

115TH CONGRESS
1ST SESSION

H. R. 2396

IN THE SENATE OF THE UNITED STATES

DECEMBER 18, 2017

Received; read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

AN ACT

To amend the Gramm-Leach-Bliley Act to update the exception for certain annual notices provided by financial institutions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Privacy Notification
3 Technical Clarification Act”.

4 **SEC. 2. EXCEPTION TO ANNUAL NOTICE REQUIREMENT.**

5 Section 503 of the Gramm-Leach-Bliley Act (15
6 U.S.C. 6803) is amended by adding at the end the fol-
7 lowing:

8 “(g) **ADDITIONAL EXCEPTION TO ANNUAL NOTICE**
9 **REQUIREMENT.—**

10 “(1) **IN GENERAL.**—A vehicle financial com-
11 pany that has not changed its policies and practices
12 with regard to disclosing nonpublic personal infor-
13 mation from the policies and practices that were dis-
14 closed in the most recent disclosure sent to con-
15 sumers in accordance with this section shall not be
16 required to provide an annual disclosure under this
17 section if—

18 “(A) the vehicle financial company makes
19 its current policy available to consumers on its
20 website and via mail upon written request sent
21 to a designated address identified for the pur-
22 pose of requesting the policy or upon telephone
23 request made using a toll free consumer service
24 telephone number;

1 “(B) the vehicle financial company con-
2 spicuously notifies consumers of the availability
3 of the current policy, including—

4 “(i) with respect to consumers who
5 are entitled to a periodic billing statement,
6 a message on the front page of each peri-
7 odic billing statement; and

8 “(ii) with respect to consumers who
9 are not entitled to a periodic billing state-
10 ment, through other reasonable means
11 such as through a link on the landing page
12 of the company’s website or with other
13 written communication, including elec-
14 tronic communication, sent to the con-
15 sumer; and

16 “(C) the vehicle financial company—

17 “(i) provides consumers with the abil-
18 ity to opt out, subject to any exemption or
19 exception provided under subsection (b)(2)
20 or (e) of section 502 or under regulations
21 prescribed under section 504(b), of having
22 the consumer’s nonpublic personal infor-
23 mation disclosed to a nonaffiliated third
24 party; and

1 “(ii) includes a description about
2 where to locate the procedures for a con-
3 sumer to select such opt out in each peri-
4 odic billing statement sent to the con-
5 sumer.

6 “(2) TREATMENT OF MULTIPLE POLICIES.—If
7 a vehicle financial company maintains more than one
8 set of policies described under paragraph (1) that
9 vary depending on the consumer’s account status or
10 State of residence, the vehicle financial company
11 may comply with the website posting requirement in
12 paragraph (1)(A) by posting all of such policies to
13 the public section of the vehicle financial company’s
14 website, with instructions for choosing the applicable
15 policy.

16 “(3) VEHICLE FINANCIAL COMPANY DE-
17 FINED.—For purposes of this subsection, the term
18 ‘vehicle financial company’ means—

19 “(A) a financial institution that—

20 “(i) is regularly engaged in the busi-
21 ness of extending credit for the purchase of
22 vehicles;

23 “(ii) is affiliated with a vehicle manu-
24 facturer; and

1 “(iii) only shares nonpublic personal
2 information of consumers with non-
3 affiliated third parties that are vehicle
4 dealers; or
5 “(B) a financial institution that—
6 “(i) regularly engages in the business
7 of extending credit for the purchase or
8 lease of vehicles from vehicle dealers; or
9 “(ii) purchases vehicle installment
10 sales contracts or leases from vehicle deal-
11 ers.”.

Passed the House of Representatives December 14,
2017.

Attest:

KAREN L. HAAS,
Clerk.