

Fair and Accurate Credit Transactions Act of 2003 (FACTA) — Pub. L. 108-159

U.S. FACTA helps prevent identity theft and gives consumers access to and control over their credit information.

What it is

At a glance

PUBLISHER

Federal Trade Commission (FTC)

TYPE

Regulation

VERSION

2003

EFFECTIVE

December 4, 2003

DOMAIN

Privacy

FAMILY

Global Privacy Regulations

REGION

United States

INDUSTRY

Financial Services

ADOPTION MODEL

Regulatory Compliance

IMPLEMENTATION COMPLEXITY

Moderate

Source: <https://www.ftc.gov/legal-library/browse/statutes/fair-accurate-credit-transactions-act-2003>

Why it matters

- **Enhance consumer data protection** Establish procedures and safeguards that limit unauthorized access and reduce risks of sensitive information exposure.
- **Strengthen regulatory compliance** Support adherence to federal requirements for handling and disposing of consumer credit information, reducing legal and financial risk.
- **Support identity theft prevention** Enable organizations to detect, respond to, and mitigate identity theft through robust identity verification and red flag procedures.
- **Increase audit readiness** Facilitate efficient recordkeeping and reporting processes, making compliance audits more manageable and transparent.



How SmartSuite supports FACTA

TIC Capability Library

Structure TIC 3.0 security capabilities and use cases with mapped controls and responsible owners.

Network Architecture and Trust Zone Governance

Document network boundaries, trust zones, and security architecture aligned with TIC guidance.

Traffic Monitoring and Security Visibility

Track monitoring controls, telemetry collection, and inspection capabilities across network environments.

Security Policy and Access Control Management

Manage policies governing network access, routing, and traffic filtering requirements.

Federal Network Service Provider Tracking

Track telecommunications providers and managed services supporting federal network infrastructure.

TIC Security Posture and Federal Review Readiness Reporting

Provide dashboards summarizing TIC capability implementation, security posture, and readiness for federal security reviews.

Common framework mappings

CIS Controls v8.1

COBIT 2019

GLBA Safeguards Rule (16 CFR Part 314)

HIPAA

ISO 27001:2022

NIST CSF 2.0

NIST 800-53 Rev.5

PCI DSS 4.0.1

SOC 2

Official resources

U.S. FACTA Compliance Guidance

Provides regulatory guidance on compliance with the Fair and Accurate Credit Transactions Act.
consumerfinance.gov/rules-policy/regulations/1022

FACTA Identity Theft Rules

Describes rules under FACTA focusing on protecting consumers from identity theft.
ftc.gov/business-guidance/resources/fighting-identity-theft-red-flags-rule-how-guide-business

FTC FACTA Enforcement Information

Outlines the FTC's enforcement actions and guidance under FACTA provisions.
ftc.gov/legal-library/browse/statutes/fair-credit-reporting-act

Frequently asked questions

What is FACTA used for?

FACTA is a U.S. federal law designed to enhance consumer protections related to credit reporting, reduce identity theft risk, and improve the accuracy of consumer credit information. It establishes requirements for organizations regarding the safeguarding, disposal, and sharing of consumer credit data.

Is compliance with FACTA mandatory for organizations?

Yes, FACTA compliance is mandatory for financial institutions and any entity that handles consumer credit information in the United States. Non-compliance can result in regulatory penalties and potential civil litigation.

Who does FACTA apply to?

FACTA applies to a broad range of organizations, including banks, lenders, retailers, insurers, and any business that collects, uses, or disposes of consumer credit data. The law's requirements impact both service providers and data handlers who deal with sensitive consumer information.

What are the key requirements of FACTA?

Key FACTA compliance requirements include the secure disposal of consumer information, provision of free annual credit reports to consumers, implementation of identity theft prevention programs (the Red Flags Rule), and provisions for truncating credit and debit card numbers on receipts.

How can organizations implement FACTA controls?

Organizations should implement written policies and procedures for secure data disposal, staff training on recognizing identity theft "red flags," and technical safeguards to truncate account numbers. Periodic audits and access control over consumer data are recommended for ongoing compliance.

How does FACTA relate to other privacy regulations like GLBA or FCRA?

FACTA amends and supplements the Fair Credit Reporting Act (FCRA) and complements other privacy laws such as the Gramm-Leach-Bliley Act (GLBA). While FCRA covers general credit report accuracy, FACTA adds specific identity theft protections and consumer rights.

What are the ongoing compliance requirements for FACTA?

Ongoing FACTA compliance involves continuous monitoring of data disposal practices, periodic training updates, regular risk assessments related to identity theft, and maintaining evidence of compliance activities such as incident response and consumer communications.

How would SmartSuite support U.S. FACTA (Fair and Accurate Credit Transactions Act)?

SmartSuite enables organizations to centrally manage FACTA compliance by tracking data disposal risks, documenting and monitoring identity theft prevention controls, and storing evidence of compliance activities. It supports audit readiness through workflow automation, centralized documentation, and customizable compliance reporting.

License included / downloadable: Yes FACTA is a U.S. federal law and is publicly available free from Congress.gov and the Government Publishing Office. License included with platform

Full framework page and mappings: smartsuite.com/frameworks/us-facta-fair-and-accurate-credit-transactions-act