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## HOUSE APPROVES LEGISLATION TO ELIMINATE DUPLICATIVE CONSUMER PRIVACY NOTICES

The U.S. House of Representatives approved by a voice vote on April 14 an amendment to the Gramm-Leach-Bliley Act that will provide an exemption from annual privacy notice updates for financial institutions that do not share non-public consumer information with unaffiliated third parties or make changes to their privacy policies. Currently, a financial institution is required to send out privacy notices annually, even if its privacy policy has not changed and it does not share customer information.

The legislation was considered under "suspension of the rules," a process reserved for noncontroversial legislation that limits debate to 40 minutes, bars any amendments, and requires a two-thirds majority vote for passage. The measure bypassed a vote by the House Financial Services Committee and went straight to the House floor, with the blessing of Committee chairman Barney Frank (D-Mass.) and ranking member Spencer Bachus (R-Ala).

There is currently no companion bill in the Senate, but there is at least a reasonable possibility that a companion bill will be introduced into and passed by the Senate during this session.

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