Consumer Financial Services Alert: New Legislation Creates Exception for Annual GLBA Privacy Notices

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On Friday, December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation Act (FAST Act). This legislation was hailed as the first long-term transportation bill adopted in a decade. As is often the case with major legislation, there were a number of other laws included under its broad umbrella. One of the other laws included in the FAST Act was an amendment to the Gramm-Leach-Bliley Act (GLBA) requirement to provide annual privacy notices.

Section 75001 of the FAST Act adds an exception to the annual notice delivery requirement for financial institutions that **(1)** limit their sharing of nonpublic personal information to the standard exceptions provided under GLBA (e.g., sharing under joint marketing agreements, for servicing accounts, when required by law, etc.), and **(2)** have not changed their policies and practices regarding disclosure of nonpublic personal information since the most recent disclosure sent to consumers. As a result, financial institutions that meet these requirements will no longer be required to send annual privacy disclosures to consumers.

If you have any questions about these legislative changes, please contact George Meinz at 320.252.4414 or george.meinz@lathropgpm.com.