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National Association of Federal Credit Unions | www.nafcu.org

December 3, 2012

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Support H.R. 5817, the *Eliminate Privacy Notice Confusion Act*

Dear Speaker Boehner and Minority Leader Pelosi:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing the interests of our nation's federally chartered credit unions, I write in conjunction with today's scheduled suspension vote on H.R. 5817, the *Eliminate Privacy Notice Confusion Act*. This legislation is a good first step toward eliminating an unnecessary, redundant and costly annual privacy policy notice requirement. NAFCU appreciates Representative Luetkemeyer's leadership on this issue and urges the House to support this measure.

The Gramm-Leach-Bliley Act (P.L. 106-102), enacted in 1999, requires financial institutions and a wide variety of other businesses to issue privacy disclosure notices to consumers that detail the institution's privacy policies if it shares customers' non-public personal information with affiliates or third parties. The law also requires telling existing and potential customers of their right to opt out of sharing non-public personal information with third parties. Such disclosures must take place when a customer relationship is first established and annually in paper form as long as the relationship continues *even if no changes have occurred*. This legislation would help eliminate the confusion by providing some exemptions from this outdated requirement for institutions whose policies have not changed.

The privacy notice, for most institutions, is readily available for view online, as well as available at branch locations for consumers to acquire if they so wish. The staff resources and money wasted to send the required notice to millions of credit union members every year are resources that could better serve them in the form of loans or interest payments.

As many institutions and consumers are earnestly attempting to "go green", the current requirement stands in stark contrast. This legislation would help save credit unions valuable staff resources, lower the cost of financial services, and reverse the negative environmental impact caused by such a requirement, while not harming consumers.

We urge your support of this important measure. Thank you for your consideration and should you have any questions or require any additional information please feel free to contact me or Brad Thaler, NAFCU's Vice President of Legislative Affairs, at 703-842-2204 or bthaler@nafcu.org.

Sincerely,

B. Dan Berger
Executive Vice President, Government Affairs

cc: Members of the House of Representatives