever before. The Commission supports the legislative amendments proposed by the Treasury Department, which provide important protections for consumers. The proposals include:

- provisions aimed at helping consumers prevent, detect, and mitigate the harms that result from identity theft;[(3)]
- free annual access to consumer reports and better information about credit scores for consumers; and
- enhanced rights to adverse action notices that better comport with modern credit practices.

The Commission recommends two additional FCRA amendments: (1) a modest strengthening of the duties of information furnishers and (2) changes to the obligations of employers when investigating employees.

I. Economic Growth, Consumer Reporting, and the FCRA[(4)]

The enactment of the FCRA in 1970, and its amendment in 1996, have fostered the development of our modern credit system. Consumer spending accounts for over two-thirds of U.S. gross domestic product, and the wide availability of affordable credit drives this spending.[(5)] In 2001, 75 percent of U.S. households participated in the consumer and mortgage credit markets.[(6)] Well-functioning credit markets are an essential component of economic prosperity.

The modernization of consumer reporting has played a key role in providing U.S. consumers with rapid access to consumer credit. Federal Reserve Chairman Alan Greenspan noted the benefits of this system to both consumers and lenders in his April testimony to the House Financial Services Committee.[(7)] The development of a national consumer reporting system, with its sophisticated risk models and automated underwriting, has contributed greatly to making credit more widely, inexpensively, and rapidly available.[(8)] The national system also has narrowed the gap in credit availability between high and low income consumers.[(9)]

The information in the consumer reporting system is derived from creditors, insurers, and others (also called "furnishers") that voluntarily report account histories to consumer reporting agencies ("CRAs").[(10)] The flow of information between furnishers, CRAs, and consumer report users, as governed by the FCRA, facilitates more expeditious and accurate credit decisions.[11]

II. Proposed Legislative Action

The Commission supports the Treasury Department's proposals for amending the FCRA. We believe these proposals would (1) ensure the continuing viability of the FCRA's uniform national framework that has been a cornerstone of our consumer credit-driven economy, and (2) improve the FCRA to the benefit of consumers, especially in preventing and mitigating the ravages of identity theft and other fraud. We also support the related initiatives to combat identity theft, and recommend two further legislative refinements to the FCRA.

A. *Making the FCRA's uniform national standards permanent*

The FCRA currently provides uniform standards and preempts state laws with respect to (1) the prescreening of consumer reports, (2) the time within which CRAs must investigate consumer disputes, (3) the adverse action duties of users of consumer reports, (4) the duties of furnishers, (5) the age of information allowed in consumer reports, (6) the exchange of information among affiliated companies, and (7) certain consumer disclosures. The impact of removing the uniform national standards might not be the same for each standard, and of course would depend on what actions individual states decided to take. Nonetheless, the entire package of national standards mandated by Congress in 1996 has proven effective. Accordingly, the Commission recommends that all of the standards be made permanent.

Because information reporting is voluntary, the entire system depends on cooperation. The 1996 amendments established a balance - imposing important responsibilities on furnishers with respect to the information they provide, but not making those duties so onerous that furnishers report more selectively or stop entirely. Allowing the uniform national standards to expire would risk upsetting this balance.

The Commission believes that the national character of our credit markets is a powerful argument for retaining the uniform standards. The current system functions well, and we believe there is no compelling justification for fundamental changes. The FCRA forms the baseline of consumer protections that the marketplace has now incorporated into its thinking and behavior.

This is not to say that the FCRA is perfect; in the Commission's view, the amendments discussed in this testimony would improve the Act. The Commission believes, however, that both businesses and consumers would best benefit from improvements made at the national level. Indeed, the Commission has a number of recommendations to strengthen the expiring national standards. We propose, among other things, improving the prescreening process to enhance opt-out rights, streamlining the investigation duties of CRAs that resell consumer reports, expanding consumers' rights to adverse action notices, requiring furnishers to reinvestigate disputes received directly from consumers, and improving consumer disclosures with respect to credit scoring.

To the extent that states are allowed to promulgate different standards than those in the FCRA, the resulting inconsistency could undermine the value of predictive models without a countervailing consumer benefit. For example, one result might be a reduction in the information available to the consumer reporting system. A robust credit information database is critical to creditors offering credit as broadly as possible at the lowest cost.[12] In general, the credit markets are best positioned to determine the type and quantity of information needed to make credit decisions.

Moreover, if states could pass differing laws that imposed additional duties on furnishers, who now provide information voluntarily, fewer furnishers might report or they might report less information, thereby degrading the quality of the data upon which decisions are made. Similarly, if states were free to shorten reinvestigation time limits, furnishers might determine that their reinvestigation duties were too onerous and simply exit the system. By the same token, state enactment of shorter data obsolescence periods, governing how long negative information can continue to be reported, would necessarily reduce the amount of data in consumer reports. The result would be to restrict creditors' ability to consider information that may be predictive of risk.[13]

Preliminary research indicates that allowing the national standards to expire could have deleterious effects for consumers. One study measures the impact of different scenarios of possible state regulation on credit score modeling and, ultimately, on the cost and availability of credit. The results suggest that the hypothesized changes in

FCRA standards would alter most consumers' credit scores and lower the predictive power of scoring models, leading to increased delinquency rates or (to maintain current delinquency rates) restricted availability of credit.[14]

B. *Improving the FCRA - the Treasury Department's proposals*

In conjunction with making permanent the uniform national standards, the Commission supports the following proposals to amend the FCRA, which would provide important protections for consumers.

1. Access to free consumer reports and credit score information

Currently, under the FCRA consumers are entitled a free consumer report only under limited circumstances.[15] The Commission supports amending the FCRA so that consumers have the right to request a free consumer report annually. In addition, the Commission supports a requirement that the report be accompanied by information on how credit scores are derived and what consumers can do to improve them.[16] These proposals would (a) enhance consumers' ability to discover and correct errors, thereby improving the accuracy of the system; (b) educate consumers about the importance of consumer reports and scores and how to improve them; and (c) in some cases provide an early alert to identity theft victims about crimes committed in their names. In an environment with consumer reports and scores used more and more frequently in eligibility and pricing decisions for a myriad of products and services, consumers' knowledge of their credit records is crucial.

2. National fraud alert system

The Commission supports standardizing the means by which consumers who reasonably suspect they have been or may be victimized by identity theft, or who are military personnel on active duty away from home, can place an alert on their credit files. The alert would put potential creditors on notice that they should proceed with caution when granting credit in the consumer's name. The proposal would also codify and standardize the "joint fraud alert" policy whereby an identity theft victim only needs to call one national CRA to place a fraud alert and obtain a free consumer report from all three. The three major CRAs voluntarily follow these procedures now (except for the military alert). The Commission supports the codification of this system in the FCRA.

3. Identity theft account blocking

The Treasury Department's proposal would require CRAs immediately to cease reporting ("block") allegedly fraudulent account information on consumer reports when the consumer submits a police report or similar document, unless there is reason to believe the report is false. Blocking would mitigate the harm to consumers' credit record that can result from identity theft. We understand that the three major CRAs do this voluntarily now, and recommend that it be codified in the FCRA.

4. Reinvestigation duties with respect to resellers

Persons who purchase consumer reports for resale (also known as "resellers") are covered by the FCRA as consumer reporting agencies and have all the obligations of other CRAs, including the duty to reinvestigate information disputed by consumers. Typically, resellers combine information from the three major CRAs (also sometimes referred to as "repositories" in this context) to produce reports for mortgage lenders. Resellers are an important source of consumer reports, but the current FCRA dispute obligations of CRAs and furnishers do not work well when applied to resellers. The Commission supports amending the FCRA to better address reinvestigation duties when a reseller is involved. If a consumer disputes information in the report, the reseller may meet resistance in getting the creditor who originally furnished the information to investigate the dispute, because the creditor has no relationship with the reseller. Yet, if the reseller sends the dispute to the relevant repository, that repository currently has no legal obligation to reinvestigate, because the dispute did not come directly from the consumer.[17] The Commission supports an amendment that would require resellers to submit disputes to the originating repository and the source furnisher to investigate these disputes. Such an amendment would ensure that the dispute process functions more efficiently.

5. FTC rulemaking on adverse action notices

The FCRA requires that when adverse action is taken against a consumer based even in part on a consumer report,[18] the user must notify the consumer of (1) the identity of the CRA from which the creditor obtained the report;

(2) the right to obtain a free copy of the report; and (3) the right to dispute the accuracy of information in the report. Adverse action notices are a critical first step in the "self help" system for correcting inaccuracies in the consumer reporting system. Consumers are in the best position to know whether the data in their consumer reports are accurate. The adverse action notice informs a consumer that a denial was based, at least in part, on the report. With the notice, consumers have specific incentives to correct inaccurate data.

Currently, the definition of "adverse action" for credit transactions is imported into the FCRA from the Equal Credit Opportunity Act ("ECOA").[(19)] Under the ECOA definition, there is no adverse action in many situations when the consumer is offered less favorable terms, such as a higher interest rate, because of information in her consumer report. For example, there is no adverse action when the consumer accepts a "counteroffer" that includes those less favorable terms. The ECOA definition does not adequately address modern credit markets, in which consumers do not necessarily apply for specific credit terms, but rather for the best terms for which they can qualify. In turn, creditors offer terms tailored to the consumer's risk profile, which may often mean a higher price than would otherwise have been the case but for the consumer's consumer report. Yet, under current law, consumers who accept this higher price would not receive an adverse action notice, and thus would never know about a problem in the consumer report that caused the higher price. We support the proposal to grant specific rulemaking authority to the FTC to address the definition of adverse action in credit transactions to better reflect the modern credit market.[(20)]

6. Improving opt-out notices for pre-screened offers

Prescreened offers provide many benefits for consumers, and can enhance competition, leading to greater credit availability, better terms, and lower costs for consumers.[(21)] At the same time, the 1996 amendments appropriately gave consumers the right to opt-out of receiving such offers, and required that creditors and insurers clearly and conspicuously disclose this right in the offer itself. The Commission has observed that these notices in many cases have been buried in locations difficult to find, and that the language of the notice is often difficult to understand. The Commission supports the proposed amendment to the FCRA directing the Commission and bank regulators to clarify and strengthen the opt-out notice requirements. A regulatory proceeding would allow the agencies to provide more specific direction on this requirement, based on empirical evidence of the costs and benefits of various disclosure options and their effectiveness in communicating to consumers.

C. *Other Treasury Department legislative proposals*

The Commission also supports the non-FCRA proposals to prevent identity theft, limit the damage from that crime, and help victims restore their reputations.

1. Truncation of credit and debit card receipts

In many instances, identity theft results from thieves obtaining access to card numbers on

receipts. This source of fraud could be reduced by requiring merchants to truncate (*i.e.,* print less than the full card number on the receipt). The use of truncation technology is becoming widespread, and some card issuers already require merchants to truncate. The Commission supports requiring truncation, but recommends that the law be phased in over a period of time to allow for the replacement of existing equipment.

2. Enhanced criminal penalties for identity theft

One way to deter identity theft is to make it easier to prosecute. Legislation proposed last year would have created a new crime of "aggravated identity theft," with stiff penalties and streamlined proof provisions. The Commission continues to support that proposal.[(22)]

3. "Red flag" indicators of identity theft

The Treasury Department's proposal would direct banking regulators to identify and maintain a list of "red flag" indicators of identity theft and provide the list to financial institutions they regulate. Banking regulators also would be required to examine the institutions for use of red flag indicators, with authority to assess fines when an institution's failure to use the indicators causes losses to customers. The goal of this proposal is to give financial institutions up-to-date information on identity theft patterns and practices and to encourage them to take action to prevent this crime.

The proposal seeks to achieve this goal through the bank examination process, in which the regulators and the regulated entities can share information.[23] The Commission supports this proposal.

4. Information sharing by debt collectors and creditors with identity theft victims

Some identity theft victims have complained that debt collectors and creditors refuse to tell them about accounts opened in their names. The Treasury Department's proposal would authorize debt collectors and creditors to share with a victim the information they have on allegedly fraudulent accounts in the victim's name. This information may help victims clear their names.[24]

5. Keeping fraudulent debt from being transferred or reported

The Treasury Department proposes legislation requiring a debt collector to notify the creditor when it learns that an account it is collecting is fraudulent. In turn, a creditor, once it learns that an identity theft caused a debt, would be prohibited from selling or transferring the debt for collection, and from reintroducing the fraudulent information into a consumer report. Some identity theft victims complain that bad data reappear on their consumer reports long after they have had them removed, and it appears that creditors may be partly responsible - they may sell debts or place them for collection, even after they should know they are fraudulent.

D. *Improving the FCRA - the Commission's additional proposals*

1. Duty of furnishers to respond to disputes directed to them

Under Section 623(b) of the FCRA, furnishers have a duty to investigate only disputes that are sent to them from a CRA.[25] Unfortunately, many consumers who learn about errors in their report may contact the furnisher directly, and may not know that they must notify the CRA to trigger the furnisher's obligation to investigate. The result may be confusion and delay in resolving disputes. The Commission recommends that the FCRA be amended to provide that disputes raised with furnishers receive the same treatment as disputes filed with a CRA.

2. Clarification of the application of the FCRA to investigations of employee misconduct

The Commission continues to recommend that Congress amend the FCRA to clarify the duties of employers with respect to third party investigations of employees.[26] Since its inception, the FCRA has applied to the collection and use of certain information for employment purposes, including for workplace misconduct investigations. The 1996 amendments specified that an employer cannot (1) obtain an employee's consumer report for employment purposes without written authorization from the employee; or (2) take adverse action based on the report without giving a copy of the report to the consumer with a description of the employee's FCRA rights, *e.g.*, to dispute errors.

These requirements have been criticized by employers and those who perform investigations on employers' behalf as chilling their ability to investigate wrongdoing. The Commission shares the concern that the FCRA not unduly hinder workplace investigations, and endorses prudent amendments to remove those procedural requirements that unnecessarily hamper such investigations.[27] The Commission believes, however, that Congress should retain the other important privacy and procedural rights the FCRA provides when third parties conduct workplace investigations of individuals who have been accused of misconduct.[28]

III. Conclusion

In 1970, Congress recognized that "consumer reporting agencies have assumed a vital role in assembling and evaluating consumer credit and other information on consumers."[29] While Congress in 1970 may not have envisioned the specific ways in which consumer report information would facilitate the development of products and services that ultimately benefit the American consumer, the thirty-three years since passage of the Act have fully demonstrated the wisdom of Congress in enacting the FCRA. The 1996 amendments improved the FCRA's carefully balanced framework, making possible the benefits that result from the free, fair, and accurate flow of consumer data. The consumer reporting industry, furnishers, and users can all rely on the uniform framework of the FCRA in what has become a complex, nationwide business of making consumer credit available to a diverse, mobile American public.

The Federal Trade Commission supports making permanent the uniform standards of Section 624 to ensure the continuation of these critical national standards. At the same time, we urge the Congress to improve the FCRA and provide other consumer protections as outlined above. The Commission looks forward to working with the Committee on these proposals.

1. The written statement represents the views of the Federal Trade Commission. My oral presentation and responses are my own and do not necessarily reflect the views of the Commission or of any other Commissioner.

2. It is important to keep in mind that, notwithstanding its title, the Fair Credit Reporting Act has always covered more than what are conventionally termed "credit reports." It applies generally to any information collected and used for the purpose of evaluating consumers' eligibility for products and services that they want. Thus, the FCRA has always applied to insurance, employment, and other non-credit consumer transactions. *See* FCRA § 602(b) ("It is the purpose of this title to require that consumer reporting agencies adopt reasonable procedures for meeting the needs of commerce for consumer credit, personnel, insurance, and other information . . . ."). The focus here will be on credit reporting, but the same basic regulatory structure applies to all consumer reports. Throughout this testimony, we will refer to "consumer reports" rather than "credit reports," although the terms are used interchangeably and either usage is correct.

3. Identity theft occurs when someone commits fraud or other unlawful activity by using another person's identifying information, such as date of birth, social security number, or credit account numbers. The fraud could include applying for or using credit in another's name, obtaining bank loans, employment, or utility services (including cell phones), or similar illegal conduct using the identity of the consumer whose information was misappropriated.

4. For a more extended discussion and detailed history on these related topics, please see the Commission's May 20, 2003 testimony before this Committee at http://www.senate.gov/ %7Ebanking/03_05hrg/051503/beales.pdf.

5. In 1946, total outstanding consumer credit stood at $55 billion; by 1970, the time of enactment of the FCRA, it had grown to $556 billion. [Figures adjusted for inflation.] Today, it is $7 trillion. *See* Fred H. Cate, Robert E. Litan, Michael Staten, and Peter Wallison, "Financial Privacy, Consumer Prosperity, and the Public Good: Maintaining the Balance," AEI-Brookings Joint Center for Regulatory Studies, March 2003, at 1, 8.

6. *Id.* at 2.

7. "So it is clearly in the interests of consumers to have information continuously flowing into [credit] markets. It keeps credit available to everybody, including the most marginal buyers. It keeps interest rates lower than they would otherwise be because the uncertainties which would be required otherwise will not be there." Remarks following testimony by Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System, April 30, 2003, House Financial Services Committee, at ______.

8. "By most accounts, the consumer credit marketplace in the United States is the envy of the world. In 30 short years, balkanized local credit card markets, characterized by high and largely undifferentiated prices on credit, very subjective application processes, and limited access, have evolved into a national consumer credit marketplace distinguished by dynamic competition among lenders and broad participation by most American consumers." Information Policy Institute, "The Fair Credit Reporting Act: Access, Efficiency & Opportunity - The Economic Importance of Fair Credit Reauthorization" (June 2003; hereafter, "IPI Report") at page 5. *See also* Testimony of Michael A. Turner, Ph.D, President and Senior Scholar, The Information Policy Institute, before the House Committee on Financial Services, Subcommittee on Financial Institutions and Consumer Credit, May 8, 2003 (hereafter, "Turner testimony").

9. Preliminary research indicates that advances in risk modeling sophistication and use have led to increased economic activity (such as homeownership rates and use of credit) and especially significant benefits for disadvantaged groups. For example, from 1970, when the FCRA was passed, to 2001, the percentage of families in the lowest income quintile with a credit card increased from 2 percent to 38 percent. IPI Report, at 5; Turner testimony, at 4. *See also*, Cate, "Privacy, Consumer Credit, and the Regulation of Personal Information," in *The Impact of Public Policy on Consumer Credit*, Thomas A. Durkin and Michael E. Staten, eds. (Boston: Kluwer Academic Publishers, 2002), at 235-36.

10. CRAs are also referred to "credit bureaus. Each of the three national CRAs (often referred to as the "Big 3") receives more than 2 billion items of information each month. *See* "An Overview of Consumer Data and Credit Reporting," *Federal Reserve Bulletin*, February 2003, at 49.

11. CRAs issue between 2 and 3 million consumer reports each day. *See* http://www.cdiaonline.org/about.cfm.

12. IPI Report, at pages 40-53. *See also* Turner testimony, at 4: "Full-file credit reporting, made possible by the preemptive provisions of the FCRA, enables lenders to distinguish different degrees of risk far better than older, less sophisticated techniques."

13. If the states had different obsolescence standards, CRAs would have to implement different retention and deletion procedures for consumers in each such state, and when a consumer moved from one state to another, the file would have to be adjusted. Given the high degree of transience and consumers with more than one address (*e.g.*, students or retirees), the effect of one state's enactment of a more restrictive obsolescence standard would inevitably affect consumers beyond that state's borders. While CRAs could adopt the most restrictive obsolescence standard and apply it nationally for ease of compliance, that would result in a costly loss of data to lenders nationwide. Those lenders who operate only in the state with a restrictive obsolescence standard would lose data necessary to assess risk accurately - they would not be able to spot the poor risks as easily, which would increase their credit losses, requiring them to raise prices for everyone, including the good risks. Multistate lenders might be able to charge lower prices, but only by spreading their increased losses to their customer base in other states, with the net effect that consumers elsewhere would subsidize the consumers in the state with the most restrictive obsolescence standard.

14. IPI Report, at 45-51. The state law changes hypothesized included changes to the FCRA standards for prescreened offers, furnisher obligations, and the content of consumer reports.

15. Currently, free reports are available pursuant to the FCRA when the consumer suffers adverse action, believes that fraudulent information may be in his or her credit file, is unemployed, or is on welfare. *See* FCRA § 612. In addition, a small number of states require the CRAs to provide free annual reports to consumers at their request. Absent one of these exceptions, consumers must pay a statutory "reasonable charge" for a file disclosure; this fee is set each year by the Commission and is currently $9. *See* FCRA § 612(a).

16. Scores are widely used by creditors and insurers to evaluate consumers, and are based on analyses of historical consumer credit data, which allow creditors to develop models that help them predict the risk of default of a particular consumer. (The products are thus sometimes referred to as "risk scores" or "credit scores.") When the consumer applies for credit or other goods or services, the scoring programs that are developed from the complex analysis of past data compare the scoring factors to the individual information of the particular consumer, with the result reflected in a score that is generated for that application.

17. If the consumer is told by the reseller that he must dispute the information to the source repository, this delays the dispute process. Time is often of the essence in the case of a mortgage application

18. "Adverse action" generally means any action that is adverse to the interests of the consumer, and can include a denial of credit, denial of an apartment rental, or denial of a retail purchase by check. In the insurance context, "adverse action" means "a denial or cancellation of, an increase in any charge for, or a reduction or other adverse or unfavorable change in the terms of coverage or amount of, any insurance." In the employment context, the term includes "a denial of employment or any other decision for employment purposes that adversely affects any current or prospective employee." *See* FCRA § 603(k).

19. The ECOA adverse action definition is **not** imported into the FCRA with respect to insurance or other noncredit transactions.

20. Currently, the Commission has no rulemaking authority with respect to the FCRA.

21. IPI Report, at 54-59.

22. Testimony of Howard Beales Before the Technology, Terrorism, and Government Information Subcommittee of the Senate Judiciary Committee, July 9, 2002, at http://www.ftc.gov/ os/2002/07/bealesidthefttestimony.htm.

23. Attention to identity theft "red flags" would seem readily amenable to the bank examination process. Any exam requirements should remain flexible to respond to unforeseen circumstances and changes in the pattern of identity theft.

24. Identity theft victims tell us that it is often helpful to obtain application information on fraudulent accounts as a part of their own investigation into the circumstances of the theft. For example, they might recognize the handwriting on the application or be able to prove that it is not their own.

25. In practice, furnishers sometimes investigate disputes received directly from consumers because they are required in some circumstances not to report, and to correct, inaccurate information. *See* FCRA §§ 623 (a)(1) and (2). But furnishers have no affirmative obligation to investigate these disputes. Thus, if a consumer contacts the creditor only by telephone to dispute, and the creditor previously supplied to the consumer an address to submit disputes, it is not liable under FCRA Section 623(a)(1) for continuing to report this information, even if it is inaccurate.

26. The Commission testified to this effect before Congress in 2000. *See* Testimony of Debra Valentine Before the Subcommittee on Financial Institutions of the House Banking and Financial Services Committee, May 4, 2000, at http://www.ftc.gov/os /2000/05/fcratestimony.htm. The interaction of the FCRA and third-party investigations of workplace misconduct is complex. To understand fully the context and implications of proposed changes to the FCRA, we urge careful consideration of the issues and legal analysis, which were summarized in the Commission's earlier testimony. The Commission would appreciate the opportunity to work with this Committee and others in Congress to craft an appropriate resolution of this issue.

27. In its 2000 testimony, the Commission recommended that Congress amend the FCRA to remove the requirements that employers (1) obtain the consent of an employee under investigation before requesting the employee's consumer report, (2) give the employee a copy of the consumer report before taking adverse action based on the report, and (3) notify the employee that an investigative consumer report is being prepared. The Commission also recommended that the FCRA be amended to provide that a CRA that prepares an investigative consumer report on an employee suspected of misconduct need only provide the employee with a summary of the "nature and substance" of the report, rather than a full disclosure of *all* information in the employee's file.

28. These provisions include the obsolescence provisions of Section 605; the reasonable procedures requirements of Sections 606 and 607; the Section 613 requirement regarding accuracy of public record information; and the adverse action notice requirements of Section 615.

29. Section 602(a)(3) of the FCRA.