



# COALITION TO IMPLEMENT THE FACT ACT

June 14, 2004

Federal Trade Commission  
Office of the Secretary  
Room 159-H (Annex H)  
600 Pennsylvania Ave., NW,  
Washington, DC 20580

Re: The FACT Act Disposal Rule, R-411007

To Whom It May Concern,

This comment letter is submitted by the Coalition to Implement the FACT Act ("Coalition") in response to the proposed rule issued by the Federal Trade Commission ("FTC") pursuant to Section 628 of the Fair Credit Reporting Act ("FCRA") ("Proposed Rule"). The Coalition represents a full range of trade associations and companies that furnish and use consumer information as well as those who collect and disclose such information. The Coalition represents a full range of trade associations and companies that furnish and use consumer information, as well as those who collect and disclose such information. We appreciate this opportunity to provide our comments to the FTC.

## Definitions

The FCRA requires the FTC to issue regulations "requiring any person that maintains or otherwise possesses consumer information, or any compilation of consumer information, derived from consumer reports for a business purpose to properly dispose of any such information or compilation." As part of the Proposed Rule, the FTC establishes definitions for the two key concepts in this requirement: "consumer information" and "disposing" of such information.

For purposes of compliance with a final rule issued by the FTC pursuant to Section 628 of the FCRA ("Final Rule"), it will be critical that "consumer information" be defined precisely. A wide range of entities could be subject to the requirements of the Final Rule and it will be important for each of them to understand exactly what is required by the Final Rule. The importance of this is magnified because not only will covered entities be subject to the FTC's broad enforcement authority for violations of the Final Rule, but such entities could also face significant liability as a result of private rights of action and class action litigation. Therefore, we urge the FTC to provide as much clarity as possible when defining the types of information covered in the Final Rule.

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