

Board of Governors of the Federal Reserve System

Joint Press Release

Board of Governors of the Federal Reserve System
Federal Trade Commission

For immediate release

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Agencies Issue Final Rules on Risk-Based Pricing Notices

The Federal Reserve Board and the Federal Trade Commission today announced final rules that generally require a creditor to provide a consumer with a notice when, based on the consumer's credit report, the creditor provides credit to the consumer on less favorable terms than it provides to other consumers. Consumers who receive this "risk-based pricing" notice will be able to obtain a free credit report to check the accuracy of the report.

Risk-based pricing refers to the practice of setting or adjusting the price and other terms of credit provided to a particular consumer based on the consumer's creditworthiness. The final rules provide creditors with several methods for determining which consumers must receive risk-based pricing notices.

As an alternative to providing risk-based pricing notices, the final rules permit creditors to provide consumers who apply for credit with a free credit score and information about their score. Today, most consumers must pay a fee to obtain their credit score.

The final rules implement section 311 of the Fair and Accurate Credit Transactions Act of 2003, which amends the Fair Credit Reporting Act.

The *Federal Register* notice is attached. The final rules are effective January 1, 2011.

[Attachment \(699 KB PDF\)](#)

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