

January 12, 2004

By Electronic Delivery

Ms. Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
Office of the Secretary
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551
Attention: Docket No. R – 1172

Federal Trade Commission
Office of the Secretary
Room 159-H
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580
Attention: Project No. P044804

RE: Proposed Effective Dates for the Fair and Accurate Credit Transactions Act of 2003

Ladies and Gentleman:

FleetBoston Financial Corporation, a diversified financial holding company headquartered in Boston, Massachusetts, (“Fleet”) is pleased to have this opportunity to comment on the Joint Notice of Proposed Rulemaking (“Proposed Rule”) of the Board of Governors of the Federal Reserve System and the Federal Trade Commission (collectively, the “Agencies”) published in the Federal Register on December 24, 2003, concerning the proposed effective dates for the provisions of the Fair and Accurate Credit Transactions Act of 2003 (“FACT Act”) for which effective dates were not included in the statute itself. Fleet supports the Agencies’ Proposed Rule establishing a schedule of effect dates and Fleet appreciates the opportunity to comment on this important matter.

Fleet is the seventh largest bank holding company in the United States, with total assets exceeding \$190 billion. Fleet offers a comprehensive array of financial products and services to 20 million customers in more than 20 countries and territories. Among the company’s key lines of the business are: retail and commercial banking; capital markets, investment banking and

commercial finance; trust and investment services, including nationwide brokerage; and private equity investing.

Fleet's primary banking subsidiary, Fleet National Bank. (the "Bank") is a national banking association with branches throughout the Northeast and Middle Atlantic states. The Bank's businesses are national in scope and include consumer, small business and commercial banking, international banking, corporate banking, principal investing, credit card services, commercial real estate lending, commercial leasing and mortgage banking. The Bank through wholly-owned operating subsidiaries conducts some of these businesses.

Overview of Our Comments

Section 3 of the FACT Act directs the Agencies to establish effective dates for those provisions of the FACT Act for which an effective date is not included in the statute itself. In particular, the statutory language directs the Agencies to establish dates that are "as early as possible, while allowing a reasonable time for the implementation" of the various substantive statutory provisions. However, the statutory language mandates that any effective date established by the Agencies cannot be later than ten months after the date the Agencies issue their joint final effective date rules.

The Agencies propose to establish March 31, 2004 as an effective date for the provisions of the FACT Act that clarify or address rights and requirements under the Fair Credit Reporting Act ("FCRA") that are self-effectuating and that the Agencies believe will not require changes in existing systems, practice or disclosures. Fleet agrees that the provisions covered by that proposed effective date would not require significant effort and that the March 31, 2004 effective date is appropriate.

Our Specific Comments on the Proposal

The Agencies have proposed December 1, 2004 as the effective date for those provisions of the FACT Act that will require significant changes to existing business practices. December 1, 2004 is consistent with the ten-month maximum provided in the statute. For the most part, we agree with this date for provisions specified in the Proposed Rule. However, Fleet does not agree that December 1, 2004 is the appropriate date for section 214(a) of the FACT Act relating to affiliate sharing solicitations; this proposed effective date is inconsistent with the statutory language in the FACT Act relating to those provisions.

Specifically, section 214(b) of the FACT Act directs the Agencies to issue regulations in final form no later than nine months after the date of enactment and provides that the regulations must be effective no later than six months after the date the regulations are issued; by, March, 2005. Because the FACT Act specifies a time frame for implementation of effective regulations for section 214, the Agencies should not attempt to establish an inconsistent effective date.

The FACT Act permits disclosures required under Section 214(a) to be consolidated with any other legally mandated notice; such as the Gramm-Leach-Bliley Act ("GLBA") privacy notices. It is clear in the legislative history of the FACT Act that the intent of Congress was to permit

inclusion of this new notice in the next regularly scheduled mailing of the GLBA privacy notices to reduce consumer confusion and avoid duplicative notices and disclosures.

Closing Comments

Fleet believes the Agencies should eliminate reference to section 214(a) in the final rule specifying December 1, 2004 as the effective date. The effective date for that section should be addressed in the substantive rule proposal that must be finalized by the Agencies prior to September 4, 2004.

We appreciate the opportunity to provide you with these comments. If you desire further detail or discussion of any part of this letter please do not hesitate to contact the undersigned or Coralee Harris, Privacy Group Leader, at 803-781-1082.

Sincerely,

Agnes Bundy Scanlan
Chief Compliance Office and
Managing Director