

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 conspicuously 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.*