GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2001

H HOUSE BILL 1113

Short Title: Financial Records Kept Confidential. (Public)

Sponsors: Representative Baddour.

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Referred to: Financial Institutions.

April 11, 2001 A BILL TO BE ENTITLED 1 2 AN ACT TO LIMIT DISCLOSURE OF CONSUMER FINANCIAL INFORMATION 3 TO THIRD PERSONS AND TO PROVIDE FOR EDUCATION OF THE PUBLIC 4 ON THOSE LIMITATIONS. 5 The General Assembly of North Carolina enacts: **SECTION 1.** G.S. 53-43 is amended by adding a new subdivision to 6 7 read: 8 "(11) To furnish consumer information or records to nonaffiliated third 9 persons to the extent permitted by the Gramm-Leach-Bliley Act of 1999 (Public Law 106-102), provided the bank complies with the 10 consumer disclosure requirements and opt-out provisions of that 11 Act, as applicable." 12 **SECTION 2.** G.S. 54-109.21 is amended by adding a new subdivision to 13 14 read: "(27) Furnish consumer information or records to nonaffiliated third 15 persons to the extent permitted by the Gramm-Leach-Bliley Act of 16 1999 (Public Law 106-102), provided the credit union complies 17 18 with the consumer disclosure requirements and opt-out provisions of that Act, as applicable." 19 20 SECTION 3. Article 4 of Chapter 54B of the General Statutes is amended by adding a new section to read: 21 "§ 54B-63.2. Disclosure of consumer information. 22 An association may furnish consumer information or records to nonaffiliated 23

An association may furnish consumer information or records to nonaffiliated third persons to the extent permitted by the Gramm-Leach-Bliley Act of 1999 (Public Law 106-102), provided the association complies with the consumer disclosure requirements and opt-out provisions of that Act, as applicable."

SECTION 4. Article 4 of Chapter 54C of the General Statutes is amended by adding a new section to read:

"§ 54C-60.2. Disclosure of consumer information.

A savings bank may furnish consumer information or records to nonaffiliated third persons to the extent permitted by the Gramm-Leach-Bliley Act of 1999 (Public Law 106-102), provided the savings bank complies with the consumer disclosure requirements and opt-out provisions of that Act, as applicable."

SECTION 5. The Attorney General shall develop and implement a public education program to inform the public of the requirements of the Gramm-Leach-Bliley Act. The program shall educate the public regarding:

- (1) The legal right of customers to opt-out, the limitations of opt-out, and how customers exercise their rights to opt-out of information sharing.
- (2) The fact that financial institutions are required to provide customers with initial and annual privacy notices and what those notices must contain.
- (3) Categories of information about customers that financial institutions are allowed to disclose to third persons.
- (4) Categories of information that financial institutions collect about customers.

SECTION 6. This act is effective when it becomes law, and Section 5 of this act shall not become effective until and unless the Attorney General receives State, federal, or private funds to implement that section.