

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.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 2021

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

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## 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-

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

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

“(A) describe the nature of the violation, including (if possible) the categories and approximate number of consumers affected and the categories and approximate number of records of nonpublic personal information affected;

“(B) identify the name and contact information of an individual who can provide more information to consumers about the violation;

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

“(D) describe of the measures taken or proposed to be taken by the financial institution to address the violation, including, where appropriate, measures to mitigate its possible adverse effects.

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

“(A) the financial institution has implemented 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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