

Untitled

Via email to: FACTAdates@ftc.gov

January 9, 2004

Federal Trade Commission

600 Pennsylvania Ave., Room 159-H

Washington, DC 20580

Re: Proposed Effective Dates for the FACT Act, Project No. P044804

To Whom It May Concern:

I am counsel to LandSafe Credit, Inc., a subsidiary of Countrywide Financial Corporation. I am writing to urge the Commission to align the effective dates of the definition of a "Reseller" in Sec. 111 of the FACT Act with that law's provisions clarifying the roles and responsibilities of Resellers under the law.

The FACT Act for the first time in federal legislation defines a "Reseller." Although Resellers were referenced and given a few specific obligations in the 1997 FCRA, they have not been clearly defined under the law until the FACT Act. This new definition classifies Resellers as a type of CRA but recognizes their limited and unique role as compilers of data maintained by other CRAs. Additional provisions of the FACT Act further recognize this unique role by specifically exempting Resellers from certain obligations that apply only to CRAs that maintain databases of consumer information from which new reports are generated. Clearly, it was Congress' intent in this law to ensure that Resellers would have more limited obligations under FCRA appropriate to the nature of their business models and their role in credit reporting.

However, under the proposed effective dates for the FACT Act, the new definition of a "Reseller" would go into effect a full eight months before the provisions containing the exemptions. Therefore, during this window of time, it is possible that Resellers would be incorrectly defined as CRAs under FCRA, with all of the obligations under the current law and none of the exemptions Congress created to recognize their differences from other CRAs. This uncoupling of the definition from the specific exemptions could create significant compliance obligations for Resellers and, potentially, confusion among consumers.

To avoid these complications and to better implement the intent of the new statute, we encourage the Commission and the Federal Reserve Board to bring the effective date of the definition of a "Reseller" into line with the effective dates of those provisions of the FACT Act specifically exempting Resellers from obligations not appropriate to their role in credit reporting (notably in sections 152 and 316).

Thank you for the opportunity to comment on this Proposed Rule.

Sincerely,

/s/

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