

## **How are financial institutions and consumers impacted by The USA Patriot Act?**

Consumers and financial institutions are mostly impacted by the personal identification (ID) portion of the Act designed to reduce the possibility of consumer identity theft. Instances of identity theft have increased in recent years, and the Act, along with its Homeland Security features, strives to reduce the possibility of identity theft for each consumer. Financial institutions have the responsibility of verifying and documenting the identity of consumers opening new accounts. Consumers have the responsibility, when opening a new account with a financial institution, of providing acceptable ID and a physical address to verify their identity.