

Publications

Red Flags Rule: FTC Delays Enforcement Deadline and House Passes Legislation to Limit the Rule

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SERVICES

On Friday, October 30, 2009, the Federal Trade Commission (FTC) again extended its enforcement deadline for the Identity Theft Red Flags Rule (Red Flags Rule). The deadline for the FTC's enforcement was set for November 1, 2009. The new deadline is June 1, 2010.

The Red Flags Rule is a regulation that the FTC and other federal agencies promulgated, pursuant to the Fair and Accurate Credit Transactions Act (FACTA), to address the risk of identity theft. The Rule requires "creditors" and "financial institutions" that have "covered accounts" to develop and implement a written identity theft prevention program with respect to such accounts. Covered entities must establish and maintain written programs that contain policies and procedures for identifying, detecting and responding appropriately to "red flags" that may indicate possible identity theft. Please see the attached memo for further information.

[625_Red-Flags-Rule-11-3-09-Write-Up-v3Download](#)