

From: Hurwitz, Evelyn S on behalf of Public Info
Sent: Tuesday, December 05, 2000 9:39 AM
To: Gottlieb, Mary H
Subject: FW: Docket 2000-81

-----Original Message-----

From: terry fitz [mailto:tfitz_ffbc@yahoo.com]
Sent: Monday, December 04, 2000 3:57 PM
To: public.info@ots.treas.gov
Subject: Docket 2000-81

December 4, 2000

Manager, Dissemination Branch
Information Management and Services Division
Office of Thrift Supervision
1700 G. Street, NW.
Washington, DC 20552

Re: Docket No. 2000-81
(Fair Credit Reporting Regulations)

Dear Sir or Madam:

First Financial Bancorp welcomes the opportunity to respond to the request for comments on the proposed fair credit reporting regulations. We are a \$4 billion financial holding company operating 13 community banks, one thrift, one consumer finance company, and one insurance agency. We also operate a service corporation, which processes transactions exclusively for the entities within our corporate family.

We support the proposed regulation in that it will provide needed guidance for complying with the Fair Credit Reporting Act (FCRA). However, in its current form, it does not provide any guidance to address the sharing of "opt out information" with an affiliate in isolated incidents when expressly permitted by the consumer for a specific purpose (such as to request financial services from that affiliate). We believe that the regulation should provide guidance to address this type of sharing, as it is likely to be a common practice in the thrift industry.

For example, when a consumer meets with an employee of our subsidiary thrift to open an account or apply for credit, the thrift would like to provide the consumer with an opportunity to obtain a quote for automotive, home, or life insurance from the thrift's affiliate insurance agency. This would only be done after the thrift obtains written permission from the consumer

that allows it to forward the consumer's information to the affiliate at that time for that stated purpose.

The permission would be isolated and would not grant the thrift any authority to share the consumer's information for any other purpose or at any other point in time.

The practice will involve collecting personal information from the consumer on a request form that will be sent by the thrift employee via facsimile to the insurance agency who will issue the requested quote for insurance and send it back to the consumer while he or she is still in the thrift. This will not be an application for insurance, but merely a request for a price quote. The request form will collect "opt out information" as needed to provide an insurance quote such as the consumer's social security number, address, and information about the type and value of the home or automobile for which a quote is being requested. A written disclosure will clearly state that the consumer's decision regarding whether to request a quote for insurance will have no bearing on the thrift's credit decision.

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The regulation, as proposed, does not appear to contemplate this type of information sharing where permission is only granted for an isolated event. However, we believe that this practice satisfies the FCRA by falling within the exclusions from the definition of a consumer report as stated in Section 603(d)(2) of the Act.

We suggest that language should be added to the proposed regulation as follows:

1. The regulation should address opt out requirements for this type of sharing and should provide an additional sample opt out notice reflecting those requirements. The modifications that would be necessary to make the current model notice fit a scenario for isolated sharing would likely cause it to be unclear and of little use to the consumer.

2. In the preamble to the proposed regulation under the heading "Coordination with Privacy Regulations" the Agencies state that when an opt notice is required under the FCRA, subsequent opt out notices must also be included in the thrift's annual consumer privacy statements. However, if "opt out information" is only shared using a scenario for isolated sharing as described above there will be no functional reason to provide the consumer with any subsequent opt out notice because the thrift will not share any "opt out information" about the consumer again unless the consumer provides written permission for a new isolated event.

3. If annual FCRA opt out notices are required for this type of sharing, the regulation should clearly state who must receive those notices. It should also provide model language for an alternate annual notice reflecting the fact that no such information will be collected or shared until the customer affirmatively provides written permission to do so at a later date in conjunction with a new isolated event.

First Financial Bancorp appreciates your consideration of these comments. We hope you will agree with our positions and incorporate them into the final version of the fair credit reporting regulation in order to provide more comprehensive guidance on information sharing practices among affiliates. If you would like to discuss any of the above issues, please contact me at (513) 425-7643.

Sincerely,

Terry Fitz
Compliance Officer

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