



## Final Rules Published to Implement Dodd-Frank Requirements for Adverse Action Notices

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On March 15, 2011, the Board of Governors of the Federal Reserve System (the “Board”) issued proposed amendments to its Regulation B (Equal Credit Opportunity) to incorporate new content requirements for adverse action notices, as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Act”). Comments were to have been received by May 16, 2011.

Generally, the purpose of the Equal Credit Opportunity Act (“ECOA”) is to promote the availability of credit to all creditworthy applicants without regard to race, color, religion, and other similar considerations. ECOA applies to all credit, commercial as well as consumer, regardless of the type of credit or the type of creditor. The adverse action provisions of ECOA, as implemented by Section 202.9 of Regulation B, require notices to be sent when adverse action (e.g., denial of credit, or a counteroffer on less desirable terms) is taken by the creditor. Regulation B provides model forms of these notices in Appendix C to the regulation. Proper use of these model forms will satisfy the requirements of Section 202.9 of Regulation B, as well as the adverse action notice requirements of the Fair Credit Reporting Act (“FCRA”).

Section 1100F of the Act added new content requirements to the adverse action provisions of ECOA that require creditors to disclose the applicant’s credit score, along with certain information regarding credit scores, if a credit score is used in taking adverse action on an application for credit. These revisions are effective July 21, 2011.

On July 15, 2011, final rules were published in the *Federal Register*. As reported in [this publication](#) earlier this month, the final rules will not be effective until after the effective date of Section 1100F of the Act. The final rules, as published in the *Federal Register* on July 15, become effective on August 15, 2011.

Except for the effective date, the content of the final rules, as published in the *Federal Register*, is the same as the content of the final rules attached to the Board’s press release of July 6, 2011. A discussion of some of the changes in the final rules from the proposed rules appears in [this publication](#) from earlier this month.

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