

115TH CONGRESS
2D SESSION

S. 3164

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

IN THE SENATE OF THE UNITED STATES

JUNE 28, 2018

Mr. JONES (for himself and Mr. HELLER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Privacy Notification
5 Technical Clarification Act”.

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

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

1 “(g) ADDITIONAL EXCEPTION TO ANNUAL NOTICE
2 REQUIREMENT.—

3 “(1) DEFINITION.—In this subsection, the term
4 ‘vehicle financial company’ means—

5 “(A) a financial institution that—

6 “(i) is regularly engaged in the busi-
7 ness of extending credit for the purchase of
8 vehicles;

9 “(ii) is affiliated with a vehicle manu-
10 facturer; and

11 “(iii) only shares nonpublic personal
12 information of consumers with non-
13 affiliated third parties that are vehicle
14 dealers; or

15 “(B) a financial institution that—

16 “(i) regularly engages in the business
17 of extending credit for the purchase or
18 lease of vehicles from vehicle dealers; or

19 “(ii) purchases vehicle installment
20 sales contracts or leases from vehicle deal-
21 ers.

22 “(2) ANNUAL DISCLOSURE NOT REQUIRED.—A
23 vehicle financial company that has not changed its
24 policies and practices with regard to disclosing non-
25 public personal information from the policies and

1 practices that were disclosed in the most recent dis-
2 closure sent to consumers in accordance with this
3 section shall not be required to provide an annual
4 disclosure under this section if—

5 “(A) the vehicle financial company makes
6 its current policy available to consumers on its
7 website and via mail upon written request sent
8 to a designated address identified for the pur-
9 pose of requesting the policy or upon telephone
10 request made using a toll free consumer service
11 telephone number;

12 “(B) the vehicle financial company con-
13 spicuously notifies consumers of the availability
14 of the current policy, including—

15 “(i) with respect to consumers who
16 are entitled to a periodic billing statement,
17 a message on the front page of each peri-
18 odic billing statement; and

19 “(ii) with respect to consumers who
20 are not entitled to a periodic billing state-
21 ment, through other reasonable means
22 such as through a link on the landing page
23 of the company’s website or with other
24 written communication, including elec-

tronic communication, sent to the consumer; and

“(C) the vehicle financial company—

“(i) provides consumers with the ability to opt out, subject to any exemption or exception provided under subsection (b)(2) or (e) of section 502 or under regulations prescribed under section 504(b), of having the consumer’s nonpublic personal information disclosed to a nonaffiliated third party; and

“(ii) includes a description about where to locate the procedures for a consumer to select such opt out in each periodic billing statement sent to the consumer.

“(3) TREATMENT OF MULTIPLE POLICIES.—If a vehicle financial company maintains more than one set of policies described under paragraph (2) that vary depending on the consumer’s account status or State of residence, the vehicle financial company may comply with the website posting requirement in paragraph (2)(A) by posting all of such policies to the public section of the vehicle financial company’s

- 1 website, with instructions for choosing the applicable
- 2 policy.”.

