

NEW REGULATION “Red Flag Rule”

The Federal Fair Credit Reporting Act “red flag rule” requires all utilities to develop an Identity Theft Prevention Program that includes mechanisms to detect potential identity theft and develop procedures for responding to and mitigating identity theft. The National Rural Water Association (NRWA) has had extensive conversations with the Federal Trade Commission (FTC) and they are indicating that all utilities, including water and wastewater systems, must comply with the regulation by November 1 of this year.

NRWA is working on a document that will help utilities develop their policies and procedures. The document can also be used by utilities to help them generate the “Identity Theft Prevention Program” required report. Additionally, NRWA is working on a computer model that would automatically generate the report for initial compliance and the periodic updates that are required by the regulation. We will let you know when these tools become available.

An FTC power point presentation, giving an overview of the “red flag rules”, and a copy of the final rule is posted on the Oklahoma Rural Water Association web site at www.okruralwater.org.