

From: Vaughn, Mark
Sent: Friday, July 16, 2004 5:57 PM
To: FactAStudy
Subject: FACT Act section 318(a)(2)(C) Study, Matter No. P044804

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

BB&T Corporation ("BB&T") appreciates the opportunity to comment on the Federal Trade Commissions' proposed study regarding ways consumers could remove fraudulent information from their credit report. BB&T is a regional financial holding company with numerous banks and non-bank subsidiaries. This is not necessarily the view of BB&T directly but from the point of view of a creditor. BB&T prefers these views to come from one of the national banking organizations that represent creditors but because of time constraints imposed by the FACT Act, we wanted to make sure creditors views were represented. Our comments are as follows:

A. Extent to Which the Proposed Requirement Would Benefit Consumers

1. How does the credit report received by the creditor currently differ from the information that consumers receive from a consumer reporting agency when they request a copy of their credit report in response to an adverse action notice?

Creditors do not know the answer to this question. Most creditors are not consumer reporting agencies ("CRA") and to avoid being considered a CRA as defines under section 603(g) of FCRA, creditors go to great lengths to not cross the line. This is best summarized in one of the FTC's own Staff Opinion Letters where I quote "However, you question whether your company's method of doing business constitutes "assembling" or "evaluating" information, which is a key component in the definition of a CRA." End-quote. Creditors are bound by this definition and avoid activities that could be construed as CRA related. Creditors let the CRAs do the assembling and evaluating and we seek out their services and feel it is valuable. Creditors feel the majority of the questions posed by the FTC Study could be considered as CRA related activities if performed by the creditor.

b. How frequently are multiple "in files" and/or multiple credit scores received in response to a request for information on a single individual? How are multiple "in files" and/or multiple credit scores treated by parties in their credit granting decisions?

Multiple "in files" and multiple credit scores are not necessary the same.

