

117TH CONGRESS
1ST SESSION

H. R. 3911

To amend the Gramm-Leach-Bliley Act to establish procedures for disclosures by financial institutions of nonpublic personal information, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 2021

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

A BILL

To amend the Gramm-Leach-Bliley Act to establish procedures for disclosures by financial institutions of nonpublic personal information, 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. DATA BREACHES.**

4 (a) IN GENERAL.—Title V of the Gramm-Leach-Bli-
5 ley Act (15 U.S.C. 6801 et seq.) is amended by inserting
6 after section 502 the following:

7 **“SEC. 502A. DATA BREACHES.**

8 “(a) IN GENERAL.—A financial institution shall sub-
9 mit to the Director of the Bureau of Consumer Financial

1 Protection a report if the financial institution discloses
2 nonpublic personal information of a consumer in violation
3 of this subtitle. Such report shall—

4 “(1) be submitted not later than 72 hours after
5 the financial institution discovers such violation;

6 “(2) identify the name and contact information
7 of an individual who can provide more information
8 to the Bureau about the violation;

9 “(3) describe the nature of the violation, includ-
10 ing (if possible) the categories and approximate
11 number of consumers affected and the categories
12 and approximate number of records of nonpublic
13 personal information affected;

14 “(4) describe the likely consequences of the vio-
15 lation; and

16 “(5) describe the measures taken or proposed
17 to be taken by the financial institution to address
18 the violation, including, where appropriate, measures
19 to mitigate its possible adverse effects.

20 “(b) BUREAU DETERMINATION.—

21 “(1) IN GENERAL.—Upon receipt of a report
22 under subsection (a), the Director of the Bureau of
23 Consumer Financial Protection shall assess whether
24 any violation described in such report poses a high
25 risk of harm to consumers affected by such a viola-

1 tion, and if so, require the financial institution to
2 disclose the violation to such consumers.

3 “(2) REQUIREMENTS.—The disclosure required
4 under paragraph (1) shall—

5 “(A) describe the nature of the violation,
6 including (if possible) the categories and ap-
7 proximate number of consumers affected and
8 the categories and approximate number of
9 records of nonpublic personal information af-
10 fected;

11 “(B) identify the name and contact infor-
12 mation of an individual who can provide more
13 information to consumers about the violation;

14 “(C) describe the likely consequences of
15 the of the violation; and

16 “(D) describe of the measures taken or
17 proposed to be taken by the financial institution
18 to address the violation, including, where appro-
19 priate, measures to mitigate its possible adverse
20 effects.

21 “(3) DISCLOSURE NOT REQUIRED.—A financial
22 institution is not required to disclose a violation
23 under paragraph (1) if—

24 “(A) the financial institution has imple-
25 mented appropriate measures to ensure that the

1 the nonpublic personal information affected by
2 the violation would not be usable by a third
3 party; and

4 “(B) the Director of the Bureau of Con-
5 sumer Financial Protection has determined that
6 the financial institution has taken action to pre-
7 vent harm to consumers as a result of the viola-
8 tion.

9 “(c) RULEMAKING.—Not later than the end of the
10 1-year period beginning on the date of enactment of this
11 section, the Director of the Bureau of Consumer Financial
12 Protection and the Federal agencies described under sec-
13 tion 505(a) shall, jointly, issue rules to carry out this sec-
14 tion.”.

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