

Red Flags

By: Jack Greiner on October 2, 2009 on graydon.law

The American Bar Association is trying really hard to make sure it's not invited to a party being thrown by the FTC. Metaphorically speaking. The FTC has put out a set of [Red Flag Rules](#). According to the FTC, the new rules would require financial institutions and creditors to develop and implement written identity theft prevention programs. The rules take effect November 1. The ABA does not want lawyers deemed subject to the rules. The FTC sees it differently. The ABA has gone to federal court in Washington D.C. to get a ruling preventing the FTC from implementing its interpretation. In a [motion](#), the ABA contends "[T]he FTC's assertion that lawyers engaged in the practice of law are 'creditor[s]' subject to the red flags rule is patently incorrect and in violation of the law of this circuit."

We may know how this comes out pretty soon. The ABA is seeking a hearing on October 23.