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[Report No. 118–822]

To amend the Gramm-Leach-Bliley Act to modernize the protection of the nonpublic personal information of individuals with whom financial institutions have customer or consumer relationship, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 24, 2023

Mr. MCHENRY introduced the following bill; which was referred to the
Committee on Financial Services

DECEMBER 5, 2024

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on February 24, 2023]

A BILL

To amend the Gramm-Leach-Bliley Act to modernize the protection of the nonpublic personal information of individuals with whom financial institutions have customer or consumer relationship, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the*
 5 *“Data Privacy Act of 2023”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 7 *this Act is as follows:*

Sec. 1. Short title; table of contents.

Sec. 2. Protection of nonpublic personal information.

Sec. 3. Obligations with respect to the collection and disclosure of nonpublic per-
sonal information.

Sec. 4. Disclosure of institution privacy policy.

Sec. 5. Rulemaking.

Sec. 6. Relation to State laws.

Sec. 7. Obligations with respect to access and deletion of nonpublic personal in-
formation.

Sec. 8. Obligations with respect to the international sharing of nonpublic per-
sonal information.

Sec. 9. Definitions.

Sec. 10. Repeal of expired provisions.

Sec. 11. GAO Report.

Sec. 12. Sense of Congress.

Sec. 13. Effective date.

8 **SEC. 2. PROTECTION OF NONPUBLIC PERSONAL INFORMA-**
 9 **TION.**

10 *Section 501 of the Gramm-Leach-Bliley Act (15 U.S.C.*
 11 *6801) is amended—*

12 (1) *in subsection (a)—*

13 (A) *by striking “of its customers” and in-*
 14 *serting “of individuals with whom such financial*
 15 *institution has a customer or consumer relation-*
 16 *ship”;* *and*

1 (B) by striking “those customers’ nonpublic
2 personal information” and inserting “those indi-
3 vidual’s nonpublic personal information”; and
4 (2) by adding at the end the following:

5 “(c) *USE OF NONPUBLIC PERSONAL INFORMATION.*—
6 Unless otherwise permitted under section 502(e), it shall be
7 unlawful for a financial institution to willfully use non-
8 public personal information without the consent of an indi-
9 vidual with whom the financial institution has a customer
10 or consumer relationship.”.

11 **SEC. 3. OBLIGATIONS WITH RESPECT TO THE COLLECTION**
12 **AND DISCLOSURE OF NONPUBLIC PERSONAL**
13 **INFORMATION.**

14 (a) *IN GENERAL.*—Section 502 of the Gramm-Leach-
15 Bliley Act (15 U.S.C. 6802) is amended—

16 (1) in the heading, by striking “**DISCLOSURES**
17 **OF**” and inserting “**THE COLLECTION AND DIS-**
18 **CLOSURE OF NONPUBLIC**”;

19 (2) in subsection (a)—

20 (A) by inserting before “disclose” the fol-
21 lowing: “collect nonpublic personal information
22 from an individual with whom such financial
23 institution has a customer or consumer relation-
24 ship or”; and

1 (B) by striking “has provided to the con-
2 sumer” and inserting “has provided to such in-
3 dividual”; and

4 (3) in subsection (b), by amending paragraph
5 (1) to read as follows:

6 “(1) *IN GENERAL.*—A financial institution may
7 not collect nonpublic personal information from an
8 individual with whom such financial institution has
9 a customer or consumer relationship or disclose non-
10 public personal information to a nonaffiliated third
11 party unless the individual with whom such financial
12 institution has a consumer or customer relationship
13 is given the opportunity, before the time that such in-
14 formation is initially collected or disclosed, to direct
15 that such information not be collected or disclosed to
16 such third party.”;

17 (4) in subsection (d)—

18 (A) by striking “of a consumer” and insert-
19 ing “of an individual with whom such financial
20 institution has a customer or consumer relation-
21 ship”; and

22 (B) by striking “telemarketing, direct mail
23 marketing, or other marketing through electronic
24 mail to the consumer” and inserting “marketing
25 to the individual with whom such financial in-

1 *stitution has a customer or consumer relation-*
2 *ship, regardless of medium”;*

3 *(5) in subsection (e)—*

4 *(A) in the heading, by striking “GENERAL”;*

5 *(B) by striking “Subsections (a) and (b)*
6 *shall not prohibit the disclosure of nonpublic*
7 *personal information” and inserting “The gen-*
8 *eral collection and disclosure procedures provided*
9 *in subsections (a) and (b) shall not prohibit or*
10 *otherwise limit the collection or disclosure of*
11 *nonpublic personal information”;*

12 *(C) by striking paragraphs (1) and (2) and*
13 *inserting the following:*

14 *“(1) if the collection or disclosure is—*

15 *“(A) necessary to effect, administer, or en-*
16 *force a transaction requested or authorized by the*
17 *individual with whom the financial institution*
18 *has a customer or consumer relationship;*

19 *“(B) in connection with servicing or proc-*
20 *essing a financial product or service requested or*
21 *authorized by the individual with whom the fi-*
22 *nancial institution has a customer or consumer*
23 *relationship;*

24 *“(C) with the consent or at the direction of*
25 *the individual with whom the financial institu-*

1 *tion has a customer or consumer relationship,*
2 *and the financial institution obtains, from such*
3 *individual, evidence of such individual's author-*
4 *ization for such collection or disclosure; or*

5 *“(D) in connection with—*

6 *“(i) maintaining or servicing the ac-*
7 *count, with such financial institution or*
8 *with another entity as part of a private*
9 *label or co-brand credit card program or an*
10 *extension of credit on behalf of such entity,*
11 *of an individual with whom such financial*
12 *institution or entity has a customer or con-*
13 *sumer relationship; or*

14 *“(ii) a proposed or actual*
15 *securitization, secondary market sale (in-*
16 *cluding sales of servicing rights), or similar*
17 *transaction related to an account or a*
18 *transaction of the individual which whom*
19 *such entity or financial institution has a*
20 *customer or consumer relationship; or*

21 *“(2) to a nonaffiliated third party to perform*
22 *services for, or functions on behalf of, the financial in-*
23 *stitution, including marketing of the financial insti-*
24 *tution's own products or services, or financial prod-*
25 *ucts or services offered pursuant to joint agreements*

1 *between two or more financial institutions that com-*
2 *ply with the requirements imposed by the regulations*
3 *prescribed under section 504, if the financial institu-*
4 *tion fully discloses the providing of such information*
5 *and enters into a contractual agreement with the*
6 *third party that requires the third party to maintain*
7 *the confidentiality of such information;”;*

8 *(D) in paragraph (3)—*

9 *(i) in subparagraph (A)—*

10 *(I) by striking “or security” and*
11 *inserting “, security, or integrity”;*

12 *(II) by striking “pertaining to the*
13 *consumer” and inserting “pertaining*
14 *to the individual with whom the finan-*
15 *cial institution has a customer or con-*
16 *sumer relationship”;*

17 *(III) by inserting before the semi-*
18 *colon the following: “, as well as the*
19 *systems, processes, and services that*
20 *handle such records”;*

21 *(ii) in subparagraph (B), by inserting*
22 *after “fraud,” the following: “identity*
23 *theft,”;*

24 *(iii) in subparagraph (C), by striking*
25 *“for resolving customer disputes or inquir-*

1 *ies” and inserting “for resolving disputes or*
2 *inquires relating to individuals with whom*
3 *the financial institution has a customer or*
4 *consumer relationship”;*

5 *(iv) in subparagraph (D), by striking*
6 *“relating to the consumer” and inserting*
7 *“relating to the individual with whom the*
8 *financial institution has a customer or con-*
9 *sumer relationship”;* and

10 *(v) in subparagraph (E), by striking*
11 *“behalf of the consumer” and inserting “be-*
12 *half of the individual with whom the finan-*
13 *cial institution has a customer or consumer*
14 *relationship”;* and

15 *(E) in paragraph (7)—*

16 *(i) by striking “or exchange” and in-*
17 *serting “exchange, or similar transaction”;*

18 *(ii) by striking “consumers of such*
19 *business or unit” and inserting “individ-*
20 *uals with whom such business or unit have*
21 *a customer or consumer relationship”;* and

22 *(iii) by inserting “collection or” before*
23 *“disclosure”;*

24 *(6) by adding at the end the following:*

1 “(f) *NOTIFICATION TO NONAFFILIATES WHEN SHAR-*
2 *ING IS TERMINATED.*—

3 “(1) *IN GENERAL.*—*If a financial institution is*
4 *required to terminate sharing nonpublic personal in-*
5 *formation, of an individual with whom such financial*
6 *institution has a customer or consumer relationship,*
7 *with a nonaffiliated third party—*

8 “(A) *the financial institution shall notify*
9 *the nonaffiliated third party that the sharing has*
10 *been terminated and that such nonaffiliated*
11 *third party may not share any nonpublic infor-*
12 *mation of the individual already received from*
13 *the financial institution; and*

14 “(B) *upon receipt of a notice described*
15 *under subparagraph (A), the nonaffiliated third*
16 *party may not share any nonpublic information*
17 *of such individual already received from the fi-*
18 *nancial institution.*

19 “(2) *RULEMAKING.*—*The agencies referred to in*
20 *section 504 shall issue rules to establish the require-*
21 *ments for notices under paragraph (1), including the*
22 *form of such notices, taking into account any privacy*
23 *risks posed by such notices.*

24 “(g) *REQUIREMENTS WITH RESPECT TO THE COLLEC-*
25 *TION OF ACCOUNT CREDENTIALS.*—*A financial institution*

1 *may not collect from an individual with whom such finan-*
2 *cial institution has a customer or consumer relationship ac-*
3 *count credentials such individual uses to access an account*
4 *at a nonaffiliated third party that is a financial institution*
5 *unless, prior to collecting the account credentials—*

6 “(1) *the financial institution clearly and con-*
7 *spicuously discloses to the individual, in a form per-*
8 *mitted by the regulations prescribed under section*
9 *504—*

10 “(A) *that the financial institution is col-*
11 *lecting such account credentials;*

12 “(B) *how such credentials will be used by*
13 *the financial institution; and*

14 “(C) *whether such credentials may be dis-*
15 *closed to a nonaffiliated third party; and*

16 “(2) *such individual is given an opportunity to*
17 *direct that such credentials not be collected or to di-*
18 *rect that such credentials not be disclosed to any non-*
19 *affiliated third party.”.*

20 (b) *CONFORMING AMENDMENT.—Section 509(3)(D) of*
21 *the Gramm-Leach-Bliley Act (15 U.S.C. 6809(3)(D)) is*
22 *amended by striking “section 502(e)(1)(C)” and inserting*
23 *“section 502(e)(1)(D)(ii)”.*

1 **SEC. 4. DISCLOSURE OF INSTITUTION PRIVACY POLICY.**

2 *Section 503 of the Gramm-Leach-Bliley Act (15 U.S.C.*
3 *6803) is amended—*

4 *(1) in subsection (a)—*

5 *(A) by striking “customer relationship with*
6 *a consumer” and inserting “customer or con-*
7 *sumer relationship”;*

8 *(B) by striking “clear and conspicuous dis-*
9 *closure to such consumer” and inserting “clear*
10 *and conspicuous disclosure to such individual*
11 *with whom such financial institution has a cus-*
12 *tomers or consumer relationship”;*

13 *(C) by redesignating paragraphs (1), (2),*
14 *and (3) as paragraphs (2), (3), and (4), respec-*
15 *tively;*

16 *(D) by inserting before paragraph (2), as so*
17 *redesignated, the following:*

18 *“(1) collecting nonpublic personal information;”;*

19 *(E) in paragraph (3), as so redesignated, by*
20 *striking “have ceased to be customers of” and in-*
21 *serting “have ceased to have a customer or con-*
22 *sumer relationship with”; and*

23 *(F) in paragraph (4), as so redesignated, by*
24 *striking “personal information of consumers”*
25 *and inserting “personal information of individ-*

1 uals with whom such financial institution has a
2 customer or consumer relationship”;

3 (2) by redesignating subsections (b) through (f)
4 as subsections (c) through (g), respectively;

5 (3) by inserting after subsection (a) the fol-
6 lowing:

7 “(b) *DISCLOSURE UPON REQUEST.*—*Upon the request*
8 *of an individual with whom a financial institution has a*
9 *customer or consumer relationship, a financial institution*
10 *shall provide such individual with a copy of the disclosures*
11 *required by subsection (a) in writing or in electronic or*
12 *other form as permitted by the regulations prescribed under*
13 *section 504.”; and*

14 (4) in subsection (d), as so redesignated—

15 (A) in paragraph (1)—

16 (i) by inserting “collecting or” before
17 “disclosing nonpublic”; and

18 (ii) by striking subparagraph (B) and
19 inserting the following:

20 “(B) *the purpose for which the financial in-*
21 *stitution collects the nonpublic personal informa-*
22 *tion of individuals with whom the financial in-*
23 *stitution has a customer or consumer relation-*
24 *ship, as well as how the information will be*
25 *used;”;*

1 (B) in paragraph (2), by inserting before
2 the semicolon the following: “, provided in a
3 manner that provides individuals with whom the
4 financial institution has a customer or consumer
5 relationship a meaningful understanding of the
6 information that is collected”;

7 (C) in paragraph (3), by striking “and” at
8 the end;

9 (D) in paragraph (4), by striking the pe-
10 riod at the end and inserting a semicolon; and

11 (E) by adding at the end the following:

12 “(5) if the financial institution collects non-
13 public personal information for any purpose other
14 than to provide a specific product or service such an
15 individual is seeking—

16 “(A) a description of such information;

17 “(B) the purpose for which such informa-
18 tion is collected; and

19 “(C) the right of such individual to opt out
20 of having such nonpublic personal information
21 collected or disclosed to a nonaffiliated third
22 party, and the manner in which such individual
23 may make such opt out election;

24 “(6) the data retention policies of the financial
25 institution, including—

1 “(A) the period of time for which the finan-
2 cial institution retains the nonpublic personal
3 information relating to such individual; or

4 “(B) the criteria used by the financial insti-
5 tution to determine the period of time for which
6 such information is retained;

7 “(7) the right of such individual to direct the fi-
8 nancial institution to terminate the sharing of non-
9 public personal information with a nonaffiliated
10 third party, and the manner in which such indi-
11 vidual may make such direction;

12 “(8) the right of such individual to request that
13 the financial institution provide the individual with
14 a list of all nonpublic personal information relating
15 to the individual held by the financial institution,
16 and the manner in which the individual may make
17 such request; and

18 “(9) the right of such individual to direct the fi-
19 nancial institution to delete nonpublic personal infor-
20 mation of the individual held by the financial institu-
21 tion (subject to the exceptions provided under section
22 502A(b)(3)), and the manner in which the individual
23 may make such direction.”;

24 (5) in subsection (f), as so redesignated—

1 (A) in paragraph (2)(A), by striking “to
2 consumers” and inserting “to individuals with
3 whom a financial institution has a customer or
4 consumer relationship”; and

5 (B) in paragraph (2)(C), by striking “en-
6 able consumers” and inserting “enable individ-
7 uals with whom a financial institution has a
8 customer or consumer relationship”; and

9 (6) in subsection (g), as so redesignated, by strik-
10 ing “sent to consumers” and inserting “sent to indi-
11 viduals with whom a financial institution has a cus-
12 tomer or consumer relationship”.

13 **SEC. 5. RULEMAKING.**

14 Section 504 of the Gramm-Leach-Bliley Act (15 U.S.C.
15 6804) is amended—

16 (1) in subsection (a)(1)—

17 (A) by striking subparagraph (D) and in-
18 serting the following:

19 “(D) *INSURANCE.*—

20 “(i) *IN GENERAL.*—With respect to any
21 person engaged in providing insurance, the
22 applicable State insurance authority of the
23 State in which the person is domiciled shall
24 issue regulations as may be necessary to

1 *carry out the purposes of this subtitle, sub-*
2 *ject to section 505(c).*

3 “(ii) *LIMITATION.—Regulations issued*
4 *by a State insurance authority under this*
5 *subparagraph may be no more restrictive*
6 *for a person engaged in providing insurance*
7 *than those regulations issued by the agencies*
8 *coordinating for consistency and com-*
9 *parability under paragraph (2).”;* and
10 (2) *by adding at the end the following:*

11 “(c) *CONSIDERATION OF COMPLIANCE COSTS.—When*
12 *prescribing rules under this subtitle, agencies shall take into*
13 *account the compliance cost such rules will impose on small*
14 *institutions.”.*

15 **SEC. 6. RELATION TO STATE LAWS.**

16 *Section 507 of the Gramm-Leach-Bliley Act (15 U.S.C.*
17 *6807) is amended to read as follows:*

18 **“SEC. 507. RELATION TO STATE LAWS.**

19 *“This subtitle and the amendments made by this sub-*
20 *title supersede any statute or rule of a State or political*
21 *subdivision thereof that regulates the obligations of a finan-*
22 *cial institution with respect to—*

23 *“(1) the collection or disclosure of personal infor-*
24 *mation;*

1 “(2) the disclosure of the financial institution’s
2 privacy policy or information about the financial in-
3 stitution’s privacy policies and practices;

4 “(3) the access to, deletion of, or other individual
5 privacy rights with respect to personal information;
6 or

7 “(4) the international sharing of personal infor-
8 mation.”.

9 **SEC. 7. OBLIGATIONS WITH RESPECT TO ACCESS AND DE-**
10 **LETION OF NONPUBLIC PERSONAL INFORMA-**
11 **TION.**

12 (a) *IN GENERAL.*—Title V of the Gramm-Leach-Bliley
13 Act (15 U.S.C. 6801 et seq.) is amended by inserting after
14 section 502 the following:

15 **“SEC. 502A. OBLIGATIONS WITH RESPECT TO ACCESS AND**
16 **DELETION OF NONPUBLIC PERSONAL INFOR-**
17 **MATION.**

18 “(a) *ACCESS TO INFORMATION.*—

19 “(1) *IN GENERAL.*—Upon an authorized request
20 from an individual with whom a financial institu-
21 tion has a customer or consumer relationship, a fi-
22 nancial institution shall disclose—

23 “(A) any nonpublic personal information
24 relating to such individual held by the financial
25 institution;

1 “(B) the list of categories of nonaffiliated
2 third parties with whom the financial institu-
3 tion shares nonpublic personal information re-
4 lating to such individual; and

5 “(C) the list of categories of nonaffiliated
6 third parties from whom the financial institu-
7 tion has received nonpublic personal information
8 relating to such individual.

9 “(2) *FORMAT.*—Disclosures described under
10 paragraph (1) shall be in a structured, commonly
11 used, and machine-readable format.

12 “(3) *EXCEPTION.*—For purposes of subpara-
13 graphs (B) and (C) of paragraph (1), a financial in-
14 stitution is not required to disclose a nonaffiliated
15 third party with whom the financial institution
16 shares or receives nonpublic personal information re-
17 lating to such individual pursuant to an exception
18 described under any of paragraphs (3) through (8) of
19 section 502(e).

20 “(b) *DELETION OF INFORMATION.*—

21 “(1) *IN GENERAL.*—Upon an authorized request
22 from an individual with whom a financial institu-
23 tion has a customer or consumer relationship, a fi-
24 nancial institution shall delete any nonpublic per-

1 sonal information relating to such individual held by
2 the financial institution.

3 “(2) *CERTAIN INACTIVE ACCOUNTS.*—If such in-
4 dividual has not used a product or service provided
5 by a financial institution for 1 year, the financial in-
6 stitution shall—

7 “(A) notify such individual that such indi-
8 vidual has the right to request the deletion of any
9 nonpublic personal information relating to such
10 individual held by the financial institution, and
11 provide such individual with clear instructions
12 on how to make such request; and

13 “(B) for each additional 1-year period with
14 respect to which such person continues to not use
15 a product or service of the financial institution,
16 resend the notice described under subparagraph
17 (A).

18 “(3) *EXCEPTION.*—

19 “(A) *IN GENERAL.*—This subsection shall
20 not require a financial institution to delete non-
21 public personal information if—

22 “(i) the financial institution is other-
23 wise required by law to retain the non-
24 public personal information;

1 “(ii) *the nonpublic personal informa-*
2 *tion may be necessary to respond to a dis-*
3 *pute under the Fair Credit Reporting Act;*
4 *or*

5 “(iii) *the nonpublic personal informa-*
6 *tion may be necessary to retain for a pur-*
7 *pose described in an exception under section*
8 *502(e).*

9 “(B) *LIMITATION ON RETAINED NONPUBLIC*
10 *PERSONAL INFORMATION.—With respect to non-*
11 *public personal information that a financial in-*
12 *stitution would be required to delete under this*
13 *subsection but for the application of this para-*
14 *graph, the financial institution may only use*
15 *such nonpublic personal information for the ap-*
16 *plicable purpose described under subparagraph*
17 *(A).*

18 “(c) *TIMING.—A financial institution that receives an*
19 *authorized request, under this section, from an individual*
20 *with whom such financial institution has a customer or*
21 *consumer relationship, shall respond within 45 business*
22 *days.*

23 “(d) *RULEMAKING.—Not later than the end of the 1-*
24 *year period beginning on the date of enactment of this sec-*
25 *tion, each agency or authority described in section 504 shall*

1 *issue rules to carry out this section with respect to the fi-*
 2 *nancial institutions subject to its jurisdiction.”.*

3 (b) *CLERICAL AMENDMENT.*—*The table of contents in*
 4 *section 1(b) of the Gramm-Leach-Bliley Act is amended by*
 5 *inserting after the item relating to section 502 the following:*

“*Sec. 502A. Obligations with respect to access and deletion of nonpublic personal information.*”.

6 **SEC. 8. OBLIGATIONS WITH RESPECT TO THE INTER-**
 7 **NATIONAL SHARING OF NONPUBLIC PER-**
 8 **SONAL INFORMATION.**

9 (a) *IN GENERAL.*—*Title V of the Gramm-Leach-Bliley*
 10 *Act (15 U.S.C. 6801 et seq.), as amended by section 10,*
 11 *is further amended by inserting after section 502A the fol-*
 12 *lowing:*

13 **“SEC. 502B. OBLIGATIONS WITH RESPECT TO THE INTER-**
 14 **NATIONAL SHARING OF NONPUBLIC PER-**
 15 **SONAL INFORMATION.**

16 “(a) *IN GENERAL.*—*A financial institution may not*
 17 *share with a foreign government nonpublic personal infor-*
 18 *mation relating to an individual with whom such financial*
 19 *institution has a customer or consumer relationship.*

20 “(b) *LAW ENFORCEMENT EXCEPTION.*—*Subsection (a)*
 21 *shall not apply to the sharing of the nonpublic personal*
 22 *information relating to such an individual with a foreign*
 23 *government authority if such sharing is—*

1 “(1) done for legitimate law enforcement pur-
2 poses; or

3 “(2) to a foreign government authority having
4 jurisdiction over the financial institution for exam-
5 ination, compliance, or other purposes as authorized
6 by law.”.

7 **(b) CLERICAL AMENDMENT.**—*The table of contents in*
8 *section 1(b) of the Gramm-Leach-Bliley Act, as amended*
9 *by section 10, is further amended by inserting after the item*
10 *relating to section 502A the following:*

*“Sec. 502B. Obligations with respect to the international sharing of nonpublic
personal information”.*

11 **SEC. 9. DEFINITIONS.**

12 *Section 509 of the Gramm-Leach-Bliley Act (15 U.S.C.*
13 *6809) is amended—*

14 (1) *in paragraph (3)(A), by inserting before the*
15 *period at the end the following: “and includes a data*
16 *aggregator”;*

17 (2) *in paragraph (4), by striking “personally*
18 *identifiable financial information” and inserting “in-*
19 *formation that identifies, relates to, describes, is rea-*
20 *sonably capable of being associated with, or could rea-*
21 *sonably be linked, directly or indirectly, with a par-*
22 *ticular individual and is”;*

23 (3) *in paragraph (7), by inserting “collection*
24 *or” before “disclosure” each place such term appears;*

1 (4) *by striking paragraph (9);*

2 (5) *by amending paragraph (11) to read as fol-*
3 *lows:*

4 “(11) *CUSTOMER OR CONSUMER RELATION-*
5 *SHIP.—*

6 “(A) *IN GENERAL.—The term ‘customer or*
7 *consumer relationship’ means a customer rela-*
8 *tionship or a consumer relationship.*

9 “(B) *CUSTOMER RELATIONSHIP.—The term*
10 *‘customer relationship’ shall have the meaning*
11 *given the term in rules issued pursuant to sec-*
12 *tion 504.*

13 “(C) *CONSUMER RELATIONSHIP.—The term*
14 *‘consumer relationship’ shall have the meaning*
15 *given the term in rules issued pursuant to sec-*
16 *tion 504 and such meaning shall—*

17 “(i) *include situations in which a fi-*
18 *ancial institution obtains nonpublic infor-*
19 *mation from an individual with whom the*
20 *financial institution does not have a cus-*
21 *tomers relationship; and*

22 “(ii) *deem a financial institution to no*
23 *longer to be in a consumer relationship*
24 *with an individual at such time as the fi-*
25 *ancial institution no longer collects, con-*

1 *trols, possesses, transmits, or maintains any*
2 *nonpublic personal information of such in-*
3 *dividual.*

4 “(D) *TREATMENT OF CERTAIN TRANS-*
5 *ACTIONS.—When the terms ‘customer relation-*
6 *ship’ and ‘consumer relationship’ are defined by*
7 *rule, it shall be specified that the following trans-*
8 *actions do not, by themselves, establish a con-*
9 *sumer relationship or a consumer relationship:*

10 “(i) *The use of an automated teller*
11 *machine.*

12 “(ii) *The use of a credit card or debit*
13 *card to make a purchase.*

14 “(iii) *Such other similar transactions*
15 *as the agencies determine appropriate.”;*
16 *and*

17 (6) *by adding at the end the following:*

18 “(12) *ACCOUNT CREDENTIALS.—The term ‘ac-*
19 *count credentials’ means nonpublic personal informa-*
20 *tion that an individual with whom a financial insti-*
21 *tution has a customer or consumer relationship uses*
22 *to access an account of the individual at such finan-*
23 *cial institution, including a username, password, or*
24 *an answer to a security question.*

1 “(13) *DATA AGGREGATOR*.—The term ‘data
2 *aggregator*’—

3 “(A) means any person that operates a
4 commercial business or enterprise for the busi-
5 ness purpose of accessing, aggregating, collecting,
6 selling, or sharing nonpublic personal informa-
7 tion about financial accounts or transactions re-
8 lating to an individual; and

9 “(B) does not include—

10 “(i) a service provider acting at the ex-
11 press instruction of a financial institution
12 that accesses, aggregates, collects, or shares
13 nonpublic personal information about an
14 individual with whom such financial insti-
15 tution has a customer or consumer relation-
16 ship in accordance with paragraphs (1),
17 (2), (3)(A), (3)(B), (3)(C), (3)(D), or (6) of
18 section 502(e); or

19 “(ii) an attorney or accountant acting
20 on behalf of an individual with whom such
21 attorney or accountant has a customer or
22 consumer relationship, in accordance with
23 section 502(e)(3)(E).

24 “(14) *PERSON ENGAGED IN PROVIDING INSUR-*
25 *ANCE*.—The term ‘person engaged in providing insur-

1 *ance’ means a person that engages in the business of*
2 *insurance, as that term is defined in section 1002 of*
3 *the Dodd-Frank Wall Street Reform and Consumer*
4 *Protection Act (12 U.S.C. 5481).”.*

5 **SEC. 10. REPEAL OF EXPIRED PROVISIONS.**

6 *The Gramm-Leach-Bliley Act is amended—*

7 (1) *by striking section 508 (15 U.S.C. 6808);*

8 *and*

9 (2) *in the table of contents in section 1(b), by*
10 *striking the item relating to section 508.*

11 **SEC. 11. GAO REPORT.**

12 (a) *IN GENERAL.—The Comptroller General of the*
13 *United States shall, not later than 1 year after the date*
14 *of the enactment of this Act, submit to the Congress a report*
15 *that assesses—*

16 (1) *whether the safeguard standards promulgated*
17 *pursuant to section 501 of the Gramm-Leach-Bliley*
18 *Act, including protecting against unauthorized disclo-*
19 *sure, are effective in protecting individuals with*
20 *whom financial institutions have a customer or con-*
21 *sumer relationship; and*

22 (2) *whether the enforcement regime with respect*
23 *to those standards are effective in protecting cus-*
24 *tomers and consumers, and whether additional rem-*
25 *edies are necessary.*

1 (b) *DEFINITIONS.*—*In this section, the terms “cus-*
2 *tomers or consumer relationship” and “financial institu-*
3 *tion” have the meaning given those terms, respectively,*
4 *under section 509 of the Gramm-Leach-Bliley Act (15*
5 *U.S.C. 6809), as amended by section 9.*

6 **SEC. 12. SENSE OF CONGRESS.**

7 *It is the sense of the Congress that the Federal agencies*
8 *implementing the Gramm-Leach-Bliley Act should imple-*
9 *ment such Act, to the extent possible, in a technology-agnos-*
10 *tic manner so as to ensure it can adapt to different business*
11 *models and technologies.*

12 **SEC. 13. EFFECTIVE DATE.**

13 *The amendments made by this Act shall take effect on*
14 *the date that is the earlier of—*

15 (1) *the date that is one year after the date on*
16 *which all rulemaking required under this Act is com-*
17 *plete; or*

18 (2) *the date that is 2 years after the date of the*
19 *enactment of this Act.*

Union Calendar No. 673

118TH CONGRESS
2^D SESSION

H. R. 1165

[Report No. 118-822]

A BILL

To amend the Gramm-Leach-Bliley Act to modernize the protection of the nonpublic personal information of individuals with whom financial institutions have customer or consumer relationship, and for other purposes.

DECEMBER 5, 2024

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed