

# Proposed CFPB Rule Would Allow Online Posting of GLBA Privacy Notices

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The Gramm-Leach-Bliley Act (GLBA) requires financial institutions to provide customers with initial and annual notices of their privacy policies, including whether they share consumers' non-public information with third parties, and an opportunity to opt out of such information sharing. Many financial institutions mail printed copies of their annual GLBA privacy notices. In response to industry concerns about consumer "information overload," the CFPB issued a proposed new rule in May, which would permit CFPB-supervised entities that do not share certain types of consumer information to post annual privacy notices on their websites instead of mailing them. Financial institutions covered by the proposed CFPB rule include depository and non-depository institutions and other entities that provide consumer financial products or services subject to CFPB regulation, such as mortgage brokers, loan servicers, and debt collectors. The Bureau also coordinated with the SEC, CFTC, and the National Association of Insurance Commissioners, in developing the proposed alternative method for delivering the notices. The proposed regulation provides that a financial institution may reasonably expect a consumer to receive actual notice of its annual privacy notices published online if the customer uses the institution's website to access financial products and services, agrees to receive notices at the website, and the notice is continuously posted in a clear and conspicuous manner on the website, or, if the customer has requested that the institution not send information regarding the customer relationship, but the current privacy notice remains available to the customer on request. In addition, to be permitted to deliver the notice online, the financial institution must not share non-public consumer personal information with non-affiliated third parties in a manner that triggers GLBA opt-out rights, or share information with affiliates in a manner that triggers affiliate information sharing opt-out rights under Sec. 603(d)(2)(A)(iii) of the Fair Credit Report Act ("FCRA"). Further, if an opt-out notice for sharing of information among affiliates for solicitation and marketing purposes is required under Sec 624 of the FCRA, the online notice must not be the only method for providing such notice. The institution must also use the model form

provided in the GLBA's implementing Regulation P. [Click here](#) for the full text of the CFPB's Advanced Notice of Proposed Rulemaking.

## Related Practices

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