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(Original Signature of Member)

115TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend the Gramm-Leach-Bliley Act to provide a national standard for financial institution data security and breach notification on behalf of all consumers, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. LUETKEMEYER introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Gramm-Leach-Bliley Act to provide a national standard for financial institution data security and breach notification on behalf of all consumers, 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. SHORT TITLE.**

4 This Act may be cited as the “Consumer Information  
5 Notification Requirement Act”.

1 **SEC. 2. BREACH NOTIFICATION STANDARDS.**

2 Section 501 of the Gramm-Leach-Bliley Act (15  
3 U.S.C. 6801) is amended—

4 (1) in subsection (b)(3) by striking the period  
5 at the end and inserting “, including through the  
6 provision of a breach notice in the event of unau-  
7 thORIZED access that is reasonably likely to result in  
8 identity theft, fraud, or economic loss.”; and

9 (2) by adding at the end the following:

10 “(c) STANDARDS WITH RESPECT TO BREACH NOTI-  
11 FICATION.—Each agency or authority required to estab-  
12 lish standards described under subsection (b)(3) with re-  
13 spect to the provision of a breach notice shall establish  
14 the standards with respect to such notice that are con-  
15 tained in the interpretive guidance issued by the Comp-  
16 troller of the Currency, the Board of Governors of the  
17 Federal Reserve System, the Federal Deposit Insurance  
18 Corporation, and the Office of Thrift Supervision titled  
19 ‘Interagency Guidance on Response Programs for Unau-  
20 thorized Access to Customer Information and Customer  
21 Notice’, published March 29, 2005 (70 Fed. Reg. 15736),  
22 and for a financial institution that is not a bank, such  
23 standards shall be applied to the institution as if the insti-  
24 tution was a bank to the extent appropriate and prac-  
25 ticable.

26 “(d) INSURANCE.—

1           “(1) ENFORCEMENT.—Notwithstanding section  
2           505(a)(6), with respect to an entity engaged in pro-  
3           viding insurance, the standards under subsection (b)  
4           shall be enforced—

5                   “(A) with respect to any such standards  
6           related to data security safeguards, by—

7                           “(i) the State insurance authority of  
8                           the State in which the entity is domiciled;  
9                           or

10                           “(ii) in the case of an insurance  
11                           agent, agency, or brokerage, the State in-  
12                           surance authority of the State in which  
13                           such agent, agency, or brokerage has its  
14                           principal place of business; and

15                   “(B) with respect to any such standards  
16           related to notification of the breach of data se-  
17           curity, by the State insurance authority of any  
18           State in which customers of the entity are af-  
19           fected by such a breach of data security.

20           “(2) NOTIFICATION BY ASSUMING INSURER.—

21                   “(A) IN GENERAL.—Notwithstanding sub-  
22           section (b), an assuming insurer that experi-  
23           ences a breach of data security shall only be re-  
24           quired to notify the State insurance authority

1 of the State in which the assuming insurer is  
2 domiciled.

3 “(B) ASSUMING INSURER DEFINED.—For  
4 purposes of this paragraph, the term ‘assuming  
5 insurer’ means an entity engaged in providing  
6 insurance that acquires an insurance obligation  
7 or risk from another entity engaged in pro-  
8 viding insurance pursuant to a reinsurance  
9 agreement.

10 “(3) SAFEGUARDS FOR INSURANCE CUS-  
11 TOMERS.—In carrying out subsection (b) with re-  
12 spect to an entity engaged in providing insurance, a  
13 State insurance authority shall establish the stand-  
14 ards for safeguarding customer information main-  
15 tained by entities engaged in activities described in  
16 section 4(k)(4)(B) of the Bank Holding Company  
17 Act of 1956 (12 U.S.C. 1843(4)(k)(4)(B)) that are  
18 the same as the standards contained in the inter-  
19 agency guidelines issued by the Comptroller of the  
20 Currency, the Board of Governors of the Federal  
21 Reserve Board, the Federal Deposit Insurance Cor-  
22 poration, and the Office of Thrift Supervision titled  
23 ‘Interagency Guidelines Establishing Standards for  
24 Safeguarding Customer Information’, published Feb-  
25 ruary 1, 2001 (66 Fed. Reg. 8633), and such stand-

1 ards shall be applied as if the entity engaged in pro-  
2 viding insurance was a bank to the extent appro-  
3 priate and practicable.”.

4 **SEC. 3. PREEMPTION WITH RESPECT TO FINANCIAL INSTI-  
5 TUTION SAFEGUARDS.**

6 Section 507 of the Gramm-Leach-Bliley Act (15  
7 U.S.C. 6807) is amended to read as follows:

8 **“SEC. 507. RELATION TO STATE LAWS.**

9 “(a) IN GENERAL.—This subtitle preempts any law,  
10 rule, regulation, requirement, standard, or other provision  
11 having the force and effect of law of any State, or political  
12 subdivision of a State, with respect to securing personal  
13 information from unauthorized access or acquisition, in-  
14 cluding notification of unauthorized access or acquisition  
15 of data.

16 “(b) INSURANCE.—Subsection (a) shall not prevent  
17 a State or political subdivision of a State from establishing  
18 the standards for entities engaged in providing insurance  
19 required by sections 501(c) and 501(d), provided the  
20 standards established by such State or political subdivision  
21 do not impose any requirement that is in addition to or  
22 different from those standards, except where necessary to  
23 effectuate the purposes of this subtitle.”.