

**SUBSTITUTE AMENDMENT TO THE AMENDMENT IN  
THE NATURE OF A SUBSTITUTE TO H.R. 2396  
OFFERED BY M.S. Waters**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

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

4 **SEC. 2. ALTERNATIVE DELIVERY METHOD TO SATISFY THE  
5 ANNUAL DISCLOSURE REQUIREMENT.**

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

9 "(g) ALTERNATIVE DELIVERY METHOD TO SATISFY  
10 THE ANNUAL NOTICE REQUIREMENT.—

11 "(1) IN GENERAL.—A captive automobile fi-  
12 nance company shall not be required to provide an  
13 annual disclosure under this section if the captive  
14 automobile finance company—

15 "(A) has not changed the institution's poli-  
16 cies and practices with regard to disclosing non-  
17 public personal information from the policies  
18 and practices that were disclosed in the most

1 recent disclosures sent to consumers in accord-  
2 ance with this section;

3 “(B) makes available, on the landing page  
4 of the institution’s public website and by other  
5 means easily accessible to consumers, including  
6 via postal mail upon written request sent to a  
7 designated address identified for such purpose  
8 by such consumer or upon telephone request  
9 made using a toll-free customer service tele-  
10 phone number—

11 “(i) the institution’s current policies  
12 and practices with regard to disclosing  
13 nonpublic personal information; and

14 “(ii) a description of the ability and  
15 process for a consumer to opt-out from  
16 having the consumer’s nonpublic personal  
17 information shared with an unaffiliated  
18 third party;

19 “(C) with respect to a consumer entitled to  
20 receive periodic billing statements, includes a  
21 message on the first page of each periodic bill-  
22 ing statement that notifies the consumer of—

23 “(i) the availability of the institution’s  
24 current policies and practices with regard  
25 to disclosing nonpublic personal informa-

1           tion and how the consumer may access or  
2           request to receive them; and

3           “(ii) a brief description of the ability  
4           and process for a consumer to opt-out  
5           from having the consumer’s nonpublic per-  
6           sonal information shared with an unaffili-  
7           ated third party; and

8           “(D) provides a toll-free telephone number  
9           that allows a consumer to—

10           “(i) request the institution’s current  
11           policies and practices with regard to dis-  
12           closing nonpublic personal information; or

13           “(ii) opt-out from having the con-  
14           sumer’s nonpublic personal information  
15           being disclosed to a nonaffiliated third  
16           party.

17           “(2) MULTIPLE POLICIES.—If a captive auto-  
18           mobile finance company maintains more than one  
19           policy that varies depending on the consumer’s ac-  
20           count status or current State of residence, the cap-  
21           tive automobile finance company may comply with  
22           the website posting requirement in paragraph (1)(B)  
23           by posting all of the notices to the public section of  
24           the institution’s website with instructions for choos-  
25           ing the applicable notice.

1           “(3) EASE OF ACCESS FOR CONSUMERS.—Any  
2 written disclosure made by a captive automobile fi-  
3 nance company under paragraph (1) must be suc-  
4 cinct and use an easily readable type font.

5           “(4) CAPTIVE AUTOMOBILE FINANCE COMPANY  
6 DEFINED.—For purposes of this subsection, a ‘cap-  
7 tive automobile finance company’ is a financial insti-  
8 tution that—

9           “(A) is required to comply with this title;

10           “(B) is regularly engaged in the business  
11 of providing credit for the purchase of auto-  
12 mobiles;

13           “(C) is affiliated with an automobile man-  
14 ufacturer; and

15           “(D) only shares nonpublic personal infor-  
16 mation of consumers with unaffiliated third  
17 parties that are automobile dealers.”.

18 **SEC. 3. PRIVACY NOTICE MODERNIZATION STUDY.**

19       (a) STUDY.—The Comptroller General of the United  
20 States shall conduct a study on the effectiveness of raising  
21 consumer awareness of their privacy rights through no-  
22 tices required by title V of the Gramm-Leach-Bliley Act  
23 (15 U.S.C. 6801 et seq.), the extent financial institutions  
24 share a consumer’s nonpublic personal information with  
25 unaffiliated third parties, and the ability for consumers

1 to opt-out from having their nonpublic personal informa-  
2 tion shared with an unaffiliated third party. The study  
3 shall examine alternative methods of delivering notices, in-  
4 cluding the method provided by section 503(g) of the  
5 Gramm-Leach-Bliley Act, as added by section 2, and pro-  
6 viding consumers with more effective ways of opting out  
7 of their nonpublic personal information being shared with  
8 unaffiliated third parties.

9 (b) REPORT.—Not later than 3 years after the date  
10 of enactment of this Act, the Comptroller General shall  
11 submit to the Committee on Banking, Housing, and  
12 Urban Affairs of the Senate and the Committee on Finan-  
13 cial Services of the House of Representatives a report on  
14 the results of the study conducted under this section, in-  
15 cluding any recommendations for regulatory or legislative  
16 changes that would improve consumer awareness of their  
17 privacy rights, their ability to opt-out from having their  
18 nonpublic personal information shared with unaffiliated  
19 third parties, and incentives to minimize broad sharing of  
20 nonpublic personal information with third parties, such as  
21 requirements to disclose with which unaffiliated third par-  
22 ties a financial institution shared nonpublic personal infor-  
23 mation.

24 (c) DEFINITIONS.—For purposes of this section, the  
25 terms “affiliate”, “consumer”, “financial institution”, and

- 1 “nonpublic personal information” have the meaning given
- 2 those terms, respectively, under section 509 of the
- 3 Gramm-Leach-Bliley Act (15 U.S.C. 6809).

